



FOR IMMEDIATE RELEASE
March 5, 2021

CONTACT: Brian Matt
804-652-8341
Brian.Matt@VirginiaHousing.com

Gateway Senior Apartments to Offer Affordable Housing in Fishersville

- Modular Construction to be Used in Building New Development -

There's good news for many seniors seeking affordable housing in the Shenandoah Valley. Gateway Senior Apartments, an affordable housing development in Fishersville, Va., is currently under construction and is scheduled to be completed in the spring of 2022.

The four-story affordable senior housing project, financed by Virginia Housing, will provide much needed housing for seniors 55 and over with limited incomes. It will offer 50 two-bedroom and 30 one-bedroom apartments, as well as a fitness center and community space for residents. In addition, it's within a mile of the Augusta Health Center and near a wide range of other medical, cultural, and community facilities.

However, the most unique thing about the development is the way that it is being built.

Modular Construction

"Gateway Senior Apartments is the first development that we've financed using modular construction," said Art Bowen, Virginia Housing's Director of Rental Housing. "This process has a number of advantages, the biggest being time savings. In fact, if this development was built through conventional construction, it would have taken 24 months. By using modular construction, it will be built in 15-18 months – a time savings of approximately 30%." As a result, he said the units can be placed in service faster, benefiting those in need of housing.

These time savings are realized because construction of modular units occurs in an offsite factory, at the same time as foundation work is being done. The prefabricated units are then shipped to the building site 75% complete and are stacked on top of a stick-built first floor.

(MORE)

The developer then connects the electrical and plumbing systems and installs the roof and siding to complete the building.

In addition to time savings, benefits of modular construction include high-quality construction, cost savings, less waste, fewer weather-related delays and a reduced risk of accidents for workers.

“This development meets an existing need in the Fishersville area for affordable senior housing, and Virginia Housing looks forward to financing similar developments using modular and other innovative construction methods in communities across the state,” added Bowen.

Innovation Initiative

In 2019, Virginia Housing created a new Innovation Pool in its tax credit program to promote the use of innovative construction techniques in affordable housing developments. This led Pinnacle Construction and Development Corp., the developer of Gateway Senior Apartments, to seek funding through the pool.

After Pinnacle’s proposal was reviewed and approved by Virginia Housing, they were awarded 9% federal housing credits, equal to \$14 million, to offset the cost of construction.

As a result, Pinnacle became the first developer to use the Innovation Pool tax credits and will lease rent-restricted units at Gateway to residents earning 60% or less of the area median income (AMI). Pinnacle also received \$6.4 million in financing through Virginia Housing for the balance of the project. Park Properties Management Company, a related entity and a Virginia Housing certified management agent, will manage the property.

“Gateway Senior Apartments presents a unique opportunity for Pinnacle Construction to partner with Virginia Housing to learn about and maximize the benefits of innovative construction methods for affordable housing,” said William Park, President of Pinnacle. “We look forward to sharing the positive impacts of this collaborative endeavor with the local community.”

Pinnacle is also associated with Regency Senior Living, an assisted living facility next to Gateway, which could provide an opportunity for many residents to age in place.

(MORE)

About Virginia Housing

When homes are affordable and accessible to jobs, good schools and transportation, everyone benefits. Individual lives are improved and communities as a whole grow stronger. Virginia Housing was created in 1972 by the General Assembly to help Virginians attain quality, affordable housing. We carry out this mission by working in public-private partnerships with local governments, community service organizations, lenders, Realtors, developers and many others. We provide mortgages for first-time homebuyers, as well as financing for apartment communities and neighborhood revitalization efforts. We offer free homebuyer classes, support housing counseling, and help people with disabilities and the elderly make their homes more livable. We also administer the federal Housing Choice Voucher and Housing Credit programs in Virginia. Virginia Housing is self-supporting and receives no state taxpayer dollars to fund our programs. Instead, we raise money in the capital markets, and we contribute a significant portion of our net revenues each year to help meet Virginia's most difficult housing needs. www.virginiahousing.com

###