



**Mayor Bowser, DHCD Director Donaldson, Citibank, Freddie Mac, JPMorgan Chase and the Jonathan Rose Companies celebrate renovations of latest mixed-income community in the District of Columbia**

*A ribbon cutting ceremony at Channel Square Apartments, an affordable, mixed-income housing complex in Ward 6, marks the achievement.*

**Washington, D.C. - April 20, 2017:** Somerset Development Company and its co-developer and non-profit partner, NHT-Enterprise Preservation Corporation, and Jonathan Rose Companies, joined with the Channel Square Tenants Association and Mayor Muriel Bowser to celebrate the completion of a \$17.9 million renovation which included building and site upgrades, major energy improvements and a \$1.3 solar energy system at Channel Square apartments located at 325 P Street, SW.

“These improvements and the \$7.4 million acquisition loan from the Housing Production Trust Fund have enabled us to stabilize this property as a mixed-income community in the midst of the market-rate boom that surrounds us. With the completion of these improvements, we have increased resident comfort and reduced Channel Square’s energy costs and carbon footprint significantly,” said Bill Whitman, a Partner with Somerset. “We are thankful to our investors, Rose Green Cities Fund and JPMorgan Chase, and our lenders, Citibank and Freddie Mac, for their support through what has been a very complicated and challenging renovation project. And, we are particularly grateful to the residents of Channel Square, without whose patience and cooperation these renovations could not have happened.”

“In the face of gentrification and rising rents, our team preserved 147 of Channel Square’s 231 units as affordable apartments,” said Nathan D. Taft, a managing director at Rose. “Backing great groups like Somerset and NHT-Enterprise to transform properties like this is exactly what our Fund was set up to do.” The joint venture leveraged first mortgage financing from Freddie Mac with equity from the Rose Green Cities Fund, a joint venture of the Jonathan Rose Company of New York City and Citi Community Capital, as well as Somerset, NHT-Enterprise and JPMorgan Chase. The team invested in major upgrades to the



# NHT-Enterprise.

community's complex energy systems, as well as new roofing, kitchens, baths, lighting, flooring, common areas and landscaping to reinvigorate the property and preserve it as a mixed-income community for the next 40 years. Funding provided by the Wells Fargo Foundation, MacArthur Foundation, the DC Sustainable Energy Utility and Enterprise Community Partners made the solar installation, financed by NHT Renewable, possible.

The 231 apartments at Channel Square are comprised of studios and one, two and three bedroom units in the 10-story high-rise building at 325 P Street, SW and four two-story buildings with studios and two and four bedroom townhomes, totaling 350,000 square feet of buildings on 4.95 acres of land. Originally built in 1968 as part of the Southwest Waterfront Urban Renewal Plan, Channel Square was reaching the end of its useful life and required significant renovations to continue as a viable and code-compliant housing option for District residents. Rents at Channel Square average \$1.75/square foot compared to \$3.00, \$4.00 and \$5.00/square foot at residential buildings near the Ballpark and the Wharf.

"When the Tenant Association asked Somerset and NHT-Enterprise to buy and renovate the property, one of their top goals was to preserve the mixed-income character of the community that had evolved naturally over time. We have done that, with one third of the 231 households at a stabilized rent for the market rate apartments and two thirds of the households in the low and moderate-income categories, with household incomes below 80% of area median income," said Scott Kline of NHT-Enterprise. "We would not have been able to take on such a project without predevelopment funding," he added. "Fortunately, JPMorgan Chase & Co. stepped up to the plate and helped NHT-Enterprise cover those costs. And DHCD provided critical acquisition financing."

"The District of Columbia is one the most expensive cities in the country in terms of real estate prices," said Brett Macleod, Executive Director of Community Development Banking for JPMorgan Chase's Mid-Atlantic Region. "Providing quality, affordable housing in communities where people live and work is critical to maintaining the integrity of our cities and local economies."

The ribbon cutting ceremony was held on April 20, 2017 at 325 P Street SW, Washington, D.C. from 2 p.m. to 4 p.m. Members of the media are encouraged to contact Anya Kamara for further information at [akamara@somersetdev.com](mailto:akamara@somersetdev.com) or 202 363 2090, ext. 104, or Michael Bodaken at 202 270 4959.

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**Somerset Development Company** specializes in revitalization of urban communities. Based in Washington D.C., with an office in Baltimore, Somerset develops and preserves affordable housing, provides resident services, renovates historic properties and develops mixed use properties that strengthen local communities. Somerset is committed to smart growth and sustainable urban communities, with an emphasis on transit-oriented and green development, and social change. For more information, visit [www.somersetdev.com](http://www.somersetdev.com).

**New Community Partners**, a member of Somerset Channel Square Partners, also specializes in revitalization of urban communities, partnering principally with Somerset in its current ventures. For more information, visit [www.newcommunitypartners.com](http://www.newcommunitypartners.com).

**The National Housing Trust Enterprise Preservation Corporation (NHT-Enterprise)** is a collaboration of the National Housing Trust and Enterprise Community Partners, Inc. NHT-Enterprise is a nonprofit organization dedicated to four goals: rent affordability, innovative financing, sustainable practices, and resident empowerment. NHT-Enterprise is based in Washington, D.C. More information can be found at [www.nhtinc.org](http://www.nhtinc.org) or by calling 202-333-8931.

**Jonathan Rose Companies, Inc.** is an award-winning real estate investment, development and project management firm whose mission is to repair the fabric of communities. The firm is nationally recognized for its ability to achieve visionary goals through practical, duplicable strategies. The firm acquires, develops, and acts as a consultant to assist not-for-profits with transit-oriented, green, mixed-income residential, innovative office, civic, education and health serving projects. Jonathan Rose Companies has developed more than \$1.5 billion of real estate projects from offices in New York, Connecticut, Colorado, the Pacific Northwest and New Mexico. For more information, visit [www.rosecompanies.com](http://www.rosecompanies.com).



**NHT-Enterprise.**

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