



STRATEGIC PRIORITY TWO CREATE AND PRESERVE HOMES FOR IMPACT AND EFFICIENCY

By leveraging our national scale, we will provide even more affordable housing across the United States to meet the prolific need.

WE WILL

Develop and/or preserve 9,300 units of financially sustainable affordable housing that responds to local needs and priorities.

- Prioritize development in geographies that already have a concentration of Mercy Housing properties.
- Target new development at incomes predominantly below 60% AMI using rent subsidies where available to reach lower incomes; Develop mixed-income housing when financially feasible and responsive to local housing needs.
- For acquisitions, pursue existing Section 8 properties and Naturally Occurring Affordable Housing (NOAH) and portfolios.
- Explore opportunities to acquire and/or develop properties owned by women religious, dioceses, and other communities of faith.

Develop housing that is safe, durable, resident-friendly, and energy efficient.

- Enhance portfolio performance by creating and implementing design and product standards that advance property longevity, reduce operating costs, and support health outcomes.
- Evaluate cost effectiveness of modular construction, share what we learn, and expand to additional geographies as feasible.
- Test new building construction methods to reduce costs and explore opportunities for developing and duplicating a standardized unit design in multiple properties.

Increase impact in affordable housing and community development by providing innovative, mission focused investments for Mercy Housing and other community developers with the expansion of Mercy Community Capital (MCC) to grow MCC to \$100 million in total assets.

- Grow loans outstanding by \$5 million per year.
- Increase unrestricted net assets to 35% by 2024.



STRATEGIC PRIORITY AREAS

We have five strategic priority areas, describing what we do, what we need, and how we do it. These priority areas will guide and inform decisions over the next five years.

WHAT WE DO

1

INSPIRE DREAMS THROUGH A REFINED RESIDENT IMPACT MODEL

Pilot and implement resident impact approach that engages residents, supports residents' leadership, and measures the impact.

2

CREATE AND PRESERVE HOMES FOR IMPACT AND EFFICIENCY

Develop and/or preserve 9,300 apartments. Expand Mercy Community Capital to \$100 million.

WHAT WE NEED

3

PROACTIVELY PURSUE STRATEGIC PARTNERSHIPS

Pursue health and other service partnerships that positively impact residents at a national, regional, and local level.

4

STRENGTHEN FUNDRAISING CAPABILITIES

Create funds to preserve and expand the portfolio. Create an integrated fundraising approach that is reliable, measurable, and shows significant growth.

HOW WE DO IT

5

APPROACH OUR WORK WITH RACIAL EQUITY, COMMUNITY PARTNERSHIP, CONTINUOUS IMPROVEMENT, AND GUIDING VALUES IN MIND