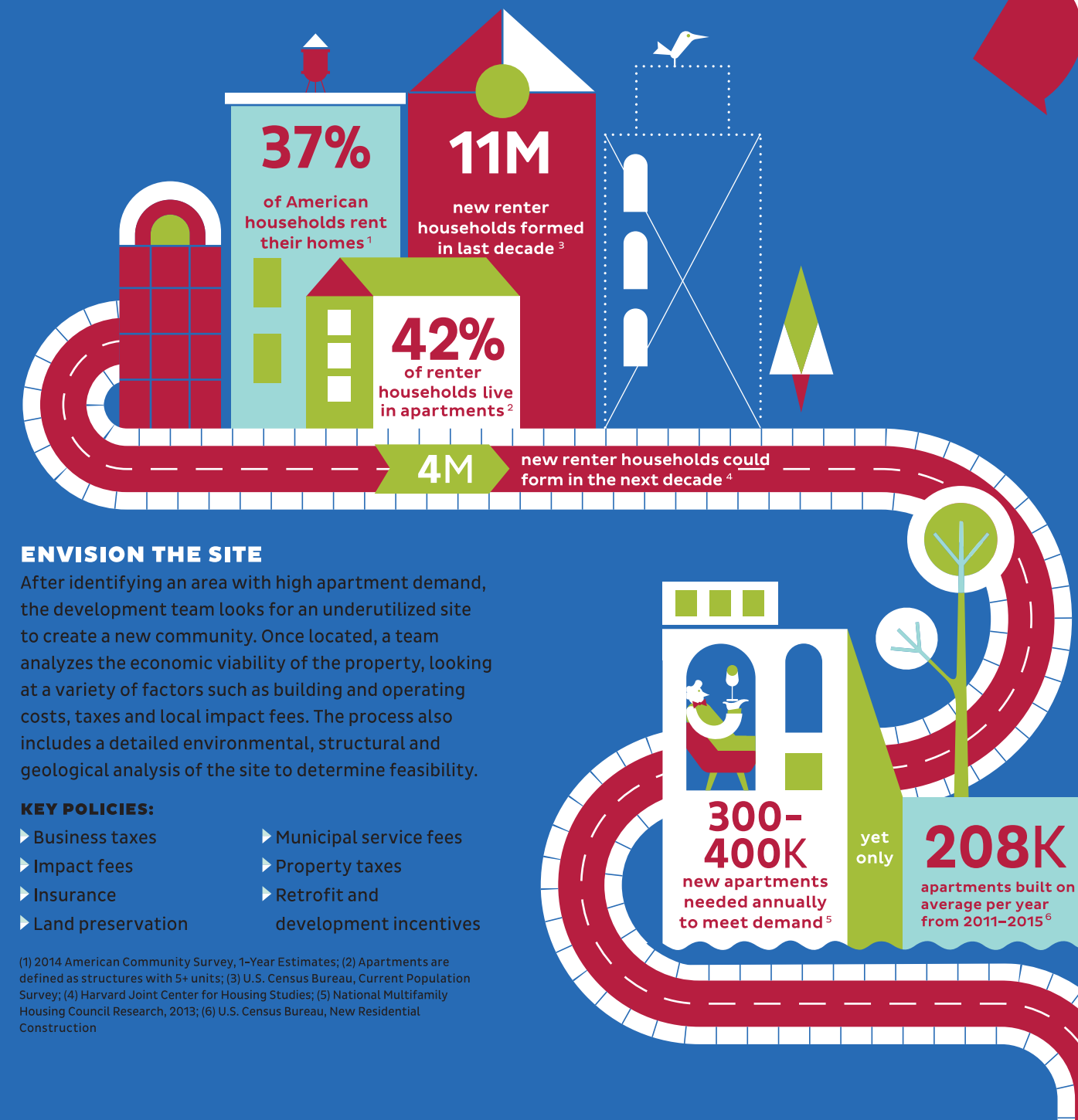


MEETING TOMORROW'S HOUSING DEMAND

HOW PUBLIC POLICY AFFECTS APARTMENT DEVELOPMENT AND OPERATIONS AT EVERY TURN



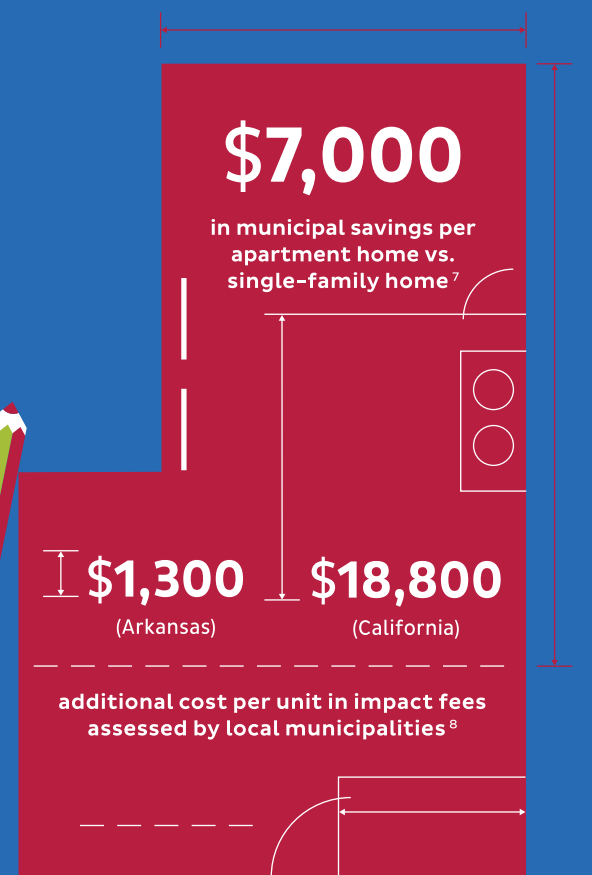
COLLABORATE WITH THE COMMUNITY

The development team works with architectural, design and engineering partners to create a property concept and site plan. Beyond adhering to local development rules, the final plan approval process typically involves a number of planning board meetings, community engagement sessions and plan revisions on everything from architectural style to on-site amenities.

KEY POLICIES:

- ▶ Energy efficiency
- ▶ Housing affordability
- ▶ Land use
- ▶ Inclusionary zoning
- ▶ Environmental regulations
- ▶ Telecommunications
- ▶ NIMBYism

(7) Newport Partners, LLC, and Virginia Polytechnic Institute and State University, "Impact Fees and Housing Affordability," June 2008; (8) Duncan Associates, 2012 National Impact Fee Survey



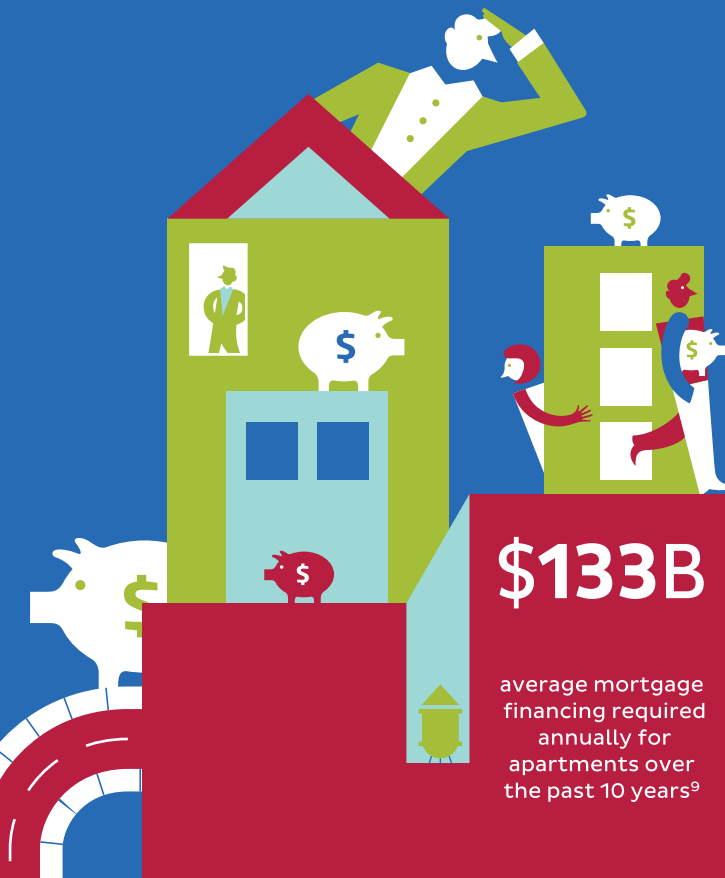
FIND THE FUNDS

In addition to providing its own capital, the development team most often has to find investment partners to help fund the project. Besides investors, the team must find lenders to provide short-term development and construction funds along with long-term mortgage financing. Lender willingness depends on property type, market and economic conditions.

KEY POLICIES:

- ▶ Housing finance reform
- ▶ Dodd-Frank
- ▶ FHA multifamily programs
- ▶ Low-Income Housing Tax Credit
- ▶ Historic preservation tax
- ▶ FHFA regulations
- ▶ EB-5
- ▶ FIRPTA

(9) Mortgage Bankers Association and Freddie Mac, 2015



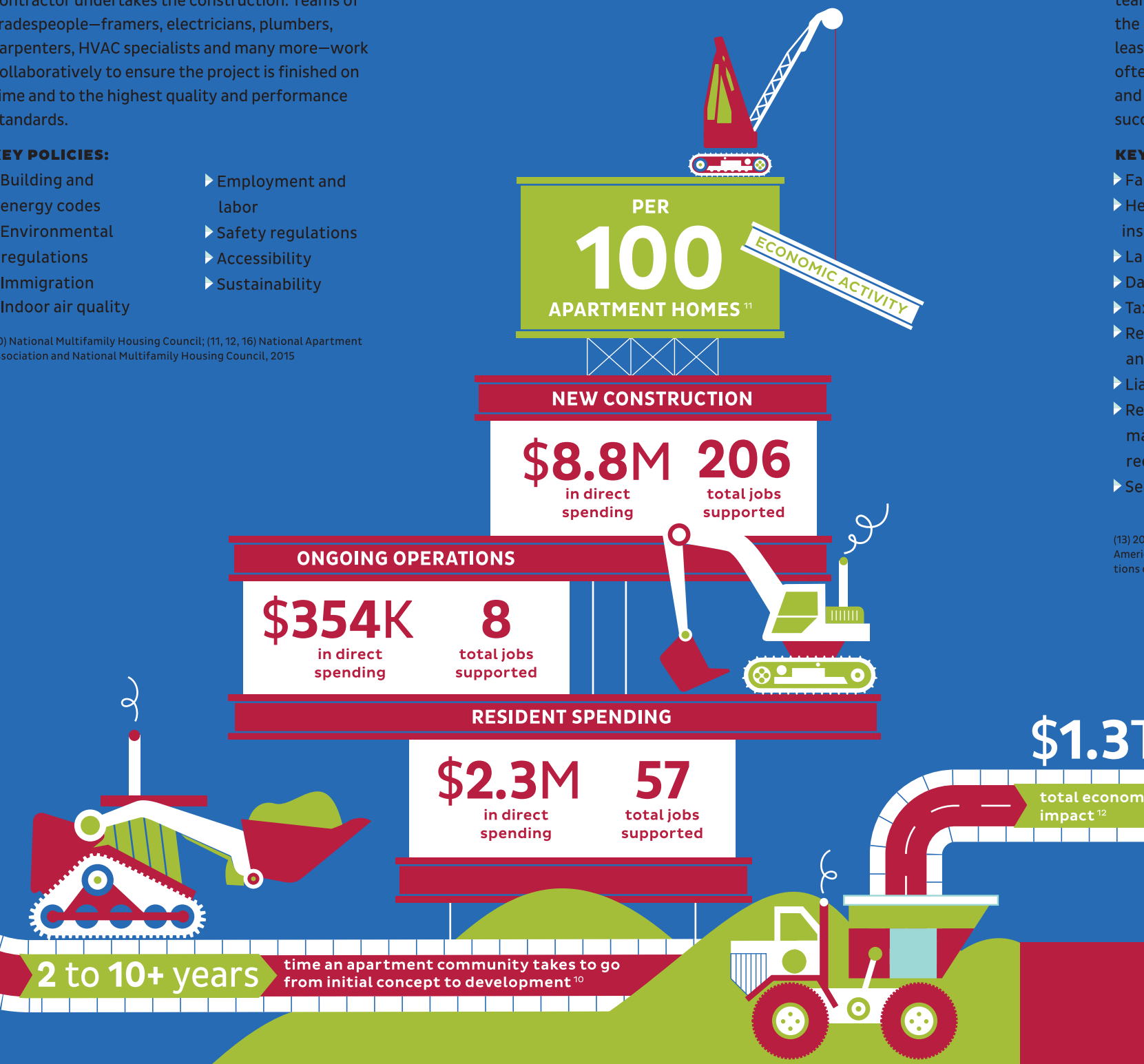
GET BUILDING

The development team or a third-party general contractor undertakes the construction. Teams of tradespeople—framers, electricians, plumbers, carpenters, HVAC specialists and many more—work collaboratively to ensure the project is finished on time and to the highest quality and performance standards.

KEY POLICIES:

- ▶ Building and energy codes
- ▶ Environmental regulations
- ▶ Immigration
- ▶ Indoor air quality
- ▶ Employment and labor
- ▶ Safety regulations
- ▶ Accessibility
- ▶ Sustainability

(10) National Multifamily Housing Council; (11, 12, 16) National Apartment Association and National Multifamily Housing Council, 2015



ROLL OUT THE WELCOME MAT

Before construction wraps up, the development team starts marketing the property and pre-leasing the units. An on-site team of community managers, leasing consultants and maintenance technicians—often along with support staff such as landscapers and lifeguards—ensure the new community's successful operation and resident satisfaction.

KEY POLICIES:

- ▶ Fair housing
- ▶ Health and safety inspections
- ▶ Labor and employment
- ▶ Data security
- ▶ Taxes
- ▶ Resident rights and protections
- ▶ Liability
- ▶ Retrofit and maintenance requirements
- ▶ Section 8
- ▶ Utility submetering and billing
- ▶ Terrorism insurance
- ▶ Flood insurance
- ▶ Emotional support animals
- ▶ Rental registration
- ▶ Mail and package delivery

(13) 2014 American Community Survey, 1-Year Estimates; (14) 2014 American Community Survey, 1-Year Estimates; (15) NIMHC tabulations of 2014 American Community Survey microdata



SMART POLICIES

The country needs 300,000 to 400,000 new apartments each year just to keep up with demand – a number reached just once in the past decade. Through public/private collaboration, we can provide the right housing in the right place at the right price to create vibrant, healthy communities.

TO HELP MEET THIS DEMAND, THE APARTMENT INDUSTRY ASKS POLICYMAKERS TO:

-  **ADDRESS THE GROWING SHORTAGE** of quality housing for America's workers
-  **ENSURE RELIABLE SOURCES OF FINANCING** for apartments
-  **SUPPORT ECONOMIC GROWTH** through sensible tax policy
-  **REDUCE HOUSING COSTS** through legislative and regulatory reform
-  **INVEST IN THE FUTURE** through sustainability incentives and technology
-  **BALANCE ENVIRONMENTAL STEWARDSHIP** and economic growth

For nearly 25 years, the National Apartment Association (NAA) and the National Multifamily Housing Council (NMHC) have been partners in leading advocacy initiatives on behalf of America's apartment industry. Drawing on the knowledge and policy expertise of staff in Washington, D.C., as well as the advocacy power of nearly 170 NAA state and local affiliated associations, this unique partnership provides a single voice for developers, owners, financiers and operators of apartment housing on a variety of federal, state and local legislative and regulatory matters.

NATIONAL MULTIFAMILY HOUSING COUNCIL
Based in Washington, D.C., the National Multifamily Housing Council (NMHC) is the leadership of the trillion-dollar apartment industry. We bring together the prominent owners, managers and developers who help create thriving communities by providing apartment homes for today's 38 million Americans. NMHC provides a forum for insight, advocacy and action that enables both members and the communities they help build to thrive.

www.nmhc.org



NATIONAL APARTMENT ASSOCIATION
NAA is America's leading voice for the apartment housing industry and provides its members with the best range of strategic, educational, operational, networking and advocacy resources they need to learn, to lead and to succeed. As a federation of nearly 170 state and local affiliates, NAA encompasses over 69,000 members representing more than 8.1 million apartment homes throughout the United States and Canada. NAA's purpose is to enable every single one of its members to fulfill his or her professional goals with great competence, speed and the highest standards of ethics.

www.naahq.org

APARTMENTS WORK

THE POLICYMAKER'S GUIDE TO RENTAL HOUSING



STRONG COMMUNITIES

In communities across the country, apartments work – helping people live in a home that's right for them. Whether it's young professionals starting out, empty nesters looking to downsize and simplify, workers wanting to live near their jobs, married couples without children, or families building a better life, apartment homes provide a sensible choice to meet their specific housing needs.



Apartment homes and their residents contribute \$1.3 trillion annually to the economy. That's more than 12 million jobs in construction, operations, leasing, management and skilled trades as well as all the local businesses supported by neighborhood apartments and the millions who live there.

And demand continues to grow. In fact, 11 million more people rent than a decade ago, with upwards of at least 4 million new renter households forming by 2025. Apartments, and the jobs and dollars they generate, make our communities strong.