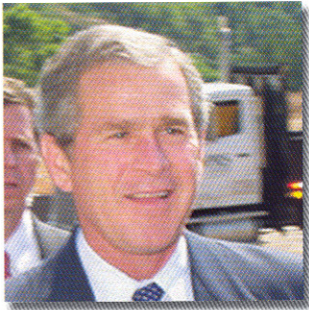


PARTNERING CREATES A COMMUNITY IN ATLANTA

Some community redevelopment projects warrant special attention. The Pryor Road Corridor redevelopment in Atlanta's Southside is one such project. In June 2002, President Bush challenged the private sector to join in partnership to meet America's housing needs, and he announced his challenge at St. Paul A.M.E. Church, located in the Pryor Road corridor. During his tour of the neighborhood, he lauded the public/private



President George W. Bush

initiative that has taken Pryor Road from its lowest point of drugs, crime, and prostitution, to a stellar example of renewal, rebuilding, and redevelopment.

“Today I met some of the homeowners in these newly built homes and all you've got to do is shake their hands and listen to their stories and watch the pride that they exhibit when they show you the kitchen and the stairs and their homes,” President Bush said.

Pryor Road began life in the 1950s anchored by two public housing projects—the 105-acre Carver Homes and the 38-acre Lakewood Village Apartments. The layout and design of the sprawling low-rise duplexes and apartments discouraged community and investment and, after several decades, bred discontent, crime, hopelessness, and population decline.



Shown are (left to right) Masharn Wilson, New Pryor Development Company; Archie Hill and Kim Bell-Benjamin, Fannie Mae's Atlanta Partnership Office; Ron Keller, Atlanta Development Authority; Russell Foster, Fannie Mae's Atlanta Location; Jim Mynatt, SunTrust Bank; and Denis Pellerin, Atlanta developer.

That's when Masharn Wilson, her husband, Daniel, and several other partners began to buy property in the area. “It was a heavily drug-ridden, dilapidated area, but we saw great potential,” Wilson said of the neighborhood that is just minutes from downtown Atlanta, the airport, and Turner Field.

For the redevelopment, the partners' New Pryor Development Company recruited SunTrust Bank, Inc., long-time Atlanta developer Denis G. Pellerin, and the Atlanta Development Authority (ADA), which became majority owner in the new development company. Fannie Mae joined SunTrust to lend





Villages at Carver

Project scope:
718 multifamily units
252 single-family units

Total
Development
Cost, Phase III
\$10.1 million



Croghan School

Project Scope:
105 rental
loft units

Total Development
Cost:
\$5.4 million

additional financial support. Jim Mynatt of SunTrust called the group “one of the best public/private partnerships anywhere in the country” that will bring to bear \$344 million of investment along a half-mile corridor.

The neighborhood’s transformation is startling. The decayed housing is gone. In its place are new condominiums, garden apartments, for-sale townhouses, single-family homes, and loft apartments occupied by both former residents and new families—all helped on the road to homeownership with tax abatements and significant down payment assistance from the city of Atlanta.

“We knew this project needed more than private investment. That’s why the Atlanta Development Authority stepped in,” said Ron Keller, ADA managing director.

To replace Lakewood Village Apartments, the developers designed Park Place South—a new neighborhood of 434 for-sale single-family homes, a 100 unit seniors residence, and a community center. Through our American Communities Fund (ACF), Fannie Mae joined with SunTrust to finance the \$5.05 million land acquisition loan for Lakewood Village. The Atlanta Development Authority issued \$17 million in tax-exempt bonds to finance construction at Park Place South. Fannie Mae participated with SunTrust to provide a letter of credit for \$17 million

to enhance the bonds in the first phase of construction.

The partners also tackled the old Carver Homes site. A HOPE VI grant of \$35 million from the U.S. Department of Housing and Urban Development allowed for the development of the new Villages at Carver, 718 mixed-income rental apartments and 252 single-family homes. Fannie Mae’s ACF and SunTrust again teamed up on a \$10.1 million letter of credit to enhance \$10 million in bonds issued by the housing authority to finance construction. The partners are also helping to finance the renovation of nearby Croghan School into loft apartments. Fannie Mae and SunTrust provided a \$5.4 million letter of credit to enhance \$5.5 million of bonds that were used to redevelop and construct the 105 unit mixed income apartment project.


“We knew that once we got started with the redevelopment, it would trigger other development, and that’s exactly what has happened,” said Archie Hill, director of Fannie Mae’s Atlanta Partnership Office. “Now, it’s a new community and we’re proud to be playing a role.”



Park Place South

Project scope:
434 single-family homes
100-unit senior
residential center

Total Development Cost,
Phase I:
\$17 million



Streetscape of Park Place South, part of the Pryor Road corridor that was recognized with an *Excellence in Public Private Partnership* award from the U.S. Conference of Mayors.