

YEAR IN REVIEW



The Amazon Housing Equity Fund Impact Report



20
22



As of March 2022, the Amazon Housing Equity Fund has had a significant, positive impact on rental affordability in the communities Amazon calls home with more than \$1.2B in loans and grants funded.

Corporate America plays a vital role in enriching its communities. Amazon's belief is that all people should have access to housing they can afford. Low-income and minority families are disproportionately affected by an affordable housing shortage in the U.S. While only governments at the local, state, and federal level have the capacity to implement more effective housing policies, Amazon believes the private and public sectors can work together to address this challenge. We will use our position as a large employer to support innovative housing affordability initiatives. And, in locations where we have a sizeable presence, Amazon will invest directly in efforts where our financial support will make a difference.

One key driver of our investments has been through the Amazon Housing Equity Fund (the Fund), which we established in January 2021 with a more than \$2 billion commitment to create or preserve more than 20,000 affordable housing units in our hometown communities. Amazon has partnered with public agencies and mission-driven partners to create inclusive housing developments and preserve existing housing through low-rate loans and grants. Our investments have quickly generated substantial community impact but there is more to do. As of March 2022, Amazon has announced total commitments of more than \$1.2 billion¹ in affordable housing initiatives in our hometown communities – Arlington, Virginia; Puget Sound, Washington; and Nashville, Tennessee.

¹ This figure includes Amazon's investment of \$379.9 million in the Crystal House apartments, which was made in addition to the \$2 billion Fund.

To date, these commitments have protected or created 8,000 affordable units to house more than 18,000 people.² Specifically:

- In Arlington, Virginia, Amazon has added 1,900 long-term (98 to 99 years) multifamily affordable units which represents approximately a 22%³ increase in the available stock. Across the entire Washington DC region, the Fund has supported over 4,400 affordable units with \$795 million in funding.
- In Bellevue, Washington, Amazon has increased the stock of long-term affordable multifamily units by approximately 20%⁴. Across the entire Puget Sound region, Amazon has provided more than \$338 million in funding to support over 2,800 affordable units.
- In Nashville, Tennessee, Amazon has contributed \$3.75 million to establish a fund to preserve home ownership for low- and moderate-income families whose housing insecurity was exacerbated by the COVID-19 pandemic, job loss, and tornado recovery.

This fund also provided support for landlords with low- and moderate-income tenants to offset the impact of lost rents caused by COVID-19 and has already helped over 500 homeowners remain in their homes.

- In June 2021, Amazon announced a \$300 million partnership with three public transit agencies to support the creation of 3,000 new affordable homes at or near high-capacity public transit areas in all three communities. To date, over 1,000 affordable units have already entered the construction or pre-construction development phases.

For each Amazon-funded affordable home, rents will be maintained at levels affordable for low- and moderate-income families in that region (98 to 99 years) and rents will only rise with wage growth as determined by the U.S. Department of Housing and Urban Development. As real estate prices have continued to rise, this commitment will save the families thousands of dollars annually.



² Estimate is based on 2019 American Community Survey average rental household size in the zip codes of funded Amazon projects.

³ Based on data provided by Arlington County.

⁴ Based on data provided by the City of Bellevue, which includes information on properties not traditionally defined as multifamily affordable housing, such as single-family properties, homeless shelters, transitional housing, and others.

The Vision:

Amazon's Housing Equity Fund

The establishment of the more than \$2 billion Amazon Housing Equity Fund sprang from the company's belief that all people should have access to a home they can afford. The Fund was created with the goal of growing and protecting the stock of housing for low- to moderate-income families in Arlington, Virginia; Puget Sound, Washington; and Nashville, Tennessee.

The Fund employs a comprehensive, multipronged approach to housing affordability. Our approach includes:

- Using low-rate loans and capital grants to preserve and create thousands of affordable homes for the long term;
- Providing opportunities for emerging affordable housing developer companies led by people of color in real estate so they can grow professionally and have easier access to capital;
- Providing grants to support community-based organizations, mission-driven housing providers, traditional and nontraditional public agencies, and organizations led by people of color;
- Advocating for innovative and equity-based policy initiatives, and;
- Partnering with local governments and agencies on innovative ways to increase affordable housing options.



In Arlington, Virginia, Amazon has increased the stock of long-term (98 - 99 years) multifamily affordable units by approximately 22%.





Creating and Preserving Affordable Housing

The affordable housing developments that were supported by the Amazon Housing Equity Fund in its first year are split between new construction and preservation, and our investments have been focused on low- to moderate-income households earning 30% to 80% of area median income (AMI), what we call “the missing middle”—first responders, teachers, health care workers, and others who don’t qualify for subsidies but whose wages haven’t kept pace with escalating rents.

Heat Map of Bedrooms and AMI% (by bedrooms and AMI%)

| Bedroom Type | 30% AMI | 50% AMI | 60% AMI | 80% AMI | Grand Total |
|--------------------|-------------|-------------|--------------|--------------|-------------|
| Studio | 0.0% | 2.8% | 2.3% | 5.0% | 10.1% |
| 1-Bedroom | 0.2% | 4.1% | 17.5% | 29.9% | 51.8% |
| 2-Bedroom | 0.1% | 1.6% | 12.5% | 19.4% | 33.5% |
| 3-Bedroom | 0.0% | 1.1% | 1.6% | 1.8% | 4.6% |
| Grand Total | 0.3% | 9.7% | 33.9% | 56.1% | 100% |

*For announced transactions only. To date, 19 30% AMI units have been funded.

Depending on region and family size, this represents a range from \$29,550 in Nashville to \$103,200 in Arlington, Virginia. All three of the Fund’s priority regions have AMIs well above the national average for a family of four of \$79,900. These affordable units are integral to their communities.

| Region | Puget Sound | | HQ2 Region | | Nashville | |
|----------|-------------|-------------|------------|-------------|------------|-------------|
| | Individual | Family of 4 | Individual | Family of 4 | Individual | Family of 4 |
| 30% AMI | \$24,297 | \$34,710 | \$27,090 | \$38,700 | \$17,730 | \$27,319 |
| 50% AMI | \$40,495 | \$57,850 | \$45,150 | \$64,500 | \$29,550 | \$42,150 |
| 60% AMI | \$48,594 | \$69,400 | \$54,180 | \$77,400 | \$35,460 | \$50,580 |
| 80% AMI | \$64,792 | \$92,560 | \$72,240 | \$103,200 | \$47,280 | \$72,850 |
| 100% AMI | \$80,990 | \$115,700 | \$90,300 | \$129,000 | \$59,100 | \$91,063 |

AMI Data determined by U.S. Department of Housing and Urban Development



As of this report, the Fund has announced \$1 billion in affordable housing solutions.

Regional Highlights

Arlington, Virginia

Located fewer than three miles from Amazon's Arlington, Virginia headquarters, The Barcroft, an apartment community featuring 1,334 affordable homes in Arlington's Columbia Pike corridor, is the largest naturally occurring affordable housing complex in the region. According to the Arlington County Board, preserving the affordability of The Barcroft was a top priority as the community was under tremendous redevelopment pressure, and the loss of all those affordable homes would have displaced hundreds of families, or as many as 3,000 people. Amazon's role in this transaction helped to preserve affordability for 99 years.

"This is really a once-in-a-generation opportunity for our community to preserve the largest neighborhood of affordable housing units in the county for the next century," said Arlington County Manager Mark Schwartz.⁵

Since 2000, Arlington County has lost approximately 14,400 privately owned, affordably priced housing units. Between 2010 and 2018, median home value climbed approximately 20% (after adjusting for inflation), and median rents climbed 11%, while median household incomes climbed only 7%.⁶



Amazon is demonstrating dedication and commitment to the Arlington community with this game-changing opportunity to increase affordable housing in the county."

Anne Venezia
Arlington County
Housing Division Chief

⁵ "Amazon and Arlington County to finance purchase of Columbia Pike apartment complex", Arlnow.com, 12/31/2021

⁶ Data provided by Arlington County



Amazon's first affordable housing initiative in Virginia was the 825-unit Crystal House apartment community, located a few blocks from the site of Amazon's Arlington, Virginia corporate headquarters. In partnership with the [Washington Housing Conservancy \(WHC\)](#), the Amazon Housing Equity Fund provided low-rate loans and grants worth \$42 million to WHC to acquire Crystal House and help with the stabilization and lowering of rents for the 619 affordable units.

As part of the Crystal House transaction, Amazon acquired a \$40 million option right on undeveloped land on the 16-acre site—an option right that could support at least 550 new affordable homes onsite. Amazon donated the land and assigned the right to Arlington County for affordable housing development.

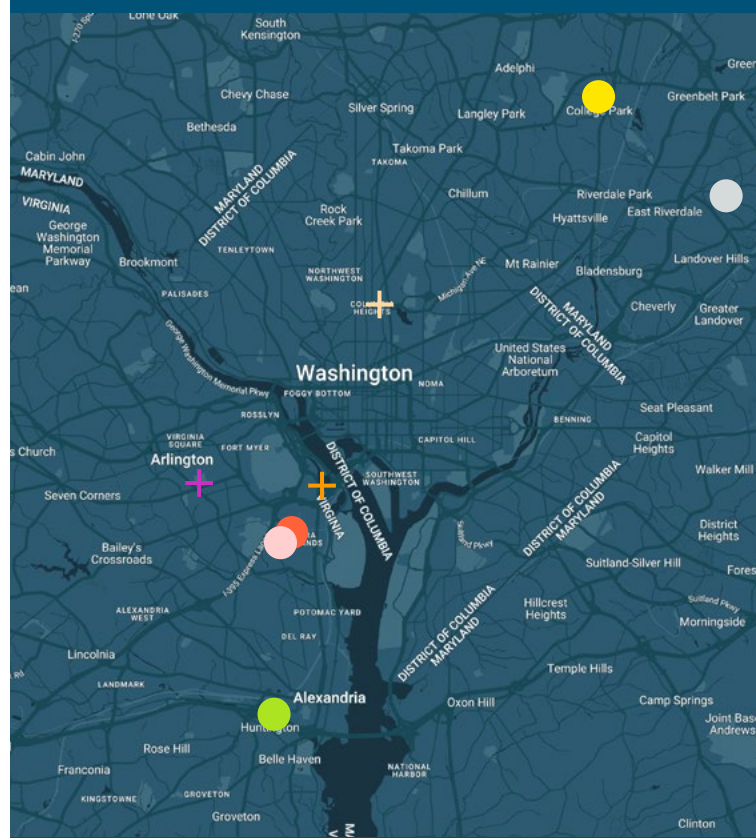
Between The Barcroft and Crystal House, Amazon has preserved 1,953 units in the region and increased the stock of long-term (99 years) multifamily units in Arlington County by 22%. Amazon is now funding approximately 18% of all multifamily affordable housing in Arlington.⁷

Amazon's initial investments in the national capital-area properties cover a wide geographic area. The largest two loans, by number of units and loan amount, are located in Arlington County. Each property is, on average, 0.72 miles from a grocery store and 0.47 miles from a public school.

⁷ Based on counts (5,639 affordable units) provided by CoStar.

DMV Properties

● Other + Minority



- Barcroft Apartments
- Crystal House
- Cityside Huntington
- New Carrollton
- College Park
- Park Vue Apartments
- Parcel 42
- Parc Square

Puget Sound Region, Washington

In the Puget Sound region of Washington state, Amazon and the King County Housing Authority (KCHA) worked together to commit \$161.5 million in low-rate loans and \$24 million in grants to the delivery of 1,000 affordable homes primarily in the Bellevue, Washington area over three to five years. For those who currently live in Bellevue and paying prevailing rate rents and move into a home supported by the Amazon funding will experience up to a 30% reduction in their rent-to-income ratio.⁸ These funds, which were previously going to rent, can now go to other basic needs like savings, education, or health care. For those low- to moderate-income families who currently work in Bellevue and commute into the city, these units will give them an opportunity to live closer to their work.

The Amazon Housing Equity Fund has also helped partners like Bellwether Housing, a leading nonprofit in the Puget Sound region, to move quickly and competitively to preserve affordability.

“The Amazon Housing Equity Fund could not have come at a better time. Public funding sources are severely constrained,” said Bellwether Housing CEO Susan Boyd.⁹ “We anticipate that this fund will allow us to bring hundreds of more units into permanent affordability.”



It is encouraging to see our state’s largest employer stepping up to provide support to turn the tide on our crisis of housing affordability.”

Claudia Balducci
King County Council Chair

⁸ Depending on their current AMI level and family size. Prevailing rate rent estimates provided by CoStar.

⁹ “Amazon commits another \$28.5 million for local affordable housing” Amazon Blog post, 1/17/22

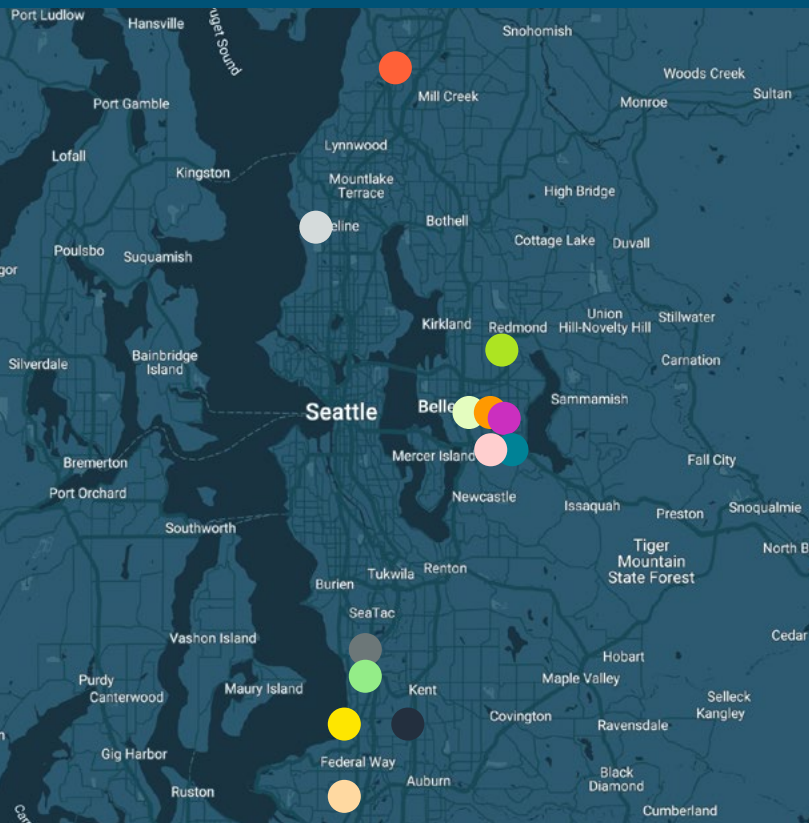
Like similar nonprofits, Bellwether Housing has struggled to raise the capital needed to acquire and preserve affordable homes before they are lost to luxury housing developers.

Amazon’s Puget Sound Region investments are, on average, .8 miles from a grocery store, and, on average, .4 miles from a public school.

“The scale that Amazon has gone to in order to create and preserve affordable housing in our region makes a real difference. Their commitment is bringing much needed affordability and accessibility to Bellevue residents.”

“I am thrilled Amazon and King County Housing Authority are working together to make our growing Bellevue community more inclusive, equitable, and opportunity-rich for families of all income levels. Corporate-nonprofit partnerships like this will ensure fast, strategic action, as well as positive, long-term change as we tackle this affordability crisis together as a region.” — Bellevue City Manager Brad Miyake.

Puget Sound Properties



- Hampton Greens
- Illahee
- Marina Club
- Pinewood Village
- Sage
- Sandpiper East Apartments
- Shoreline
- Sound Transit Angle Lake
- Spring District
- Surrey Downs Apartments
- The Argyle Apartments
- The BLVD
- The Carrington Apartments



Nashville, Tennessee

Between 2020 and 2021, Amazon contributed \$3.75 million to The Housing Fund in Nashville, Tennessee to establish The Housing Resiliency Fund, a program within the nonprofit aimed at supporting qualified homeowners with property tax relief. The Housing Resiliency Fund helped preserve homeownership for hundreds of low- to moderate-income families in the Nashville area that were facing housing insecurity. Our 2021 funding also enabled The Housing Fund to ease the tax burdens of eligible landlords who are committed to maintaining affordable housing; this in turn supports local residents, as those eligible landlords are now less likely to pass on rent increases to vulnerable populations.

The Housing Resiliency Fund makes mortgage payments on behalf of qualified residents to mitigate the impact of rising housing costs and maintain critical, long-term financial stability. As of February 2022, Amazon's donations have helped 559 households pay property taxes for up to five years and remain in their homes.

Approximately 75% are households of color; of those households, 75% make less than 80% of Nashville's Area Median Income (AMI). This translates to less than \$68,000 annually for a family of four, and less than \$48,000 for an individual. About 31% of the households served are on a fixed income.

"When you give back to that family, you are strengthening that neighborhood and revitalizing that neighborhood. And when you revitalize that neighborhood it makes a strong community. And when you have a strong community, that's what makes a city vibrant and attractive. You have families and companies that are looking for attractive cities, so that they can live, work, play, and do business. Helping a family, in turn helps the city, coming back full circle. We want more companies such as Amazon to make donations and contributions to give back to the families." – Ruby Baker (President of the Bordeaux Hills Residential Association), Housing Resiliency Fund recipient.¹⁰

¹⁰ "Housing Resiliency Fund Client Testimonial" YouTube, 8/12/21





Transit-Proximate Affordable Housing

Transit-oriented development (TOD) is a unique approach to preserving and creating affordable housing options so low- to moderate-income families can afford to live near—and benefit from—quality public transit. All of Amazon’s 2021 investments were within a 10-minute walk of a mass transit route.

In June 2021, Amazon announced a \$300 million commitment to partner with public transit agencies and support the creation of 3,000 new affordable homes near high-capacity public transit areas across the Fund’s three focus geographies. As of March 2022, over 1,000 new affordable units have already entered the pre-construction or construction phase of development.

Amazon’s TOD commitments also focus on promoting equity across racial and economic lines and offer a double benefit to low- to moderate-income families by providing easy access to quality transit that connects them to the rest of the region. Among those investments, the Fund committed \$100 million to developers working with Sound Transit in Washington state; \$125 million to developers working with Metro in the Arlington, Virginia-Washington, D.C. area; and \$75 million to developers near WeGo Public Transit locations in Nashville with the goal of creating 800 affordable homes near active transit corridors in each location by 2025.

| | DMV | Puget Sound | Nashville |
|--|---|--|--|
| Estimated Units Generated by 2025 | 1,000 | 1,200 | 800 |
| The Fund’s Financial Commitment | \$125M, \$25M of which is dedicated to minority-led organizations | \$100M, \$25M of which is dedicated to pre-development funding | \$75M for affordable housing developments within ½ mile of high-capacity transit corridors |
| Regional Public Transit Agency | Washington Metropolitan Area Transit Authority (Metro) | Sound Transit | WeGo |

According to research from the [Center for Neighborhood Technology](#), 55% of U.S. neighborhoods are affordable to the neighborhood’s typical household. However, when transportation costs are taken into consideration, only 26% of U.S. neighborhoods are actually affordable to a typical household. Furthermore, a [2019 report by the U.S. Bureau of Labor Statistics](#) shows that the average household nationally spends 13% of their income on transportation costs; it’s the second highest expense after housing. This percentage increases for households making 80% of area median income and below—households that are disproportionately in communities of color. These statistics emphasize the need for quality housing that is affordable near public transportation.



Amazon's 2021 Commitment to TOD Transactions and Partnerships

In the Puget Sound region, the Amazon Housing Equity Fund committed over \$25.9 million in low-rate loans and predevelopment grants for the construction of Spring District, a building being planned by the nonprofit affordable housing developer BRIDGE Housing. Spring District will provide 233 homes that are affordable to families earning between 50% and 60% of AMI and are income-restricted for 99 years. The development in Bellevue is blocks from the future site of Sound Transit's 120th Street light rail station, which will become a hub for economic development and public spaces and will connect residents to a rail network stretching from Redmond to Seattle to Lynnwood and Federal Way. Amazon also committed \$16.7 million in low-rate loans and predevelopment grants to Mercy Housing Northwest for the construction of 98 affordable homes¹¹ at 30%, 50% and 60% of AMI the Sound Transit Angle Lake station. Like Spring District, these homes will remain affordable for 99 years.

¹¹ Mercy Housing committed to a minimum of 85 units; Amazon's funding is tied to the creation of 98 affordable units.

In the Washington Metro region, the Amazon Housing Equity Fund committed over \$25 million in low-rate loans to the construction at New Carrollton, a building being planned by the innovative housing and mixed-income developer Urban Atlantic. The newly constructed building will provide 291 homes that are affordable to families earning under 80% of AMI and are income-restricted for 98 years. The Fund also closed on a \$56 million low-rate loan to construct 451 affordable homes with Gilbane Development Company at the College Park Metro Station that will be affordable at 80% of Area Median Income for 98 years. The College Park Metro Station, located in College Park, MD, is the home of University of Maryland.

These developments in Prince George's County, Maryland are major components of increasing the County's quality and affordable transit-oriented development through public-private partnerships.



Grants to Spur Social Impact

While only governments at the local, state, and federal levels have the capacity to implement more effective housing policies, the private and public sectors can work together to help address this challenge. Local and regional policymakers have taken steps to address affordable housing gaps through planning and research, industry coordination and goal setting, regulatory reform, and an assortment of financing mechanisms.

The Amazon Housing Equity Fund investments in Amazon's home communities of Arlington, Virginia and the Puget Sound region are helping to fill a large portion of the affordable housing supply. In 2021, the Fund provided more than \$2.3 million in grants to researchers, community organizations and nonprofits, public agencies not traditionally involved in affordable housing, and third-party experts to advance affordable housing initiatives, data analysis, and research.

A key example of this was our grant to fund the [Housing Affordability Planning Program \(HAPP\)](#), an initiative administered by the [Metropolitan Washington Council of Governments \(MWCOG\)](#).¹² HAPP will provide \$500,000 in grant funding to local governments and nonprofit developers engaged in the planning, approval, or development of housing around transit stations across Metro Washington. Awardees will be announced by MWCOG in 2022.

Additional grants went to:

- The Bellevue School District Foundation to develop a comprehensive affordable housing plan to evaluate current district opportunities to increase affordable housing for teachers of color in the region/school district.
- Stewards of Affordable Housing for the Future (SAHF) for the development of a publicly-available resource toolkit for impact measurement in affordable housing
- Housing Association of Nonprofit Developers (HAND) to support the development of their Housing Indicator Tool, an affordable housing progress dashboard.
- The Urban Land Institute of Washington to support a regional convening around opportunities for transit-oriented development.
- The Urban Institute for research on each of the three markets and also preliminary research on support for minority-developers.

These grants to advance affordable housing initiatives, data analysis, and research support Amazon's housing equity policy imperative, which states that all people should have access to housing they can afford.

¹² MWCOG is the regional metropolitan planning organization (MPO) in the D.C. Capital Region; it's composed of 24 local governments, the Maryland and Virginia state legislatures, and the U.S. Congress. Every month, more than 1,500 officials and experts connect through MWCOG to share information and develop solutions to the region's major challenges.



Capital Grants and Partnerships

The Amazon Housing Equity Fund has provided \$72 million in capital grants that are committed¹³ to predevelopment efforts with Sound Transit and to support acquisitions in three transactions. Over 70% of the new construction units will be affordable to households earning at or below 60% of the area median income, while the majority of preservation units will be affordable for households earning at or below 80% of AMI. These numbers do not include the grants allocated through the Housing Fund to assist low- to moderate-income homeowners in paying for tax increases.

As part of the partnership with KCHA in the Puget Sound region, the Fund contributed a grant of \$24 million to KCHA to complement the previously announced \$161.5 million in loans. The investment helped to preserve 1,084 units across seven Bellevue properties in the KCHA portfolio.

The Fund has other capital grants that will support community-serving affordable housing transactions in neighborhoods that are seeing both rising housing costs and displacement pressures that will affect diverse and low-income populations. The majority of the grants have been, or will be, allocated to mission-driven partners to acquire property in at-risk locations (such as the Central District in Seattle and the Arlington community). Many of the projects receiving grants will incorporate innovative community partnership models, provide resident services, or ensure deep levels of affordability long term. One example of a grant-supported project sponsored by a nonprofit is Wesley Housing:

- **Wesley Housing, Parc Square in Virginia:** The Fund's \$2.3 million grant is supporting Wesley Housing Development Corporation in acquiring and preserving 66 units for families earning 60% of AMI, in two naturally occurring affordable housing (NOAH) properties in Alexandria, Virginia. By acquiring the property and transitioning to a LIHTC redevelopment, Wesley Housing is preserving affordability and preventing resident displacement.

¹³ The Fund's capital grants come from the \$2 billion Housing Equity Fund and are focused on affordable housing projects. Amazon also committed an additional \$125 million grant, allocated through Amazon in The Community (AITC), to help non-traditional public agencies, nonprofits, and minority-led organizations build a more inclusive solution to the affordable housing crisis.



Developers of color bring enormous opportunity for creative and inclusive solutions to community-focused real estate development, but systemic issues continue to create multiple barriers to their success. Through this program, we are partnering with Amazon in helping open doors for people of color who can then pay their experience forward.”

Ellis Carr

President and CEO of
Capital Impact Partners and
CDC Small Business Finance

Investing in Minority Developers

As part of Amazon’s goals, the Fund also made steps toward supporting both minority-led developers and minority-lead local nonprofits. 43% of Amazon’s announced investments were committed to these two groups, with another 30% going to projects in partnership with public agencies.

Minority Developer Accelerator

Developers of color are not only underrepresented in the real estate industry, but they also lack access to the capital and resources necessary to advance much-needed affordable housing projects to help their communities. According to a 2019 report from the Urban Land Institute, a nonprofit research and education organization for real estate and land use experts, 5% of its U.S. members are Black and 82% are white, though Black people represent more than 13% of the U.S. population. This disparity translates into a lack of diversity at the project development level that can subsequently exclude developers of color from working on meaningful and lucrative housing deals as cities expand.

In December 2021, the Amazon Housing Equity Fund committed more than \$21 million to pilot a professional training, mentorship, and capital funding accelerator program to increase the number of professional real estate developers of color who are focused on affordable housing and inclusive community building in all three priority communities. This accelerator program is a two-year, part-time professional development program—offered free of charge to participants—to foster the careers of emerging real estate developers of color and to lower barriers to getting real estate projects off the ground. To implement the program and ensure participating developers remain the key customers, we’ve worked with local partners in each region to implement the program, including LISC in Puget Sound, Capital Impact Partners in NVA/DC, and the Urban League of Middle Tennessee in Nashville. This accelerator program leverages the \$125 million in grant funding announced in January 2021.





The Amazon Housing Equity Fund's Big Impact

The Amazon Housing Equity Fund's 2021 investments will provide long-term affordable housing for more than 18,000 people. With low-rate loans, grants, and partnerships with local governments and mission-driven partners, Amazon is at the forefront in addressing a nationwide housing affordability crisis.

In 2022, the Amazon's Housing Equity Fund will continue to contribute to addressing a nationwide issue by continuing to help its communities in Puget Sound and Arlington, Virginia regions, while strengthening its engagement with its Nashville community. The Housing Equity Fund is advancing Amazon's vision and commitment to equity and inclusion in communities with housing that everyone can afford, while also demonstrating the vital role that corporations can play in addressing societal and economic challenges.

