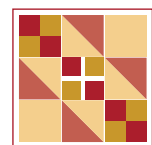


2016 ANNUAL REPORT

July 1, 2015 to
June 30, 2016



WWW.FELLOWSHIPSQUARE.ORG

Fellowship Square

FY2016 Board of Directors

Fellowship Square Foundation

Chuck Wortman, *President*
Rev. Dave Pearcy, *Vice President*
Jennifer Maloney, *Treasurer*
Dr. C. David Hartmann, *Secretary*
Eddie Byrne
Mike Collins
Dan Flavin
Bryan Isler
Carl Jenkins
Doug Jones
Vernon Krueger
Joan Loesch
Renee Jakobs
Rev. Suzanne Rudiselle

Hunters Woods Fellowship House

Jorn Dalboe, *President*
Shirley Metzger, *Vice President*
Sidney Johnson, *Treasurer/Secretary*
Jo-Ann Duggan
Lynette Jacob
Rev. Suzanne Rudiselle
Adrian Pelzner
Allen Wild

Lake Ridge Fellowship House

Kenji Brown, *President*
Paul Nichols, *Vice President*
Victor Evans, *Secretary*
John Gray, *Treasurer*
Joanne Johnson, *RAC Chairperson*
Rev. Bob Allard
Elizabeth High
Doug Sutor

Largo Landing Fellowship House

Vernon Krueger, *President*
John Corkill, Jr., *Advisor*
John Priebe, *Treasurer*
Ginny Lee, *Secretary*
Morris Hymes
Judy Rudolph
Mary Wilmoth
Phillip Woodruff

Lake Anne Fellowship House

Eddie Byrne, *President*
Lynette Jacob, *Secretary*
Henry Chow
Tony Esse
Kam Flynn
Farid Sadrzadeh
Lenore Stewart
Bob Thompson
Marilyn Voigt



A NOTE FROM OUR NEW PRESIDENT

What a year this has been! It is my pleasure to report that we have completed a major organizational restructuring and entered into a partnership for the redevelopment of our Lake Anne community, changes that will position Fellowship Square Foundation (FSF) to meet the challenges of the future.

FSF has implemented two major objectives of its long-range plan. First, we have engaged a new executive director: Christy Zeitz comes to us with 25 years' experience in non-profit management, extensive fund-raising experience, and a strong focus on community engagement. She began in March and has already made a positive impact on the community.

Second, we have engaged S.L. Nusbaum Realty Company as our new property management company. A large firm that specializes in affordable properties, Nusbaum brings a depth of capacity that will enable us to improve our effectiveness and impact. In order to provide clear lines of management authority, all employees working at our four communities have become employees of S.L. Nusbaum. Nusbaum began their duties in April, replacing National Lutheran Communities and Services.

We have also negotiated a partnership agreement with Community Preservation and Development Corporation (CPDC) an experienced not-for-profit developer, to redevelop the aging Lake Anne property with a new, state-of-the-art building on the same site. All 240 apartments will be replaced, while maintaining long-term affordability, serving seniors in the community for decades to come.

These changes provide the foundation for the future of Fellowship Square. While I have been honored to serve as the president this past year, nothing could have been accomplished without the extraordinary work of our board members who went the extra mile through this transition period. Much gratitude and appreciation to them, our House Administrators and staff, our donors and volunteers who give of their time, talent, and treasure.

Renee Jakobs

Fellowship Square Foundation devotes itself to providing housing and supportive living environments that enhance the personal freedom, independence, self-confidence, and well-being of our diverse residents.

OUR GOAL

to allow our residents to age in place while remaining as independent as possible.

WE PROMOTE

healthy living and disease prevention services through regular information sharing and training for residents.

OUR PROGRAMS

are designed to create an atmosphere of self-sufficiency by encouraging residents to participate in social, educational and economic programs and services.



I have heard wonderful things about this community and how you are a blessing to the Reston area residents. Thanks for helping so many people. We are grateful!

– Ophelia J.

The House staff works hard to provide residents with information and access to local services and resources that can assist them in pursuing opportunities that will support them in achieving life objectives.

We focus on providing quality housing, programs and activities that benefit the physical, social, mental, and spiritual welfare of all our residents.

FELLOWSHIP SQUARE PROPERTIES

Fellowship Square operates four apartment properties, providing housing for more than 635 seniors and individuals with disabilities who meet the federal income definitions to qualify for affordable housing.



Lake Anne I (1971) Lake Anne II Fellowship House (1976) is home to approximately 214 residents.



Hunters Woods Fellowship House (1979) is home to 222 residents.



Lake Ridge Fellowship House (1983) is home to 99 residents.



Largo Landing Fellowship House (1984) is home to 105 residents.

RESIDENT ADVISORY COMMITTEE

The **Resident Advisory Committee (RAC)** is an active group of residents working hand-in-hand with House staff to address issues or concerns raised by residents, and to help plan social activities that everyone can enjoy. The RAC is a great way for residents to take an hands-on approach to having a property that meets their individual needs.

Residents have a say in helping FSF prioritize our future projects and bringing to our attention the programs and services they want to see at each property.

Over the past five years **Hunters Woods Fellowship House** has made many safety and aesthetic improvements that were first suggested by the RAC.



OUR FUNDING

Fellowship Square receives funding from HUD to support the expenses associated with each property including overall property management, mortgages, construction costs, building maintenance, taxes, insurance, and rent subsidies. Because of the contracts we have with HUD and the Virginia Housing Development Agency (VHDA), Fellowship Square is required to meet both federal and state regulations concerning income profiles of residents.

FELLOWSHIP SUPPORT

Support Fellowship Square Foundation through your most generous donation! You can donate safely and securely through our website or through several giving campaigns in which we participate:



#38398



#84971



YOUR DONATION

While our operating costs are supported by funding through The U.S. Department of Housing and Urban Development, we rely on individual, corporate and congregational donations to cover expenses and activities for the residents. Your donation is needed to help our residents live a full and balanced life by covering costs of items such as:

- Doctor's visits
- Medical equipment (Walkers, glasses, hearing aids, lifts, wheel chairs, etc.)
- Dental Care
- Specialized furniture (Lifts, etc.)
- Glasses
- Emergency Food (Gift Cards)
- Transportation

OUR ROLE

Fellowship Square, a faith-based, nonprofit organization, advocates for and provides safe, secure, and affordable homes and an array of supportive services for a diverse population of low income seniors and persons with disabilities.

Our communities, through mutual support and by facilitating access to services, foster independence, dignity, and healthy and vibrant lifestyles.

Each month the Fellowship House calendars are carefully planned to ensure each resident has an opportunity to participate in a variety of meaningful activities that will enrich their lives and improve their health.

Resident Services offers a variety of programs and activities

- American Health Care Professional (AHCP) Wellness Program
- Annual Resident Appreciation Day Cook-out
- County Assistance Programs like Fairfax Tax Relief, DMV 2Go
- Educational programs like Fairfax County Voter Registration, Medicare seminars, and Comcast Internet Essentials
- Fitness and Tai Chi classes
- Health and wellness programs like HearUSA, Gift of Sight, GWU Mammovan
- Intergenerational Programs with Girl Scouts USA
- Legal and final expense planning like Wills on Wheels and the Northern Virginia Legal Aid Bureau
- Meal and nutritional programs like Meals on Wheels, Panera End of Day Dough Nation, and Cornerstones Brown Bag Lunch
- Mid-Day and evening movies in the Social Hall
- Mid-day Bingo
- Monthly luncheons to local restaurants
- Oldies music night
- Seasonal activities such as Christmas caroling, arts and craft days, and performing arts from local groups
- Social and recreational activities like field trips to the Smithsonian museums, the National Mall, outlet and mall shopping, and Potomac River cruises

OUR DONORS

Religious Organization Gifts

Bethlehem Lutheran Church, *Fairfax, VA*
 Thrivent Financial, Bull Run Chapter
 Christ the King Lutheran Church, *Great Falls, VA*
 Christ the Servant Lutheran Church, *Reston, VA*
 Congregation Olam Tikvah, *Fairfax, VA*
 Emmanuel Lutheran Church, *Vienna, VA*
 Good Shepherd Lutheran Church, *Herndon, VA*
 Grace Lutheran Church, *Woodbridge, VA*
 King of Kings Lutheran Church, *Fairfax, VA*
 NOVA Hebrew Congregation, *Reston, VA*
 Prince of Peace Lutheran Church, *Gaithersburg, MD*
 St. Anne's Episcopal Church, *Reston, VA*
 St. Paul's Lutheran Church, *Falls Church, VA*

Business & Foundation Gifts

Dr. Zhou's Clinic
 Linda's Ballet Workshop
 SunTrust Foundation

Individual Gifts

Sandy Amato
 Anonymous
 Walter Belter
 Ludwig Benner, Jr.
 Kenji Brown *in memory of Kiko Brown*
 Eddie Byrne
 David & Barbara Carr
 Dolores Cascio
 Richard Christensen
 John & Mary Corkill
 Jorn Dalboe & Sara Leonard
 George Davies
 Dara Dirth
 Steve & Beth Disilvio
 Richard Douglas
 Kimberly Falatic
 Richard & Dorothy Finger
 Betty Fredericks *in memory of Leroy Fredericks*
 Beverly Gardner
 Marjorie Glass
 Chris Griffin & Don Owens
 C. David & LaDonna Hartmann
 Elizabeth High
 Paul Hill & Prabha Iyer
 Ivan Ives
 Lynette Jacob
 Renee Jakobs
 Dale & Sidney Johnson
 Doug Jones
 Judith Koucky
 Vernon Krueger
 David & Deborah Lambert
 Ginny Lee

Joan Loesch
 John Mahlmann
 Jennifer Maloney
 John McCoy
 Paul & Myra Niemeier
 Samuel Oliver
 Zoe Parker
 Adrian Pelzner
 Lee & Janice Rau
 Yvonne Reese
 Richard & Melba Reichard
 Maurice & Suzanne Rudiselle
 Laura Seal
 Mary Schmidt
 Larry Schmidt
 Thomas Scott
 A. Ferrin Simmons
 Susan Simon *in honor of Pat Williams*
 Craig & Patricia Swanson
 John Thillmann
 Amelia Titzman
 Alfred Ulvog
 Diane Van Bavel
 William Vigen
 Helen Vigness
 Kerrie Wilson *in honor of Hunters Woods Coalition*
 Charles Wortman
 Larry Zimmerman

Planned Gifts & Gifts of Stock

Phil Carl
 Gordon M. Odegaard
 Frederick M. Rabel

Community Support & In-Kind Donations

American Combustion Industries
 American Healthcare
 Capital Area Food Bank

Carter's Methodist Church
 Central Baptist Church
 Dr. Chang's Office
 Christ the Servant Lutheran Church
 Cornerstones
 Dial-A-Ride Taxi Voucher
 Alfredo Diaz
 Elizabeth Ann Seaton Roman
 Catholic Church
 Fairfax County, Dept. of Family Services
 FastTran
 First Baptist Church of Highland Park
 Gethsemane Baptist Church
 Carole Ghrist
 Good Shepherd Lutheran Church
 Gospel Harvest Ministry
 Grace Christian Church
 Grace Lutheran Church
 Healthcare Horizons
 Heaven Helpers Ministry
 Heritage Fellowship Church
 Herndon Pharmacy Flu Clinic
 Herndon-Reston FISH
 Holy Cross Lutheran Church
 ICNA Sisters' Relief
 Immanuel Anglican Church
 Janis Miller
 Judith Koucky
 Kaiser Permanente
 Kolb Electric
 Lake Ridge Baptist Church
 League of Woman Voters
 Lenore Stewart
 Lion's Club
 McLean Bible Church
 Meals on Wheels
 Metro Access
 Northern Virginia Transportation Services Guide
 Cinda O'Brien
 Panera Bread
 Prince George's County Library Service
 Prince George's County Sherriff's Dept.
 Prince George's County, Dept. of Social Services
 Prince George's County Senior Provider Network
 Prince George's Count, Dept. of Aging
 Project Mend-A-House
 Reston Community Center
 Riverdale Baptist Church
 Rotary Club

Roto Rooter
 Ruth Natter
 S. Sellers
 Safelink Telephone Service
 Share Food Network
 St. Matthews Lutheran Church
 St. Michael's Truth Lutheran
 St. Thomas a Becket Catholic Church
 Star Medical Supplies
 The Behal
 The Closet of Greater Herndon
 The Lydians of Augustana Lutheran Church
 Top Banana
 Trader Joe's
 United Christian Parish
 USDA/Foodbank
 Virginia Cooperative Extension, Master Gardeners
 Wawa Inc.
 Women's Federation for World Peace
 Woodbridge Women's Club

We appreciate all the support from our many donors! Our Fellowship House residents say "Thank You!"

Financial contributions made to Fellowship Square Foundation are tax-deductible to the fullest extent allowed by law. We conscientiously try to be as accurate as possible, but mistakes do happen. Please contact us if your name has been inadvertently left off the list, is misspelled, or if you wish to remain anonymous in the future: 703-860-2536 or info@fellowshipsquare.org • Federal Tax ID#52-6067043

OUR STAFF

includes property management professionals, maintenance staff, licensed social workers and many other dedicated people.

Studies show a critical link between stable, decent, affordable housing and positive health outcomes.



The typical Hunters Woods resident:

84 YEARS OLD

Gender
FEMALE

\$500

FOR MONTHLY EXPENSES
After rent and medical expenses

She receives support from family members for groceries and over-the-counter medications.

Even with family assistance, she cannot cover the rest of her expenses—laundry and cleaning supplies, transportation, toiletries, telephone, clothing, and more.



AFFORDABLE HOUSING

As defined by the U.S. Department of Housing and Urban Development (HUD):

Any housing that costs an owner or renter no more than 30% of gross household income, including utilities.

RESIDENT SPOTLIGHT



Mrs. Annette Bergeron smiles while discussing all that Lake Ridge Fellowship House has to offer.

Mrs. Annette Bergeron, 77 years old and originally from France, has lived at Lake Ridge for nearly a year. Her story is not unlike most of our residents and she is not afraid to tell anyone how happy she is to be here at Lake Ridge Fellowship House.

Mrs. Bergeron's story is quite familiar to the senior population in our area; after her retirement, she found she could no longer afford the rent on her market-rate apartment. She decided to move to a subsidized senior garden apartment, with 80 units, in South Carolina to be close to her daughter. The staff there was made up of one rental agent and one secretary, and the community activities consisted of a birthday party once a month. In that particular area there was no transportation or any amenities close to the apartments. While visiting her son, who lives in the Woodbridge area, Mrs. Bergeron came to visit Lake Ridge Fellowship House and immediately signed up.

That was in April of 2013. Her dream of becoming a resident was realized in January of 2016. She is delighted to find all the activities and amenities she had hoped for and often says, "there is something to do every day, if that is what you want. There is a shopping center, bank, drug store and restaurants all within walking distance. Finally I have the security of knowing I have a staff dedicated to my well-being."

For seniors like Annette, Fellowship Square Foundation makes affordable housing possible through its fellowship houses in Reston and Woodbridge, Va., and Upper Marlboro, Md. We need the support of the local community – and people like you – to continue to provide for the spiritual, emotional, physical and mental needs of all our residents.

Thanks for your support!

LARGO LANDING

Resident Profiles

One of our female residents loves gardening and likes to help keep the flowers planted around the property as beautiful as possible. She says its good exercise and it makes the building look beautiful.

A male resident, a veteran of the Vietnam War, wears his red VA volunteers' jacket when greeting and opening the front door for guests visiting Largo Landing. He says it feels good because he wants guests and potential residents to know how proud he is of his home at Largo Landing Fellowship House.

REVITALIZING LAKE ANNE FELLOWSHIP HOUSE

Fellowship Square Foundation is moving forward with plans to redevelop Lake Anne Fellowship House in Reston. The existing 1970's era buildings will be replaced with a new, state-of-the-art building on the same site, replacing all 240 apartments while maintaining long-term affordability. This is important not only for current residents, but provides an ongoing resource for the community, a high-cost rental area that struggles with a shortage of affordable housing. The new Lake Anne Fellowship House will give older adults and persons with disabilities who have limited income and resources the opportunity to continue to live in their community.

FSF has entered into a partnership agreement to redevelop the property with Community Preservation and Development Corporation (CPDC), an experienced not-for-profit developer with a solid track record of creating successful, affordable communities. FSF will sell the property into the new partnership established to own and operate the building, retaining an ownership interest and a voice in major decisions.

New construction will allow design to fit the needs of the residents and improve the operation of the property, providing energy efficient systems; improved program and community space; and larger units that are handicapped accessible. The provision of some two-bedroom apartments will meet the needs of couples. Finally, it will cause minimal disruption for the tenants with a one-time move into brand new apartments.

Planning for the project is underway, with the first step being to secure long term project-based rental assistance contracts from



HUD, to support as many units in the new building as possible. With the rental assistance vouchers, income-qualified residents pay no more than 30% of their income for rent and utilities, making it possible to serve people with very low incomes. But project-based vouchers do more than support the residents. With rental rates set to market rents, they also provide an income stream for the property, enabling us to support the debt service and operating costs.

So far we have achieved a major milestone in obtaining a 20-year contract for 91 units at market rate rents for Lake Anne II, replacing an expiring contract. A "Mark Up to Market" contract is in the works for 27 units at Lake Anne I. And Fairfax County has committed 20 of its vouchers for the project, including much needed two-bedroom units.

With assurances of rental vouchers in place, the next step is to begin the rezoning process, finalize building design and construction drawings, and obtain financing. Financing for the project, which will cost close to \$70 million, is expected to include equity from the sale of Housing Tax Credits, long term, low-interest loans, and proceeds from the sale of excess land on the site. Watch for a capital campaign to fill funding shortfalls! This process is expected to take a year. Construction will take 18 months, for delivery of the new building in 2019 – 2020.

The residents are updated on progress on a regular basis and are excited about the prospects for a new Lake Anne Fellowship House.



WEGENER CHAPLAINCY PROGRAM

Pastor Fred Klein

The focus of the chaplain's work is to provide a ministry of presence and care to all the residents of the Fellowship Houses. At their request, the chaplain provides spiritual counseling, Bible study, workshop services, Holy Communion, visits to the sick and a warm greeting to all the newcomers. It's a big job – a congregation of over 800 members – and our chaplain, Pastor Fred Klein, handles it well with many (45) years of experience as a parish pastor.

The chaplain's presence allows residents to share their interests, concerns and problems with someone they know and trust. He is someone other than a neighbor down the hall or a staff person in which they can confide. The Chaplain is someone with a sympathetic ear who can offer advice and counsel while assuring residents of confidentiality.

This program is supported by donations from individuals and congregations around the region. Thank you for your partnership in making the Wegener Chaplaincy Program a continued reality for our residents.



Many times, these residents have concerns that are not emergencies, just something that is weighing on their minds. When talking with Pastor Klein, they know they are talking to someone who cares.

Pastor Klein has established important priorities of caring. He has chosen to serve the sick as his first priority - visiting them in their apartments at Fellowship House, or in the hospital or rehabilitation facilities. Whether it is a Fellowship House resident, family member, staff member, or volunteer, and regardless of faith orientation, Pastor Klein serves all.

We believe that this must be close to what Pastor Jon Scherzer and Pastor William Wegener had in mind when they took their turn in starting and guiding us to what Fellowship Square has become. The roots of our Wegener Chaplaincy Program are growing in the soil they helped till and prepare with their vision.

This program is an important foundation from whence Fellowship Square will grow into the future. Ministry, the Word, will continue to be important to the future of Fellowship Square. This service for residents will continue to be an identifier of who and what we are, what we are about and what we are doing.

In 1960, Fellowship Square Foundation was founded out of an abiding sense of Christian mission. It has an ongoing relationship with the Lutheran Church that continues to provide volunteer leadership and support. All of the Foundation's houses are open to those who qualify regardless of religion, race, color, sex, familial status or national origin.

FINANCIAL

BALANCE SHEET • June 30, 2016

	Foundation Funds	Lake Anne I	Lake Anne II	Lake Ridge	Largo Landing	Hunters Woods	Consolidated
TOTAL ASSETS	\$1,430,986	\$1,817,715	\$2,078,235	\$6,493,232	\$5,909,777	\$9,813,763	\$27,176,057
Liabilities & Net Assets							
Current Liabilities	58,232	500,826	357,836	372,479	409,278	891,504	2,222,504
Tenant Deposits Held in Trust	-	16,598	17,357	33,088	39,649	44,934	151,626
Mortgage Payable Long-Term	-	473,325	-	5,422,086	4,494,653	1,433,140	11,823,204
Total liabilities	58,232	990,749	375,193	5,827,653	4,943,580	2,369,578	14,197,334
Net Assets	\$1,372,754	\$826,966	\$1,703,042	\$665,579	\$966,197	\$7,444,185	\$12,978,723
Total Liabilities and Net Assets	\$1,430,986	\$1,817,715	\$2,078,235	\$6,493,232	\$5,909,777	\$9,813,763	\$27,176,057

INCOME STATEMENT • July 1, 2015 – June 30, 2016

	Foundation Funds	Lake Anne I	Lake Anne II	Lake Ridge	Largo Landing	Hunters Woods	Consolidated
REVENUES							
Net rental revenue	\$	\$948,301	\$836,878	\$1,478,404	\$1,848,510	\$3,237,428	\$8,349,521
Elderly care revenue	-	42,733	28,939	73,441	49,975	31,179	226,267
Investment income	1,217	393	1,366	834	1,115	3,716	8,641
Development fee income	-	-	-	-	-	-	-
Contributions	124,529	-	-	-	-	-	124,529
Other revenue	-	47,784	179,158	16,126	2,617	51,652	297,337
Net assets released from restrictions	26,153	-	-	-	-	-	26,153
Total Revenues	151,899	1,039,211	1,046,341	1,568,805	1,902,217	3,323,975	9,032,448

INCOME STATEMENT • July 1, 2015 – June 30, 2016

	Foundation Funds	Lake Anne I	Lake Anne II	Lake Ridge	Largo Landing	Hunters Woods	Consolidated
EXPENSES							
Administrative	178,406	318,334	232,692	340,636	448,041	618,328	2,136,437
Utilities	-	184,888	149,986	138,084	209,523	294,472	976,953
Operating and maintenance	39,848	371,397	304,674	385,691	464,751	526,645	2,093,006
Taxes and insurance	61,332	119,808	86,497	159,411	312,198	264,079	1,003,325
Financial expenses	24,489	17,806	46,240	182,111	171,949	195,772	638,367
Elderly care expenses	30,424	39,977	28,060	81,733	81,902	150,202	412,298
Depreciation	5,310	100,957	137,719	253,300	225,206	329,410	1,051,902
Amortization	-	-	-	9,495	6,479	23,119	39,093
Total expenses	339,809	1,153,167	985,868	1,550,461	1,920,049	2,402,027	8,351,381
Operating income (loss) and change in unrestricted net assets	(187,910)	(113,956)	60,473	18,344	(17,832)	921,948	681,067
TEMPORARILY RESTRICTED NET ASSETS							
Change in temporarily restricted net assets	(23,014)	-	-	-	-	-	(23,014)
Change in net assets	(210,924)	(113,956)	60,473	18,344	(17,832)	921,948	658,053
Net Assets, Beginning	1,583,678	940,922	1,642,569	647,235	984,029	6,522,237	12,320,670
Net Assets, Ending	\$1,372,754	\$826,966	\$1,703,042	\$665,579	\$966,197	\$7,444,185	\$12,978,723

WE ARE

A faith-based nonprofit organization based in Reston, Virginia, advocates for and provides affordable housing and supportive services to older adults and persons with disabilities who have limited income and resources.



There are 6.3 million older Americans living in poverty and the number is projected to grow with the aging of baby boomers. Congress has not provided any resources since 2011 to provide affordable housing for very low income seniors.

2011

3.9 Million

Elderly Poor **eligible** for housing assistance

1.9 Million

Elderly poor who **received** housing assistance





CONTACT

**Fellowship Square
Foundation**

2231 Colts Neck Road
Reston, VA 20191
703-860-2536

**Hunters Woods
Fellowship House**

2231 Colts Neck Road
Reston, VA 20191
703-860-2536

**Lake Anne
Fellowship House**

11450 North Shore Drive
Reston, VA 20190
703-471-6474

**Lake Ridge
Fellowship House**

12800 Harbor Drive
Woodbridge, VA 22192
703-494-5337

**Largo Landing
Fellowship House**

1077 Largo Road
Upper Marlboro, MD 20774
301-249-2100