

## NEWS RELEASE

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**Enterprise Community Development and Fellowship Square Foundation  
Announce Closing on \$86 million New Lake Anne House Project**

*The innovative development approach will create more than 240 modern, affordable apartments for low income seniors in one of Virginia's most expensive counties.*

Columbia, MD. – Five years. Multiple stakeholders. Diverse financing. Hundreds of staff hours. That is what it took for the team at Enterprise Community Development (ECD) to concept, negotiate, and close on its innovative development plan for the new Lake Anne House project in Reston, Virginia.

The story begins when nonprofit senior housing operator, Fellowship Square Foundation, issued an RFP to partner with Fellowship to redevelop the Lake Anne Fellowship House, an aging 240 senior housing project built in the 1970s.

"Since the early 2000's, Fellowship Square has been trying to determine how to either rehab or replace the two buildings that comprise Lake Anne Fellowship House," said Edward Byrne, Member of the Fellow Square Board of Directors. "At a combined size of 240 units, the cost of either scenario would be very high. This current initiative was launched by RFP to study both options and advise us on the best way to implement the selected option."

Community Preservation and Development Corporation, ECD's predecessor, responded with a novel solution: instead of relocating the residents temporarily until the permanent homes were finished, they would construct a new building on an underutilized portion of the site. This plan offered residents a onetime relocation and the developer the ability to create homes with improved accessibility, energy efficiency, and numerous amenities.

"Early on the team realized that the right approach required writing a new playbook – one grounded in ingenuity, a real stick-to-it-ness and with existing residents squarely at the center," said Brian McLaughlin, President of ECD.

The development team needed to secure project based rental vouchers for 100% of the units and create the right mix of financing for such an ambitious goal. Fairfax County Redevelopment and Housing Authority awarded the project 122 project-based vouchers with HUD providing the rest. The project financing incorporated \$46.5 million in tax exempt bond financing from the VHDA as well as a \$700,000 loan from the Virginia Housing Trust Fund.

"VHDA is proud to join the crucial effort to revitalize Lake Anne House and the greater community its residents call home," said Susan Dewey, CEO of VDHA. "We were fortunate to deliver a package of nearly \$50 million in first mortgage financing, along with tax credits and subsidized loans. Despite the challenges of moving forward during the COVID-19 crisis, this partnership group put northern Virginia's seniors first, and got the financing across the finish line."

Additionally, the financing package contained \$21.5 million in Low-Income Housing Tax Credit equity provided through Enterprise Housing Credit Investments by Capital One, \$3 million in Blueprint Funding from the Fairfax County Redevelopment and Housing Authority, \$7.2 million in bridge financing from the Enterprise Community Loan Fund as well as equity from ECD and Fellowship. Virginia Community Capital provided \$1 million in predevelopment financing early in the project.

“The redevelopment of Lake Anne House will preserve much needed affordable housing for seniors in the Reston area, where housing is incredibly expensive,” said Ed Delany, a Capital Officer on Capital One’s Community Finance team who closed the financing the bank provided. “We were happy to be involved and are excited to see this innovative development take flight.”

Working with Grimm+Parker Architects, Charles P. Johnson and Associates, Orr Partners, and Bozzuto Construction, ECD and Fellowship will develop New Lake Anne House’s 56 studio apartments, 178 one-bedroom apartments, and six two-bedroom apartments. The development will include extensive space for a fitness center, arts and crafts room, large social hall, sunroom, game room, and outdoor terrace. All units will also incorporate Universal Design standards, which were not in place when the original building was constructed in 1970s, and supportive features such as an on-site management and resident services offices and wellness clinic for visiting medical professionals.

“We are very excited we will soon be seeing the work on this long-awaited project commence,” said Walter Alcorn, Supervisor at Fairfax County’s Hunter Mill District. “The Fellowship House has been a valuable institution in the Reston area in providing homes for low-income seniors, allowing them to age in place in our community.”

All 240 units will serve low income senior residents with incomes at or below 60 percent of AMI for at least 30 years. Each resident will pay no more than 30 percent of their income toward their housing costs, including rent and a utility allowance. Following construction of the new building on the now-vacant east half of the site, the existing circa-1970 buildings will be demolished, and the land sold for future townhomes.

The project’s timeline includes a groundbreaking ceremony later in the year and final construction is anticipated for by June 2022 with a ribbon cutting celebration featuring all project partners and residents. For the latest updates on this project and future events, visit [EnterpriseCommunity.org](http://EnterpriseCommunity.org)

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**Enterprise Community Partners** is a proven and powerful nonprofit that improves communities and people’s lives by making well-designed homes affordable and connected to opportunity. As a social enterprise, we bring together the nationwide know-how, policy leadership, partners, donors and investors to multiply the impact of local affordable housing development. Over more than 35 years, Enterprise has created 662,000 homes, invested nearly \$53 billion and touched millions of lives. Join us at [www.EnterpriseCommunity.org](http://www.EnterpriseCommunity.org).

**Enterprise Community Development (ECD)** specializes in high-impact residential development, property management and resident supportive services. With 60 years of collective experience, ECD was formed in January 2020 through the combination of Enterprise Homes, Inc. and Community Preservation and Development Corporation. Setting high standards for community planning, affordable housing and a curated residential experience, ECD strives to continue leading innovative solutions in the Mid-Atlantic’s housing market. ECD’s legacy includes the development of more than 16,000 well-designed homes in over 100 communities across the Mid-Atlantic. ECD is part of the Enterprise family of companies. <https://www.EnterpriseCommunity.org/financing-and-development/community-development>.

**Fellowship Square**, a registered 501(c)3 nonprofit organization, is one of the leading providers of affordable housing and services to low-income seniors, operating 670 units in the metro region and serving roughly 800 residents with educational, social, wellness, and recreational programs. The organization has contracts with the US Department of Housing and Urban Development to subsidize housing expenses associated with caring for our aging population, ensuring that the rental cost is never more than 30% of a resident’s annual income, making our homes some of the most affordable in the region. Fellowship Square also employs on-site professional social workers who to ensure much-needed access to community and governmental services like Medicare, Medicaid, and insurance. Through professionally managed apartment communities, programming, and services, Fellowship Square maintains the respect and dignity of its clients by ensuring that residents have the support they need to live independent and fulfilling lives even in the face of serious obstacles, such as the high costs of housing and health care in the greater Washington, DC area.

**Fairfax County Redevelopment and Housing Authority** serves more than 18,000 residents through a variety of rental housing assistance and First-Time Homebuyer programs; and owns and operates nearly 4,000 units of housing – including multifamily housing, senior housing, licensed assisted living and specialized housing for tenants with a variety of needs. The Redevelopment and Housing Authority also oversees and administers Fairfax County’s land use housing programs and the investment of local funds as well as state and federal grants to increase and/or preserve the county’s stock of affordable homes. Fairfax County is a challenging housing market – particularly for low to moderate income households. But as we embrace partnerships with our non-profit and development neighbors, pursue common-sense investment, and seek innovation in our planning and policies, we are working to ensure that all who need a place to call home, has a place to call home in Fairfax County.

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Photo collage by Steve McAvoy, Lake Anne Fellowship House Resident