



2023 ANNUAL REPORT

NATIONAL HOUSING TRUST | FEBRUARY 2024

Letter from the CEO

Dear Friends:

What a year 2023 was for NHT! As I write this letter at the start of 2024, I begin my seventh year as CEO, and I can honestly say that 2023 was a landmark year. I'm incredibly proud of what we have achieved and where we stand as an organization. Without a doubt, the \$10 million investment in NHT by Yield Giving (MacKenzie Scott's philanthropic organization) was a highlight. It not only represents a clear and tangible validation of our impact and the unique role we play in the affordable housing ecosystem, but also fuels our continued growth and maturation as an organization. With an investment of this size, we are mindful of how to best leverage this gift to best serve our residents, our staff, our organization, and the broader field. Stay tuned for more information on how we plan to deploy those funds.

But that certainly wasn't the only newsworthy event this year. On the pages that follow, you'll read about our historic new partnership with Amazon's Homeownership Equity Fund to pilot new approaches to create affordable homeownership opportunities. You'll see evidence of our commitment to racial equity and resident agency which culminated this year in national certification as a CORES organization, the 'gold standard' for resident services. You'll also read about how our commitment to sustainability is powering our leadership in advocating for climate-ready housing solutions, integrating them in our own portfolio, and bringing the benefits of solar to low-income residents of Washington, D.C.

Behind the scenes, our organization continues to grow stronger. We adopted a refreshed Strategic Plan to guide our work, welcomed new Board members who bring deep expertise and experience, and moved to a larger, more Metro-friendly office to accommodate our growing numbers (we're nearly 60 teammates strong!).

Thank you for your continued support to National Housing Trust and our mission to create and preserve affordable housing. Your partnership helps us move closer to our vision of a world where everyone, everywhere has a home they are proud of.

Yours,

Priya



Building Homes that Everyone, Everywhere Can Be Proud Of

Our work is fundamentally about creating safe, secure and healthy homes for people. Our commitment is to preserve existing affordable housing, construct new units, partner with residents to meet their needs, and ensure that our homes are climate-ready. NHT owns nearly 4000 apartment homes, almost all of which we directly manage with several new developments and acquisitions underway to bring better housing to more people.

While real estate is just one of the ways in which we lead the affordable housing field, it is perhaps the most tangible illustration of NHT’s approach. Our role extends well beyond planning, financing and constructing buildings. It continues in the form of long-term ownership and asset management of communities, as well as providing resident services. Together, these functions inform our practices in policy and lending to constitute NHT’s unique “practice-informed policy” approach.

The projects featured below represent the latest efforts by NHT to create homes that will stand the test of time, and serve as a springboard to better health and prosperity for the people who live in them.

Congress Heights, Washington, D.C. (Construction Starting in 2024)

In 2023, NHT demolished four uninhabitable buildings in Southeast DC (comprised of 48 units) in order to ready the site for construction which is expected to begin in summer 2024.



Congress Heights, Washington, D.C.
179 Apartment Homes + Retail

The new nine-story building—to be located directly above the Congress Heights Metro station—will contain 179 apartment homes along with ground floor retail space and a second floor private courtyard for resident use. The building will be built to meet or exceed Enterprise Green Communities Plus standards, and include a green roof, solar panels, and high efficiency heating and cooling. Renters will enter in 2026, led by returning residents. The former resident association fought for ten years to wrest control of the property from the previous owner and endured awful housing conditions. Their efforts led to a partnership with NHT in 2021 to acquire and redevelop the property.

Photo Credit: Grimm + Parker Architects

40th Street Seniors, Washington, D.C. (Potential move-in date in 2027)

NHT and Marshall Heights Community Development Organization are partnering to jointly develop this Northeast DC site as affordable, senior housing. The new community—located near the Minnesota Avenue Metro station—will offer ground floor office space for a neighborhood-serving health clinic as well as 97 apartment homes for people ages 55 and up. The building will be built to meet DOE’s “Zero Energy Ready Homes” and Enterprise’s Green Communities Plus standards, and include a green roof and solar panels for renewable energy. NHT is currently pursuing financing for the development.



40th Street Seniors, Washington, D.C.
97 Apartment Homes + Retail & Clinic

Photo Credit: Grimm + Parker Architects

Washington View Apartments, Washington, D.C. (Acquisition in 2023)

In late 2023, NHT acquired Washington View, a stable, 353-unit hilltop community in Southeast DC that has operated as naturally occurring affordable housing for over 20 years. Immediate repairs are planned for 2024 while we prepare for a three-phase renovation. NHT plans to introduce long-term affordability through tax credit recapitalization as well as convert approximately 20–25 units into affordable condominiums.

Existing residents will have the first opportunity to purchase the condo units, and the rest of the community will transition to preserved affordable housing for a minimum of 40 years. Planned renovations will improve the energy-efficiency of each building to enhance resident experience.



Washington View, Washington, D.C.
353 Apartment Homes



LEADERSHIP PROFILE:

Josh Earn

Managing Director for Lending and Innovation

Josh Earn joined NHT in 2010 and leads our Lending business. Under Josh's leadership, NHT's CDFI program has expanded from a specialized local lender to a leading national housing CDFI – NHT-Community Development Fund—supporting affordable rental and homeownership housing coast to coast. Josh credits our growth to a simple strategic approach: make loans that no one else is making to support affordable housing opportunities that need capital. In 2023 this meant working with emerging BIPOC developers up and down the East Coast, Community Land Trusts in seven states, and 20 tenant associations in Washington, D.C. It also meant continuing to work with leading non-profit and for-profit Low Income Housing Tax Credit developers across the country who value NHT's willingness to provide creative, patient financing that is essential to their success. Undergirding our impact has been an exponential expansion in capacity, growing over the last seven years from a team of two to now eleven professionals dedicated to the same vision of community development lending.

Kindlewood Apartments, Charlottesville, VA (Phase 2 move-in date of 2026)

Using a resident-led process including commitments to more units, homeownership opportunities and no resident displacement, NHT, in partnership with Piedmont Housing Alliance (PHA), is redeveloping a 12-acre superblock in Charlottesville, VA. The first of four redevelopment phases was completed in 2023, with 35 townhouses and 71 apartment homes. 2023 also brought a commitment of \$6 million in HUD Green Resilient Retrofit Program funding which allows the second phase to begin construction in 2024. Phase 2 will deliver 54 units with project based subsidy, 46 units financed with housing credits with affordability levels 30–80% AMI, and three townhouses developed via a community land trust model. The four-phase redevelopment will result in approximately 400 new “Zero Energy Ready Home” units, a new public park for the city, and streets to integrate the new community with surrounding neighborhoods.



Kindlewood Apartments, Charlottesville, VA
106 Townhouses and Apartment Homes

Transforming Lives and Fostering Community

NHT recognizes that we cannot achieve our goal of creating successful affordable housing communities without also investing in the personal capacity of our residents to thrive. We do this for our more than 2,200 residents across NHT's portfolio in the greater Washington, D.C., Maryland and Virginia (DMV) region through programs that build community and resident leadership, increase access to technology and digital skills, nurture youth development and education, advance health and wellness, and strengthen community cohesion. Our commitment to advance racial equity and support resident agency (affirmed in our Strategic Plan) means that we intentionally foster a sense of self-determination and a shared vision of safety, mutual aid and opportunity for our residents. This year, we marked some major achievements towards achieving those goals.

Testing New Models of Service Delivery

NHT's commitment to racial equity and resident agency calls us to test new ways to deliver services and pilot new programs. We are particularly proud of our **Building Bridges to Better Community Pilot Program** this year, which provides leadership development workshops and trauma relief training for community members to work towards fostering kinship among residents, and ultimately a shared vision for a more inclusive, sustainable, and vibrant community for everyone. The first year of the project focuses on historically Black communities in Southeast Washington, D.C., that have suffered from decades of disinvestment and systemic discrimination; our 2024 offering will target Latino populations in other parts of the DC region.



"I feel like the breathing technique has helped me relax...I look forward to this project each and every day."
—Program Participant



"Often times, people look for leadership from outside. Bridges to Better turns that upside down. Who better to identify, create, collaborate, envision programs and ideas that are going to transform the lives of the residents, than residents themselves?"
—Zaccai Free, Director of Civic Engagement, Telesis Corporation (a collaborating partner with NHT on the Building Bridges to Better Community program)





LEADERSHIP PROFILE:

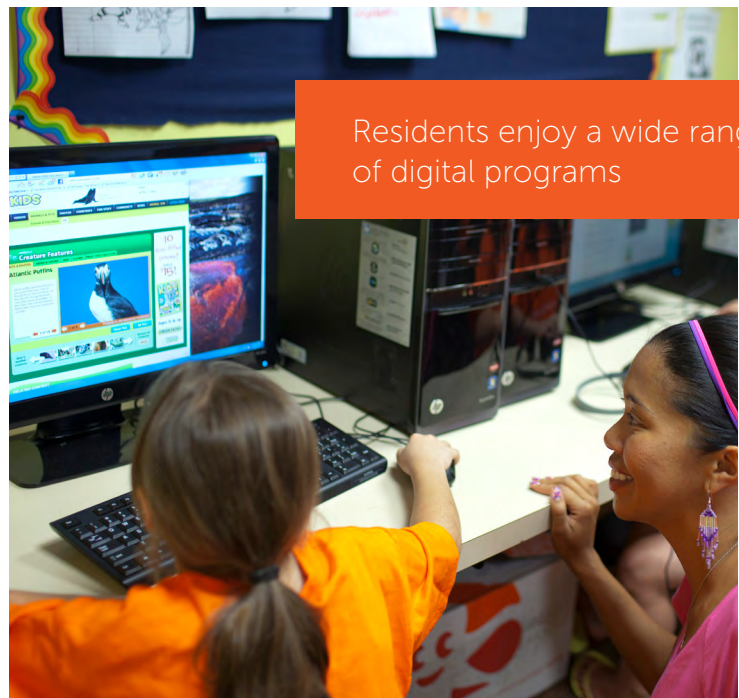
Raisa Johnson

Managing Director for Community Outreach and Impact (COI)

2023 was a milestone year for COI under the leadership of Raisa Johnson. In partnership with DC-based affordable housing developer Telesis, Raisa launched the groundbreaking initiative, Building Bridges to Better Community, to invest in resident leadership through mindfulness, transformative justice, and community organizing training. The project was conceptualized in part through Raisa's participation in the "Achieving Excellence" leadership program, which strives to cultivate innovative problem-solving among nonprofit executives. Building Bridges to Better Community illustrates NHT's commitment to racial equity and resident agency by co-creating with residents a resident services approach that shares power and resources equitably. At the heart of Raisa's work is her profound commitment to empower residents to architect their own destiny and collectively shape a stronger, more connected community.

Closing the Digital Divide

NHT continued work to close the digital divide in our communities by providing affordable access to internet and digital devices and sharpening digital skills. Grant funding allowed NHT to install free, in-unit internet at Monseñor Romero in Washington, D.C., which serves residents earning 60% or below of the AMI. In collaboration with state agencies and local partners, we offered a wide range of digital programs such as computer basics, coding, and virtual reality training for the first time to NHT residents. We look forward to continued partnership with our residents in creating places that people are proud to call home.



Residents enjoy a wide range of digital programs

2023 Was a Year of Historic Firsts

As NHT approaches our 40th anniversary in 2025, we will look back on 2023 as a truly history-making year for our organization. As our first full year post-pandemic, we re-established practices to return building operations to pre-pandemic levels, including in-person town hall and Tenant Association meetings to build stronger ties with our residents and communities. We adapted our workforce to a new hybrid work schedule that builds on one of the strengths of NHT—our collective sense of work as OneNHT—and moved our office to a new location for the first time since our founding.

But 2023 will also undoubtedly be remembered as a year of transformative investments in NHT’s mission, groundbreaking initiatives to advance affordable housing preservation, and nationwide recognition of NHT’s capacity, knowledge, and commitment to accessible, high-quality, and sustainable homes.

Advancing New National Models for Affordable Homeownership with Amazon

With a \$40 million investment from Amazon’s Housing Equity Fund, NHT launched the Amazon Homeownership Pilot Initiative in September 2023. This brand new program, in partnership with Grounded Solutions Network, will support production of homeownership opportunities for low-to-middle income households and represents Amazon’s first investment in homeownership to help stabilize communities through community ownership. The program focuses on the creation and construction of affordable homeownership opportunities in Amazon’s priority geographies of the Puget Sound region in Washington State, the Greater Washington, D.C. metropolitan region, and Nashville, Tennessee.

Yield Giving Shows Confidence in NHT’s Vision

NHT was selected to receive a \$10 million unrestricted donation from Yield Giving, the private foundation established by MacKenzie Scott which aims to provide direct financial resources to pioneering nonprofits across the country. This gift—the largest in NHT’s history—represents an important vote of confidence in our ability to effectively achieve our mission through a practice-plus-policy approach. We intend to leverage this donation to invest in expanded services for our residents, support continued innovation among NHT’s business lines, and invest in systems and benefits that bolster NHT’s long-term organizational success.

Earning National Recognition of Our Commitment to Residents

As a mark of our ongoing commitment to the residents we serve, NHT was named a CORES-certified practitioner this year by Stewards of Affordable Housing for the Future (SAHF). The CORES certification—which stands for Certified Organization for Resident Engagement and Services—indicates “an organization’s commitment to the highest standards for resident services, a deep commitment to resident health and well-being, and data-informed operations and decision making.”



As a designation tied to an organization rather than any single property, the CORES certification is a fitting tribute to the years we have spent investing in our staff—namely our Resident Services Coordinators who are both skilled in social services and have a deep commitment to our communities—and implementing higher standards for data collection to protect resident privacy. The CORES certification also acknowledges NHT’s ongoing commitment to racial equity, which called on us to develop a new framework for resident services through community building, mutual aid, and trauma-informed care.

Reducing Energy and Emissions in NHT’s Portfolio

Ten years ago, NHT joined the Better Buildings Challenge (BBC), a joint initiative by the US Departments of Energy and Housing and Urban Development, to improve the energy efficiency in our portfolio by at least 20 percent. The BBC program calls on participating building owners—including but not limited to affordable housing providers—to make clear progress towards creating a more resilient and sustainable future.

NHT was pleased to reach our target energy reduction ahead of the ten year deadline. The lessons learned along the way bolster our ability to drive further energy efficiency in our portfolio and to share our insights with peer organizations implementing their own sustainability programs. Moreover, NHT is committed to going further still by pledging to the Better Climate Challenge (BCC). The new pledge calls for us to reduce carbon emissions portfolio-wide by 50 percent over the next ten years. Efforts like BBC and BCC not only help to turn the tide on climate change, but also provide our residents with healthier and higher performing buildings.

Ensuring that Federal Climate Investments Reach Affordable Housing

The Inflation Reduction Act (IRA)—enacted into law in 2022—marks the most significant action taken by the federal government to date to advance clean energy and tackle climate change. Throughout 2023 and ongoing, NHT is fighting to direct many of these federal investments into affordable housing for the benefit of our residents and low-income households across the country.

NHT is advocating directly with federal agencies as they design their programs, and also supporting both state agencies to leverage these resources and small/medium-sized housing owners to access IRA dollars. Our IRA Bootcamp series provided direct technical assistance to more than 36 housing finance agencies and 50 affordable housing developers to leverage upwards of \$25 billion for energy efficiency and climate resiliency investments in affordable housing to benefit low-income households.

NHT is the direct recipient of nearly \$15 million in IRA funds so far—resources that were competitively awarded by HUD through its Green and Resilient Retrofit Program (GRRP). While they represent just a small share of the multi-billion IRA law, this program supports owners of HUD-subsidized housing like NHT to invest in sustainable and resilient buildings in ways that would not otherwise be feasible. Specifically, these grants build our capacity to fund energy efficiency, decarbonization, and renewable energy at two of our affordable housing communities in Virginia: Hazel Hill Apartments and Kindewood Apartments. These critical renovations to both communities will yield some of the most energy efficient, healthy, solar-powered and durable homes in the Commonwealth.



LEADERSHIP PROFILE:



Danielle Arigoni

Managing Director for Policy and Solutions

In 2023, NHT managing director, Danielle Arigoni, added a new role as published author. Danielle released her first book, *Climate Resilience for an Aging Nation* (Island Press), shining a spotlight on ways in which older adults are disproportionately impacted by climate change and why their needs should serve as the focus for climate resilience planning. Danielle's project was informed by her prior work at AARP and integrates approaches that NHT supports towards advancing climate resilience for all. Housing strategies—like supporting construction and preservation of resilient multifamily housing, and ensuring that housing is constructed in ways that respond to an area's climate risks—are presented along with solutions for transportation, utilities, healthcare and emergency management. Together, they serve as a roadmap for communities interested in planning for a future of both growing climate risks and larger population shares of older adults. Public response to this fresh perspective has been positive: her work (and NHT) have been featured in *Forbes*, *CityLab*, *Next City*, *Ms Magazine*, *ICMA's Public Management* magazine and more.

Learn more at <https://islandpress.org/books/climate-resilience-aging-nation>.

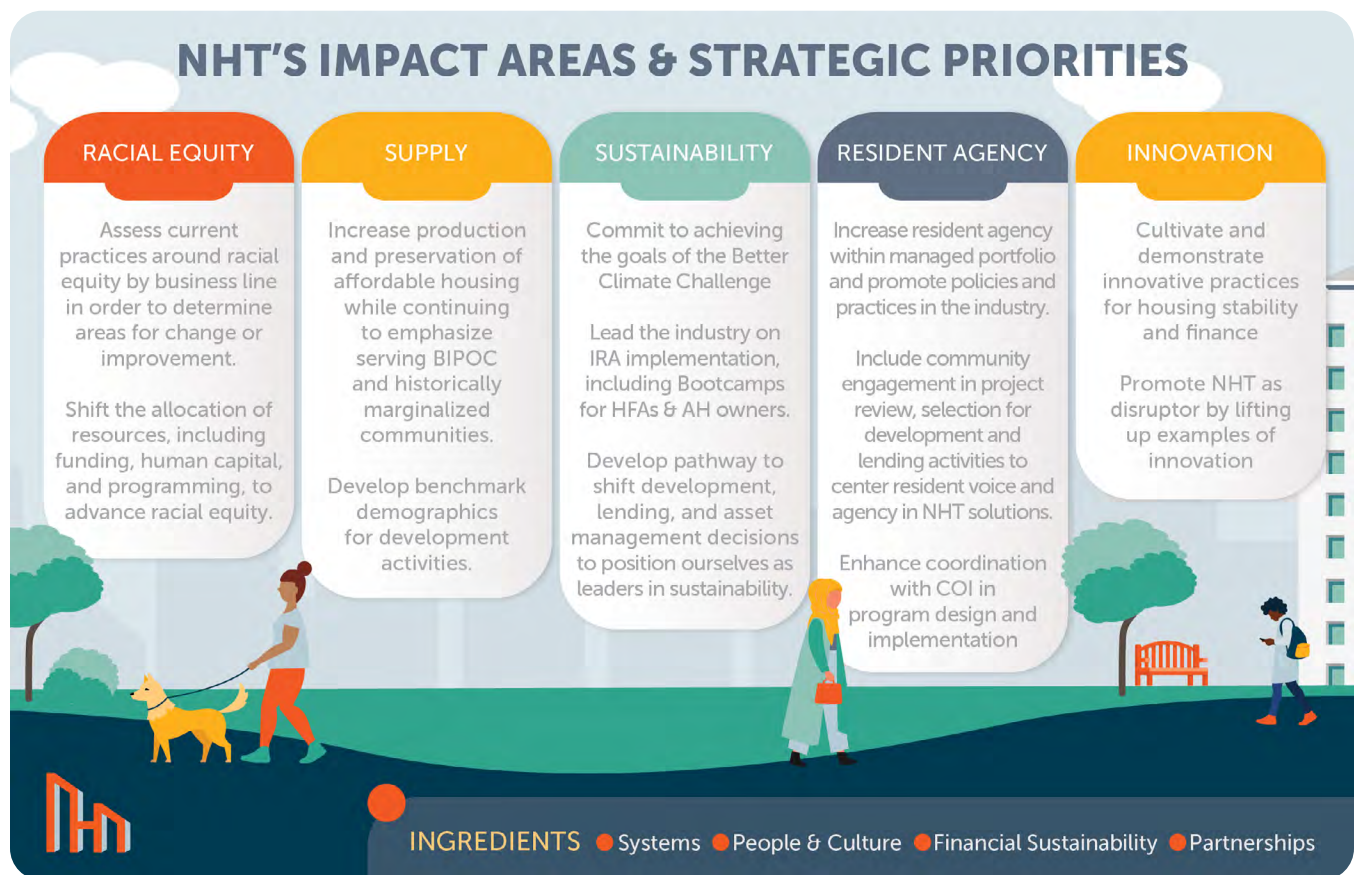
Bringing Solar Benefits to Low-Income Residents in Washington, D.C.

NHT developed the largest community solar installation in DC—and has now installed 15 megawatts of renewable energy generation across the country. Together with our partners DCWater, DCSEU, Urban Ingenuity, NEO Energy, Working Power, and Sunlight General Capital, NHT is generating 1.8 MW in energy through a community solar array constructed atop a DC Water reservoir in the Brentwood neighborhood of Northeast Washington, D.C. The innovative project used DC Solar for All funds to offset some of the construction costs in exchange for a commitment to allocate 100% of the generated power free to income-qualified District residents. As a result, the project will provide 650 households with electric bill credits of up to \$2,000 per year, totaling \$1.3M in annual electricity savings. The project's ribbon cutting, joined by leadership from several federal agencies, marked an important moment in NHT's IRA leadership in action.



Redefining our Strategy

Last year, midway through our 2021–2025 Strategic Plan, NHT refined our approach to better articulate five core impact areas that will drive our work. As you see from prior pages, the five areas where we focus our efforts are: **advancing racial equity** within the affordable housing industry; **increasing the supply of affordable housing** through new construction and preservation of existing homes; **accelerating sustainability initiatives** which address climate-related threats; **building resident agency** through community engagement and empowerment; and **innovating new practices** for housing stability and financing. Our plan also commits NHT to continual growth as an organization by building stronger systems, investing in our people and culture, achieving financial sustainability, and fostering partnerships.



We would like to extend a special thanks to the following organizations whose support played an essential role in helping us achieve our goals in 2023:

- Yield Giving
- Amazon Housing Equity Fund
- JPMorgan Chase
- Wells Fargo Foundation
- New Pluralists
- Morgan Stanley
- DC Department of Energy and Environment
- DC Sustainability Energy Utility

Addressing the Challenges of Tomorrow

For nearly 40 years, NHT has used our expertise to address the affordable housing crisis and decades of inequality which create real barriers to people achieving their full potential. That expertise began with housing preservation policy and property acquisition and rehabilitation. Since then, we have developed deep expertise in lending (especially lending to support shared equity models), new construction of high-performing buildings, renewable energy in affordable housing, policy innovation, and resident services. We have made inroads, but challenges to the creation and preservation of affordable housing and our residents remain—and grow more acute in the face of expanding income inequality, soaring prices and our climate crisis.

- Even as affordable housing practitioners redouble efforts to increase housing supply through new construction and zoning reform, the **demand for affordable housing is rising** and new development simply cannot keep pace with community needs.
- Communities' **ability to preserve the existing affordable housing stock** is hampered by expiring affordability in Housing Credit properties, deteriorating physical conditions, a financial system that does not offer the kind of investment to maintain properties, and higher utilities and insurance costs from climate risks.
- Increasing **gun violence** in some of our communities threatens the well-being of our residents, our staff and our partners, and the viability of the communities which we strive to strengthen through our development, asset management, and resident services.



Community Garden at Copeland Apartments, Washington, D.C.

As a leader in affordable housing, NHT will continue to remain laser-focused on identifying and pursuing solutions which mobilize capital, bolster capacity, build political will, and bring innovative solutions to create and preserve more affordable housing and stronger communities.

In 2024 and beyond, NHT will work to **harness the resources necessary to create the sustainable, viable, and affordable housing ecosystem** capable of navigating the challenges of the future, beginning today.

About National Housing Trust

Senior Leadership

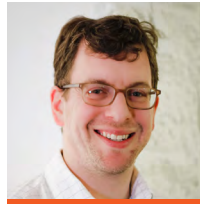
NHT's senior leadership and staff are committed experts who leverage their experience to make real change possible for the communities NHT serves. Together, NHT's entire team works to equip communities for a sustainable, equitable future by preserving and modernizing existing homes, building new homes that stand the test of time, and compassionately serving communities through resident engagement, responsible asset management, and renewable energy innovation.



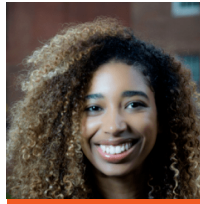
Priya Jayachandran
CEO



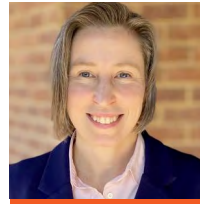
Danielle Arigoni
Managing Director
for Policy and
Solutions



Josh Earn
Managing Director
of Lending and
Innovation



Raisa Johnson
Managing Director
of Community
Outreach and Impact



Nicole Prorock
Chief Financial
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Kevin White
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Yusef Freeman, *The Vistria Group*

Ismael Guerrero, *Mercy Housing*

Carlos Martin, *Harvard Joint Center for Housing Studies*

Vince Toye, *JP Morgan Chase*

In Memoriam



Marilyn Melkonian

NHT's board and staff are deeply saddened by the recent passing of **Marilyn Melkonian**, who founded NHT, served as longtime board chair and as board member emeritus. Marilyn's commitment to affordable housing was unparalleled, having served as HUD's Deputy Assistant Secretary for Multifamily Housing in the Carter Administration, founding and leading her own wholly-owned real estate company, Telesis for nearly 40 years, and of course founding NHT. Marilyn was referred to affectionately by nearly all who

knew her as a "force of nature." She was fierce, independent, kind, visionary, fearless, caring, loyal, generous, and deeply committed, and her legacy lives on through the work that we do at NHT and in the lives of the people whose homes she helped make possible.



NATIONAL
HOUSING
TRUST

We've Moved

As of January 2024, National Housing Trust
is now located at the following address:

**1101 Connecticut Ave NW, Suite 700,
Washington, D.C. 20036**

NATIONALHOUSINGTRUST.ORG