IN 2011, THE NHP FOUNDATION (NHPF) successfully built upon the organizational improvements implemented in 2010. We are pleased with the progress made in 2011, and eager to continue implementing our goals in 2012 and beyond.

We invite you to read about the accomplishments highlighted in this annual report. For more than two decades, NHPF has remained steadfast in our commitment to preserving and creating affordable housing for low- and moderate-income families and seniors. In 2011, we reaffirmed that commitment with the creation of the NHPF Affiliate Program. We welcome the Falls Church Housing Corporation as the first NHPF Affiliate.

Through acquisition, rehabilitation, and development, we are maximizing the sustainability of our affordable housing portfolio. Given NHPF's longstanding presence in Washington, DC, we are particularly pleased to have broken ground in December on our first affordable housing project in the Nation's Capital—Alabama Avenue Affordable Senior Housing. This project is our second NHPF Affiliate.

Our resident services division—Operation Pathways—plays a critical role in turning rental housing properties into thriving communities. We are proud to have directed almost $865,000 to fund the many Operation Pathways programs, and thank the national funding organizations who joined NHPF in giving their support.

Going forward, we have laid the groundwork to accelerate our efforts. This will be greatly facilitated by our new joint venture with a major financial institution and Urban Atlantic, an experienced affordable housing developer and investor. This venture will begin with a $50 million fund to facilitate the acquisition and preservation of affordable housing properties. The critical shortage of affordable rental housing in this country shows no signs of abating. That is why our commitment to preservation, and your ongoing support of NHPF, remain imperative.

Thomas Carr  
Chairman, Board of Trustees

Richard F. Burns  
Chief Executive Officer
THE WORK OF THE NHP FOUNDATION (NHPF)

Whether though acquisition, rehabilitation, or development, our mission is to provide safe, clean, and affordable housing for low- to moderate-income families and seniors, while offering a robust array of programs and services for the residents and communities we serve.
Affiliations and Partnerships

2011: BUILDING ON A FIRM FOUNDATION

With a strong focus on residents, teamwork, accountability, and transparency, the NHPF building process continues.
THE NHPF AFFILIATE PROGRAM brings NHPF’s managerial strength in finance, asset management, resident services, and fundraising to local housing programs that cannot support the breadth or depth of staff needed to continue. The housing programs that affiliate with NHPF will realize cost savings and gain the expertise needed to sustain and grow their operations.

The Falls Church Housing Corporation (FCHC), a Community Development Corporation, is the first affiliate to align with NHPF. Its agreement with NHPF took effect on June 28, 2011. A 30-year-old organization with a history of public/private partnerships, FCHC operates properties for seniors and low- to moderate-income families in Falls Church, Virginia.
THE OPPORTUNITY FOR NHPF to implement its vision in Washington, DC with the Alabama Avenue Affordable Senior Housing project is a milestone. Alabama Avenue Affordable Senior Housing is a joint venture between NHPF, Allen Chapel AME Church/Vision of Victory CDC (VOV), and District Development Group LLC (DDG). The public-private venture valued at more than $16 Million was made possible through financial support from Bank of America Merrill Lynch, Enterprise Community Partners, DC Housing Finance Agency, Deputy Mayor’s Office on Planning and Economic Development, District Department of Housing and Community Development, Freddie Mac, PNC, and the joint venture of DDG, NHPF, and VOV. This project is the second to join the NHPF Affiliate Program.

The Alabama Avenue Affordable Senior Housing community is the first property in Washington, DC to be included in NHPF’s portfolio. This accomplishment is expected to be the first of many opportunities for NHPF to preserve and create affordable housing in the District.
IN 2011, NHPF:

• INCREASED portfolio occupancy to 94%

• INCREASED total revenue by $1.1 million, an increase of 4.4%

• INVESTED $2 million in capital improvements across the portfolio

• INSTALLED energy saving devices and other environmentally friendly improvements in furtherance of our commitment to sustainable communities

Proactive Preservation
• **IN JANUARY 2011**, a rehabilitation project began at Washington Dodd Apartments, 300 units located in Orange, New Jersey. The project is scheduled to be completed in July 2012

• **IN JUNE 2011**, NHPF acquired Winter Hill, 83 units, and Virginia Village, 4 units, both located in Falls Church, Virginia

• **IN JUNE 2011**, NHPF completed the historic rehabilitation of St. Luke’s Plaza, 216 units located in St. Louis, Missouri. The project was fully leased-up by the end of October 2011

• **IN DECEMBER 2011**, NHPF broke ground on Alabama Avenue Senior Housing, 91 units located in the District of Columbia
NHPF TAKES A “HOUSING FIRST” approach to programs and services. We view safe, clean, affordable housing as the foundation upon which individuals and families become financially self-sufficient and can build assets. NHPF’s resident services program—Operation Pathways—provides an extensive array of programs and services, helping people to help themselves.

OPERATION PATHWAYS:

• develops and implements outcomes-based programming that measures success by monitoring the positive changes in behavior or increased knowledge and skill levels of our participants

• believes that it is our responsibility to create powerful learning experiences in dynamic settings to engage participants in meaningful and effective programs and services

• offers programming that capitalizes on the proximity of our community centers to the homes of our participants, focusing on local needs and service gaps
IN 2011, NHPF’S RESIDENT SERVICES PROGRAM, Operation Pathways, provided over 3,000 families and seniors a wide variety of educational, health, and enrichment programming. A few examples are:

- the Brighten Up After School program, encouraging academic achievement
- the Pathway to Healthy Living program, promoting physical, spiritual, and emotional wellness
- the Saving for Tomorrow program, affording participants solid grounding in the principles of financial literacy and planning

Also in 2011, Operation Pathways opened new community centers in Connecticut, Missouri, New Jersey, and Virginia, enhanced through the help of over 3,000 volunteers.
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Our mission:

The NHP Foundation is a nonprofit organization dedicated to making investments that preserve and create affordable multifamily housing for low- to moderate-income families and seniors while providing a comprehensive array of programs and services to enhance the quality of life for its residents.