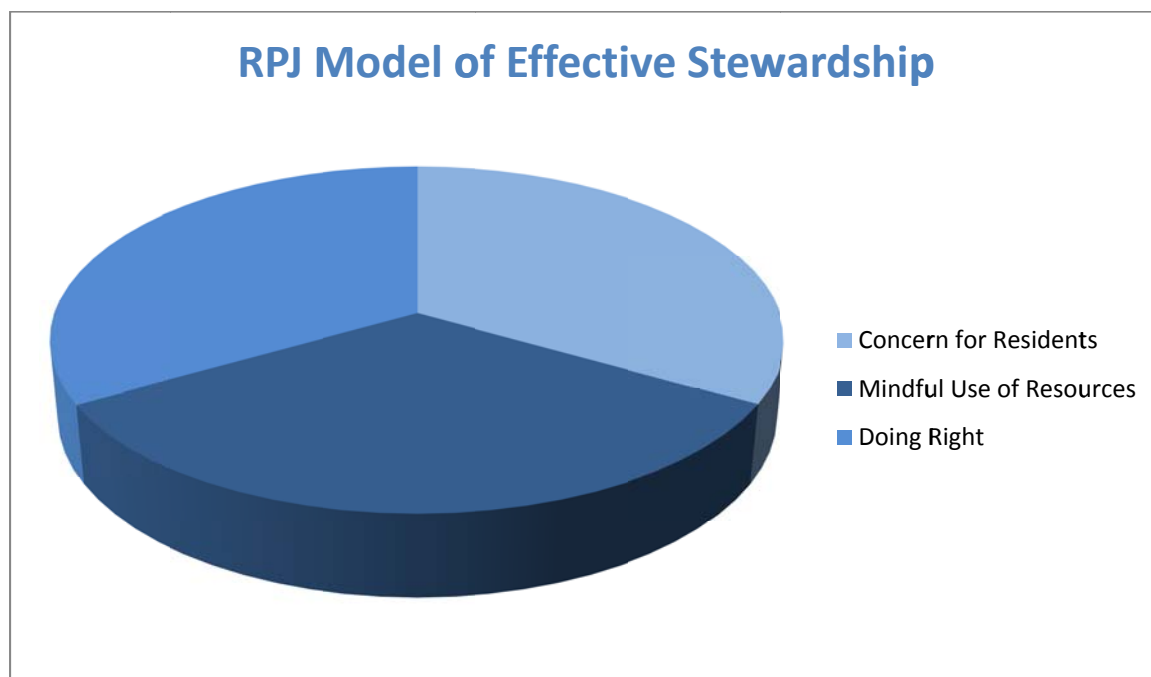


RPJ Housing
Stewardship Report
Spring 2011

To our friends, supporters, volunteers, partners, residents and other interested parties – It will soon be one year since RPJ Housing was confronted with a serious crisis brought on by the alleged actions of a former employee of the organization. During the past year, both the board of directors and staff of RPJ Housing have worked hard to restore confidence in our organization as we work to serve our friends and neighbors in need across Northern Virginia.

As part of our commitment to openness, transparency, and public accountability, RPJ Housing believes it appropriate to release this stewardship report, which highlights the many steps we have taken ensure that that we deliver against our mission in the most effective manner possible, and in accordance with the highest ethical standards.

Our model of effective stewardship comprises:



Concern for Residents

As a non-profit, our purpose is to be of service to our friends, neighbors, and communities. We therefore strive to ensure that our residents get the best possible service. Steps we have taken over the past year to improve service delivery include:

- Implementing advanced property management software in order to more efficiently track and fulfill resident service requests.
- Expanding our online capabilities to include access to resident application forms and service requests, thereby improving turnaround time/tracking and reducing the need for residents to visit our offices.
- Spending more than \$200,000 to enhance the quality of life at our properties.

- Improving lighting, landscaping, and air conditioning at several properties.
- Initiating off-duty police patrols at several properties.
- Establishing a quality assurance program, in which we follow-up with residents to ensure satisfaction with service requests.
- Continuing to work closely with the faith community and our other volunteers to enhance the quality of life for our residents.

Mindful Use of Resources

Times are tight for many, and nonprofits are no exception. RPJ Housing recognizes that we are entrusted with a variety of resources, which must be used in a careful, prudent manner to fully benefit those we serve. We therefore have taken a series of actions designed to ensure that RPJ Housing remains a healthy, vibrant organization, and that it delivers services in the most efficient manner possible.

Among the steps we have taken:

- Reducing annualized payroll costs from \$854,000 to just over \$500,000.
- Reducing information technology consulting costs by more than \$10,000 annually.
- Reducing landscaping costs by more than \$10,000 annually.
- Boosting physical occupancy at our affordable rental properties to almost 100%, while slashing our economic vacancies by 75%.
- Reducing the annual cost of our employee health insurance by \$6,000, with no decrease in benefits.
- Reducing our natural gas costs by almost 40% annually, while reducing our impact on the environment through implementation of a 5% carbon offset.

Doing Right

Ethical behavior is key to any well-run organization. All RPJ Housing personnel know that they are expected to adhere to the highest ethical standards. In addition, we recognize that doing right requires more than good intentions—it requires follow-through and implementation.

Specific actions we have taken:

- Making a public, organization-wide commitment to transparency in all that we do. As a non-profit, we believe that openness is a key to effective stewardship.
- Conducting annual ethics training, similar to that offered by Fortune 100 companies.
- Reviewing and enhancing our written ethics policy.
- Implementing a whistleblower policy, to encourage employees who may have concerns to alert others to potential issues.

- Undertaking, through independent outside counsel, a review of key files, including tenant income certifications, to ensure that paperwork within the organization is in order.
- Initiating a resident advisory committee, so we can obtain feedback – positive and negative – about our service delivery.
- Retaining a new audit firm, with specific expertise in affordable housing.
- Implementing an ethics advisory committee, which will hold meetings on at least a quarterly basis beginning in May 2011.

In short, a key part of our workplace culture is ethics, and we have made sure that a strong ethical reference point is behind every decision we make.

Conclusion

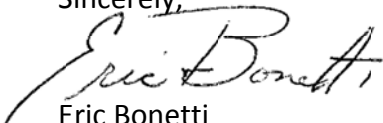
Our unwavering goal in implementing all of these initiatives is to deliver on our mission in the most effective manner possible, which is to provide clean, safe, decent homes to those in need. We also seek to ensure that RPJ Housing remains a thriving, vibrant organization that fully honors the intent of our founder, the Reverend Robert Pierre Johnson, who lived a life of service to his community. And we are mindful of the trust that has been placed in us as we provide group homes and supportive housing for those with serious disabilities and life-threatening illnesses.

The results of these efforts are paying off. For example, our Front Royal properties, which are in an area particularly hard hit by the recession, and which were deeply troubled by crime, drugs, and other issues prior to our purchase of the properties, recently passed their first tax credit audit and inspection, receiving highly positive comments in the process. We are humbled and gratified by outcomes such as this, since they provide tangible ways to measure our success in delivering on our mission.

As we examine accomplishments of the past year, we would be remiss if we did not recognize the generous support, encouragement, and tangible assistance provided by our sister non-profits, several of which continue to display extraordinary generosity in their support for our organization. We also are grateful for the support provided by local governments and Virginia state agencies. We are deeply appreciative to all those who have extended a helping hand over the past year.

While the past year has not been without its challenges, RPJ Housing comes into this springtime season – a time of joy and rebirth – with a vision of the future that is founded in faith, optimism, and a deep commitment to our mission as non-profit. Thank you to our friends, neighbors, and all those who have placed trust in us for your continuing encouragement and support.

Sincerely,



Eric Bonetti
Executive Director