

881 3<sup>rd</sup> Street, NW  
Washington DC

## Overview

- 71 Units
- 9-story New Construction
- 64,211 GSF
- \$40 Million Total Development Cost
- Affordability: 30%, 50% & 80% AMI
- Downtown Mount Vernon Triangle neighborhood



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## Project Overview and Impact

The Liberty Place Apartments is a 9-story affordable housing project in Washington, DC's Mount Vernon Triangle neighborhood. This 71-unit project was completed in 2022 creating new multifamily housing that includes 14 units of permanent supportive housing (PSH) and targeted affordable housing (TAH) for the formerly homeless with a focus on veterans, along with 53 units serving households below 50% of the area median income (AMI) and 4 units serving residents at 80% of AMI.

This LEED Gold project has market rate finishes as well as a fitness center, top floor community lounge and meeting room, and rooftop deck. It is in a highly desirable, centrally located, amenity-rich neighborhood surrounded by high-quality market rate housing and near the city's central business district.

## Financing Summary

Liberty Place is a \$40 million project that was financed using DCHFA tax exempt bonds, 4% Low Income Housing Tax Credits (LIHTC), a Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) grant, a DC Department of Behavioral Health (DBH) grant, and a DC Department of Housing and Community Development HPTF loan. Local Rent Supplement Program (LRSP) rental subsidy is being provided by the DC Housing Authority (DCHA) and the land was donated by MQW, LLC. Predevelopment financing was provided by the Institute for Community Economics (ICE). Construction financing and LIHTC equity has been provided by Truist (formerly SunTrust Bank), and permanent loan financing is being provided from Freddie Mac.

## Project Description

The Liberty Place Apartments is a 9-story affordable housing project completed in 2022 at 881 3<sup>rd</sup> Street, NW in the Mount Vernon Triangle neighborhood. This project created 71-units of new multifamily housing at a mix of income levels. It includes 14 units of permanent supportive housing and targeted affordable housing for the formerly homeless with a focus on veterans, along with 53 units serving households below 50% of the area median income (AMI) and 4 units serving residents at 80% of AMI.

This environmentally conscious project achieved LEED Gold certification, integrating bioretention areas, a green roof, enhanced insulation, and energy star light fixtures and appliances. Eleven (11) of the units are accessible to those with limited mobility, designed to meet Section 504 UFAS standards and 2 units have features for those who are visually or hearing impaired (VHI). Floorplans include studio, one-bedroom and two-bedroom units.

The project has market-rate finishes including hardwood cabinets, stainless steel appliances and granite countertops. Liberty Place also includes a fitness center, top floor community clubhouse, and rooftop deck. This high-rise building was constructed using steel and concrete on top of a deep pile foundation system.



As the Mount Vernon Triangle neighborhood developed over the 20 years before Liberty Place was completed, it had undergone a dramatic renaissance. What was once empty lots, decrepit buildings and concentrated poverty transformed into a highly desirable, amenity-rich neighborhood with high-end condos and luxury rental housing. The need for the affordable housing created by the Liberty Place Apartments was abundantly clear.

With a walk score of 93 and transit score of 96, it is both a Walker's and Transit Paradise and a targeted neighborhood for the District's Affirmatively Furthering Fair Housing goals. The property is within walking distance of four (4) metro stations and within a block of five (5) bus lines. This centrally-located downtown neighborhood provides the type of opportunities that rarely are available to residents of affordable housing.

The project is named Liberty Place in recognition of the neighborhood having been historically known as "the northern liberties", as well as in honor of the veterans who have a priority preference for the permanent supportive housing units developed and who have fought for the Liberty of the country.

## Project Description (cont'd)



The land for the Liberty Place development was donated by the private landowner MQW. MQW is a partnership of Mount Carmel Baptist Church, Quadrangle Development and The Wilkes Company. A large segment of the MQW land at this site was originally obtained from the office of the Deputy Mayor for Planning and Economic Development (DMPED) along with a requirement that a

portion of the units developed be affordable and of comparable quality to the market rate units. Liberty Place is next door to and physically connected to The Cantata, a new, adjacent market-rate apartment building completed by developed by MQW in 2023.

The development team worked extensively with the Mount Carmel Baptist Church, directly adjacent and connected to Liberty Place, to rebuild a new courtyard between the buildings, plan for security, design a new handicap accessible ramp, monitor potential physical impacts of construction to the church, coordinate noise with church activities and design a new building connection. The team also worked with the local Advisory Neighborhood Commission (ANC), securing their support for the project, and maintained ongoing coordination with the Mount Vernon Triangle Community Improvement District.

Financing for Liberty Place includes DCHFA tax exempt bonds, 4% federal Low Income Housing Tax Credits (LIHTC), local DC Low Income Housing Tax Credits (LIHTC), a Federal Home Loan Bank (FHLB) Affordable Housing Program grant, a DC Department of Behavioral Health (DBH) grant, and a DC Department of Housing and Community Development (DHCD) Housing Production Trust Fund (HPTF) loan. Local Rent Supplement Program (LRSP) rental subsidy is being provided by the DC Housing Authority (DCHA). Predevelopment financing was provided by the Institute for Community Economics (ICE). Construction financing and LIHTC equity has been provided by Truist (formerly SunTrust Bank), and permanent loan financing was provided from Freddie Mac.

This project was developed by IBF Development, a small, local, minority-owned Certified Business Entity (CBE) with extensive experience developing affordable housing in DC, and NHT Communities, an award-winning, nationally recognized nonprofit affordable housing developer based in the District of Columbia. Together, NHT Communities and IBF Development have preserved and developed over 1,000 units of affordable housing in over a dozen projects in the District of Columbia.

# Liberty Place



## Sources and Uses

<b>LIBERTY PLACE APARTMENTS</b>	
<b>Permanent Sources and Uses of Financing</b>	
<b>SOURCES</b>	
Freddie Mac First Trust Loan	<b>\$6,850,000</b>
DC DHCD Housing Production Trust Fund Loan (HPTF)	<b>\$8,650,848</b>
NHT Communities Seller Take-Back Loan	<b>\$2,900,000</b>
NHT Communities Project Loan - funded with DCSEU Grant Funds	<b>\$45,000</b>
DC Dept. of Behavioral Health (DBH) Grant	<b>\$294,000</b>
4% LIHTC Equity - Truist Bank, investor	<b>\$14,252,718</b>
DC State LIHTC Equity - Sugar Creek Capital, investor	<b>\$2,940,793</b>
Federal Home Loan Bank of Atlanta - Affordable Housing Program	<b>\$500,000</b>
Refunds of DC Water Deposits and Excess Bonds	<b>\$95,000</b>
Deferred Construction Period Interest - DHCD Loan	<b>\$727,211</b>
Deferred Construction Period Interest - NHTC Take Back Loan	<b>\$375,913</b>
Interim Income	<b>\$434,725</b>
Deferred Developer Fee	<b>\$1,960,000</b>
<b>TOTAL SOURCES</b>	<b>\$40,026,208</b>
<b>USES</b>	
Acquisition	<b>\$2,900,000</b>
Construction	<b>\$23,674,467</b>
Paid Developer Fee	<b>\$2,458,572</b>
Deferred Developer Fee	<b>\$1,960,000</b>
Financing Fees and Construction Interest	<b>\$5,410,306</b>
Other Project Costs	<b>\$3,012,079</b>
Reserves	<b>\$610,784</b>
<b>TOTAL USES</b>	<b>\$40,026,208</b>



## Project Information

### PROJECT PARTNERS

Developers: **IBF Development & NHT Communities**  
Architect: **Grimm & Parker**  
General Contractor: **Hamel Builders of Washington**  
Property Management: **Edgewood Management**

### PROPERTY INFORMATION

Address: **881 3<sup>rd</sup> Street, NW, Washington, DC 20001**  
Owner: **Liberty Place Apartments LLC**  
Number of Affordable Units: **71 units**  
Size of Building: **9 stories, 64,211 square feet**  
Bike Storage: **24 indoor & 8 exterior bike spaces**  
Affordability: **14 units at 30% AMI**  
**53 units at 60% AMI**  
**4 units at 80% AMI**  
Construction Costs: **\$24.5 Million**  
Total Development Costs: **\$40 Million**

### FINANCING

Predevelopment Lender:  
Bond & Tax Credit Issuer:  
LIHTC Investor and Construction Lender:  
Permanent Lender:  
Permanent Loan Originator and Servicer:  
Subordinate Lender:  
LRSP Rental Subsidy:  
Owner Financing:

**Institute for Community Economics, Inc. (ICE)**  
**DC Housing Finance Agency (DCHFA)**  
**Truist (formerly SunTrust Bank)**  
**Freddie Mac**  
**Grandbridge Real Estate Capital LLC (formerly Pillar)**  
**DC Department of Housing and Community Development (DHCD)**  
**DC Housing Authority (DCHA)**  
**Liberty Place Charitable Owner LLC (NHT Communities, a 501©(3))**