



**CORPORATE  
RESPONSIBILITY  
REPORT**

**2023**





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**Our investments continue to provide job opportunities and seek to contribute to positive changes in the communities in which we invest.**

## A Message from Our CEO



At National, we're dedicated to corporate responsibility, emphasizing lasting value for stakeholders, and minimizing environmental impacts. Our investments continue to provide job opportunities and seek to contribute to positive changes in the communities in which we invest.

Since our founding in 2000, we've reached significant milestones, creating **266 million labor hours** and generating **\$4.78 billion in labor income** through our projects. From Boston to Portland, Atlanta, Charlotte, New York, Austin, Washington, and elsewhere around the country, we currently have over 20 projects in active construction.

This report spotlights National's commitment to sustainable business practices, which is evident in our program priorities, such as striving for building certifications, expanding green leasing practices, and analyzing climate risks. Looking ahead, we're actively researching strategies to reduce property-level energy consumption. We believe that incorporating energy reduction strategies into our portfolio supports our investors' goals and fulfills our responsibility to create a positive, sustainable impact.

Our team's unwavering commitment to excellence is the cornerstone of our achievements. Rooted in a culture of respect, support, and equal opportunity, we have built a foundation for collective success. In 2023, we strategically positioned ourselves for future-focused growth and transition, laying the groundwork for the path ahead.

Thank you for being an integral part of the success of National.

Sincerely,

Jeffrey Kanne  
President and CEO  
National Real Estate Advisors, LLC



# Our Firm

National Real Estate Advisors, LLC (“National”) is an investment manager developing, operating, and managing commercial real estate projects across the United States.

National’s mission is to create lasting value through projects that produce solid, long-term returns for our clients while improving the communities in which we invest and develop.

Since 2000, National’s investment team has been constructing investment portfolios of diverse property assets — primarily multifamily, data centers, office, healthcare, and medical buildings. National manages separate accounts and multiple commingled investment vehicles, including a data center fund. National seeks to create value for investors by adhering to a rigorous investment process and development principles guided by profits, integrity, community, and collaboration.



*“As a team, we understand that exceeding client expectations and fostering strong relationships at every level of the organization is paramount to our long-term success. We are dedicated to continuously enhancing our services to ensure we exceed the needs of our valued clients while improving communities.”*

*- Jeanne Ayivorh  
Chief Operating Officer*



# Our Impact

National is dedicated to a corporate responsibility policy that seeks to ensure lasting value for stakeholders while minimizing adverse environmental impacts. Our initiatives generate employment opportunities within local communities and contribute to job creation, fostering improvement in the communities where we invest.

As a company and individuals, we're inspired and driven by a collective mission to:

- Exceed our clients' expectations
- Pursue socially responsible investing, sustainability, and improve the communities in which we invest
- Provide a challenging, rewarding, and supportive work environment

**266 Million**

Labor Hours Since 2000

**\$4.78 Billion**

Labor Income Through Direct Project  
Costs Since 2000

**\$8.5 Billion**

Gross Asset Value

**\$4 Billion**

Net Asset Value

**53**

Total Investments

**117**

Properties

**20**

Projects Under Construction

**14.8 Million**

Operating Portfolio Size (SF)

**Year Over Year  
Portfolio Progress**

**42%**

Increase in SF  
Green Building  
Certified

**45%**

Increase in Portfolio  
ENERGY STAR®  
Certifications

*"Our investments not only seek financial gains but also aim to contribute positively to society and the environment. We believe in aligning profitability with purpose, creating a legacy where responsible investing defines lasting success."*

- Kevin Verdi  
Chief Investment Officer





# Sustainability Priorities

Strive to attain and maintain **building certifications** that underscore our commitment to sustainable building practices.

Continuously improve utility data tracking to enhance our understanding of environmental impacts and to **inform decision-making**.

Promote and expand **green leasing** practices to encourage environmentally responsible choices among tenants and partners.

Calculate and analyze **climate risks** to inform plans for long-term resilience of portfolio and investment strategies.

Explore and implement strategies for **cutting energy consumption**, resulting in cost savings and decreased transition risks.

Formalize our **energy reduction objectives** and strategy.

Standardize company **development guidelines** to educate and guide stakeholders in designing sustainable buildings.



*“By actively prioritizing these initiatives, we not only align ourselves with global sustainability standards but also fortify the resilience of our assets for the long term.”*

*- TJ Hofheimer  
Managing Director, Portfolio & Asset Management*



# Asset Spotlight: Sabey Data Center Properties



The National Data Center Fund (“NDCF”) is a commingled, open-end real estate investment fund designed to complement the portfolios of institutional investors seeking concentrated exposure to data centers. NDCF is invested in a portfolio of operating data centers, land holdings, and developments through its majority equity ownership of Sabey Data Center Properties, LLC (“SDC”), a privately held, vertically integrated owner, operator, and developer of data centers and data center campuses throughout the United States.

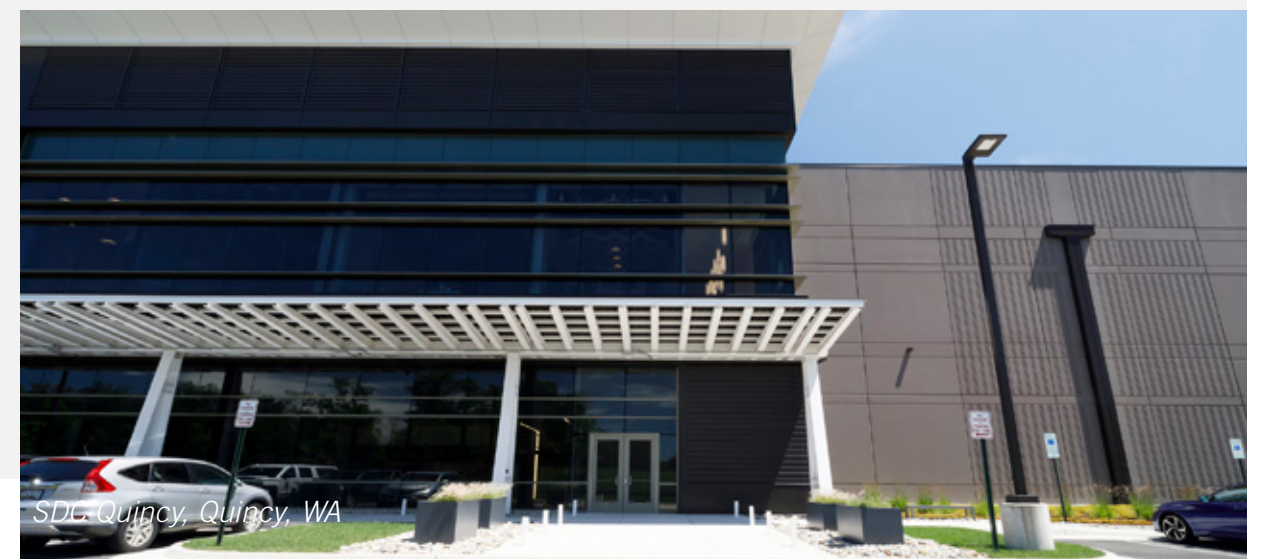
Committed to being industry leaders in sustainability, SDC and National have developed strategies to address environmental issues, with a focus on utilizing carbon-free energy and building and maintaining energy-efficient data centers that reduce impact on the environment.

SDC’s innovative data center designs and experienced operations team maintain industry-leading energy efficiency across the portfolio. Over the trailing 12-month period ending June 30, 2023, SDC’s portfolio-wide average power usage effectiveness (“PUE”) was 1.23x, which compares favorably with the industry average of 1.55x, per the Uptime Institute. The combination of lower power costs and greater efficiency creates significant value for tenants in the form of lower total occupancy costs.

**SDC has intentionally sited several of its data center campuses in regions with low-cost and low-emission hydroelectric power.**

SDC is actively working to reduce greenhouse gas (“GHG”) emissions by utilizing renewable energy when possible, procuring renewable energy credits, utilizing low-energy cooling technologies, and partnering with utilities for carbon-free power programs. Despite consistent business growth, SDC’s net GHG emissions decreased by 15% in 2022, primarily due to tenant renewable energy purchases. This achievement has allowed SDC to obtain a Radicle Climate Smart Certification, joining a network of other forward-thinking industry leaders.

In 2023, SDC continued to progress toward its net-zero goals as committed to through the Science Based Targets Initiative (SBTi) Corporate Net-Zero Standard, the U.S. Department of Energy’s Better Climate Challenge, and The Climate Pledge. By 2029, SDC plans to achieve net zero emissions for both Scope 1 (those directly emitted by their operations) and Scope 2 (those indirectly emitted through purchased electricity). Their strategy involves enhancing energy efficiency, utilizing green fuels, increasing renewable energy sources, and minimizing fugitive emissions.





# Green Building Certifications

National actively seeks to achieve green building ratings and certifications to demonstrate effective building development and operations practices. Selected rating and certification highlights from 2023 include the following:



## ENERGY PERFORMANCE CERTIFICATIONS

### SDC COLUMBIA, BUILDING D

East Wenatchee, WA

Data Center

ENERGY STAR certified with a score of 100/100



### SDC QUINCY, BUILDINGS A, B, AND C

Quincy, WA

Data Center

Each building ENERGY STAR certified with a score of 99/100

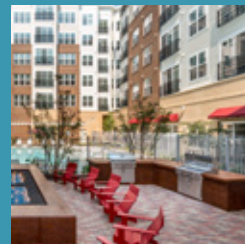


### BAINBRIDGE BETHESDA APARTMENTS

Bethesda, MD

Multifamily

ENERGY STAR certified with a score of 100/100

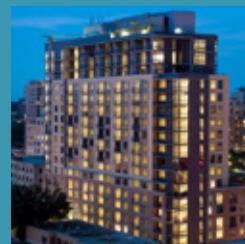


### BAINBRIDGE SHADY GROVE APARTMENTS

Rockville, MD

Multifamily

ENERGY STAR certified with a score of 100/100



## NEW CONSTRUCTION CERTIFICATIONS

### ONE CONGRESS

Boston, MA

Office

Awarded LEED™ Core & Shell, Platinum

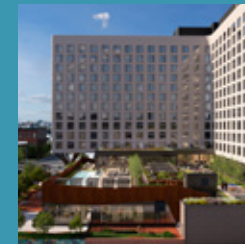


### 200 SPRING GARDEN, THE NOBLE

Philadelphia, PA

Multifamily

Targeting Fitwel Multifamily Residential



### THE STACKS PHASE I

Washington, D.C.

Multifamily

Targeting LEED™ Building Design + Construction GOLD and 140+ MWh annual renewable energy production from on-site solar



### 311 W. 42ND STREET, THE ELLERY

New York City, NY

Multifamily

Targeting National Green Building Standard, Bronze



## OPERATING CERTIFICATIONS

### THE BLOC

Los Angeles, CA

Mixed-Use

BOMA 360; LEED™ O+M, Gold; Office Building is a UL Verified Healthy Building

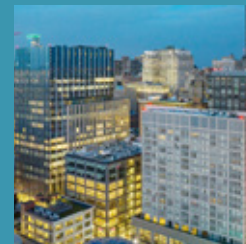


### EAST MARKET

Philadelphia, PA

Mixed-Use

Apartments and Hotel are LEED™ O+M, Gold; Office Building is LEED™ O+M Silver

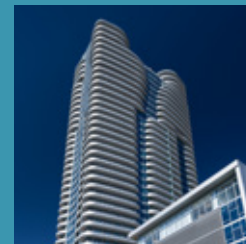


### 2929 WESLAYAN

Houston, TX

Multifamily

LEED™ O+M, Gold

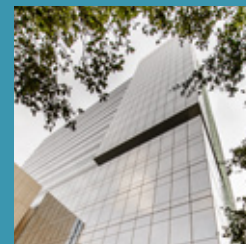


### 3737 BUFFALO SPEEDWAY

Houston, TX

Office

LEED™ O+M, Gold





# National Real Estate Development

National has established a dedicated development subsidiary, National Real Estate Development, LLC (“National Development”), with the expertise to manage and execute development projects as well as provide technical expertise on construction and development matters in support of the best interests of National’s clients.

From market research to delivering the final project, the National Development team deploys a diverse skill set and extensive expertise, which ensures the highest standards in meeting client objectives.

The team develops across all major real estate asset classes, including mixed-use, apartments, traditional and medical office, hotels, and retail.



# Property Spotlight: The Stacks, Washington, D.C.

The Stacks, a transformative 6+ acre development in Washinton D.C.’s Southwest Waterfront, is set to redefine residential living. One block from the Anacostia River, it connects bustling neighborhoods with a unique residential oasis. Developed by National Development in collaboration with Akridge, the project spans two city blocks and is planned to feature two million square feet of mixed-use space. At full build-out, it will comprise:



The project is targeting LEED™ Gold at the campus level, which will apply LEED’s standards to each building and to the site as a whole. The site will include rooftop solar panels and is utilizing reduced carbon concrete, which injects mineralized carbon captured during the manufacturing process back into the concrete mix to avoid releasing it into the atmosphere. Additionally, stormwater systems will collect, retain, and, when possible, filter all on-site rainfall to improve community resilience to flooding.

[Click to Watch Video](#)

*“The team is dedicated to creating value for our clients, fostering a healthy work environment with meaningful jobs, and prioritizing projects that enhance the communities in the cities we develop”*



- Daniel Killinger  
President, National Real Estate Development





# People and Communities

As a diverse and collaborative team of professionals with varied backgrounds, we embrace the strength inherent in our differences. We are committed to delivering robust, enduring returns on investments, fueled by an unparalleled work ethic. Our company culture stands firmly on pillars of respect, support, and equal opportunity for all, creating a foundation for our collective success.

National's competitive and equitable compensation is designed to inspire, reinforce, and reward a culture of empowerment and teamwork. Employee Benefits include:

*Medical and Prescription Plans, Dental Plan, Vision Plan, 401(k) Plan, Defined Contribution Plan, Life Insurance, Long-Term Disability Insurance, Qualified Transportation, Employee Assistance Program, Tuition Reimbursement, Wellness Programs, Generous Paid Time Off, Telework Opportunities, Maternity and Paternity Leave*



*“Our commitment to fostering an inclusive and dynamic environment reflects our belief that a strong company culture is the cornerstone of innovation and employee fulfillment.”*

*- Flor Orellana  
Director of Human Resources and Talent Management*





# Community Engagement

We aim to create enduring value alongside long-term industry partners in the communities we enhance for our investors who entrust us with hard-earned life savings. Across the country, our assets host hundreds of community-focused events and activations annually.

At our core. We care more, think more, work more.

## EAST MARKET, PHILADELPHIA, PA

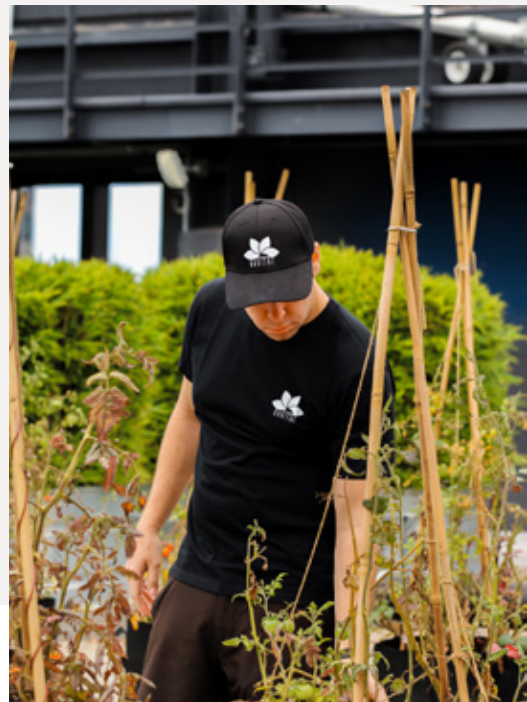
National's mixed-use development, East Market, located in Center City Philadelphia, hosted a festive holiday event series that engaged over 1,100 participants throughout the month of December. Central to the festivities were the weeknight holiday market events, providing a platform for black-owned businesses to showcase and sell their products. Attendees experienced live music, complimentary hot chocolate and smores, entertainment, and captivating custom ice-sculptures. These events not only celebrated the holiday spirit but also emphasized our commitment to supporting and showcasing local businesses.

## THE BLOC, LOS ANGELES, CA

In the heart of Los Angeles, The Bloc's Urban Farm has quickly become a vibrant symbol of community resilience and interconnectedness. Since its inception in May 2023, the farm has not only thrived, producing an impressive 100 pounds of assorted vegetables for the local nonprofit organization, The Midnight Mission, but has also sown the seeds of positive change.

Tenant engagement has been a key component, with educational workshops empowering residents with the knowledge of urban farming. DIY kits and a delightful garden tour further fostered a sense of community and connection. In a meaningful collaboration, MicroHabitat joined hands with The Bloc, contributing to the donation of 80 meals to No Kid Hungry, emphasizing the program's commitment to philanthropy.

*The Bloc, Los Angeles, CA and East Market, Philadelphia, PA*





# Governance

**National’s key investment and management personnel have collaborated for over 20 years.**

Sponsored by the Chief Operations Officer, National’s Managing Director, Portfolio & Asset Management, and Associate ESG Specialist, National proactively monitors and streamlines property management operations, development protocols, and sustainability initiatives in support of improving fund performance.

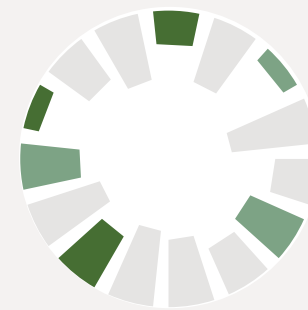
National is governed by its Board of Directors; investments are governed by the Investment Committee, as further indicated below:

- National’s Board of Directors is the Manager’s governing body, responsible for establishing and monitoring the overall direction and functions of the Company. The Board is comprised of eight members. All but one Board member is independent, and most members are generally experienced in institutional investment management matters and have a long history of involvement with National and NEBF Real Estate.
- National’s Investment Committee (the “Committee”) is the body responsible for approving all new investments and other significant investment-related decisions on behalf of National’s commingled and separate-account investors. The Committee meets approximately once a month or more frequently as needed. The Committee is comprised of five members, all of whom are experienced real estate investment professionals, and the majority of the members have a long history of involvement with National and its predecessor, NEBF Real Estate. Four of the five investment committee members are not employees of National, which National believes offers the benefit of an outside perspective. The Committee further benefits from the experience and insight of an independent special advisor with no voting rights.



**National’s Diversity, Inclusion, and Engagement Policy** recognizes that there are many benefits to an inclusive and diverse workplace, including the following:

- Increased creativity in decision-making
- Greater understanding of our clients’ interests
- Engaged and satisfied workforce
- Increased company performance and profitability



G R E S B  
★ ★ ★ ★ ☆ 2023

**GRESB Green Star Ranking**  
2015, 2016, 2017, 2018, 2019, 2020,  
2021, 2022, 2023

**GRESB Development Benchmark Report**  
#1 Ranking  
2020, 2021, 2022, 2023

The GRESB Rating was granted in October 2015 for the period ending 12/31/2015 and consecutively each October for the years 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023. Each year, a Real Estate Membership - Assessment Participation Fee of \$5,000 was paid directly by National to GRESB.

The Pensions & Investments Best Places to Work in Money Management Program recognition was granted in December 2014 for the period ending 12/31/2014 and consecutively each December for the years 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023. Each year, a Participation Fee of \$850 was paid directly by National to Best Companies Group for the “Insights Report Package” for employers having 25-99 employees as part of the Best Places to Work In Money Management program.



2014, 2016, 2017, 2018, 2019,  
2020, 2021, 2022, 2023



National’s Management Committee Members



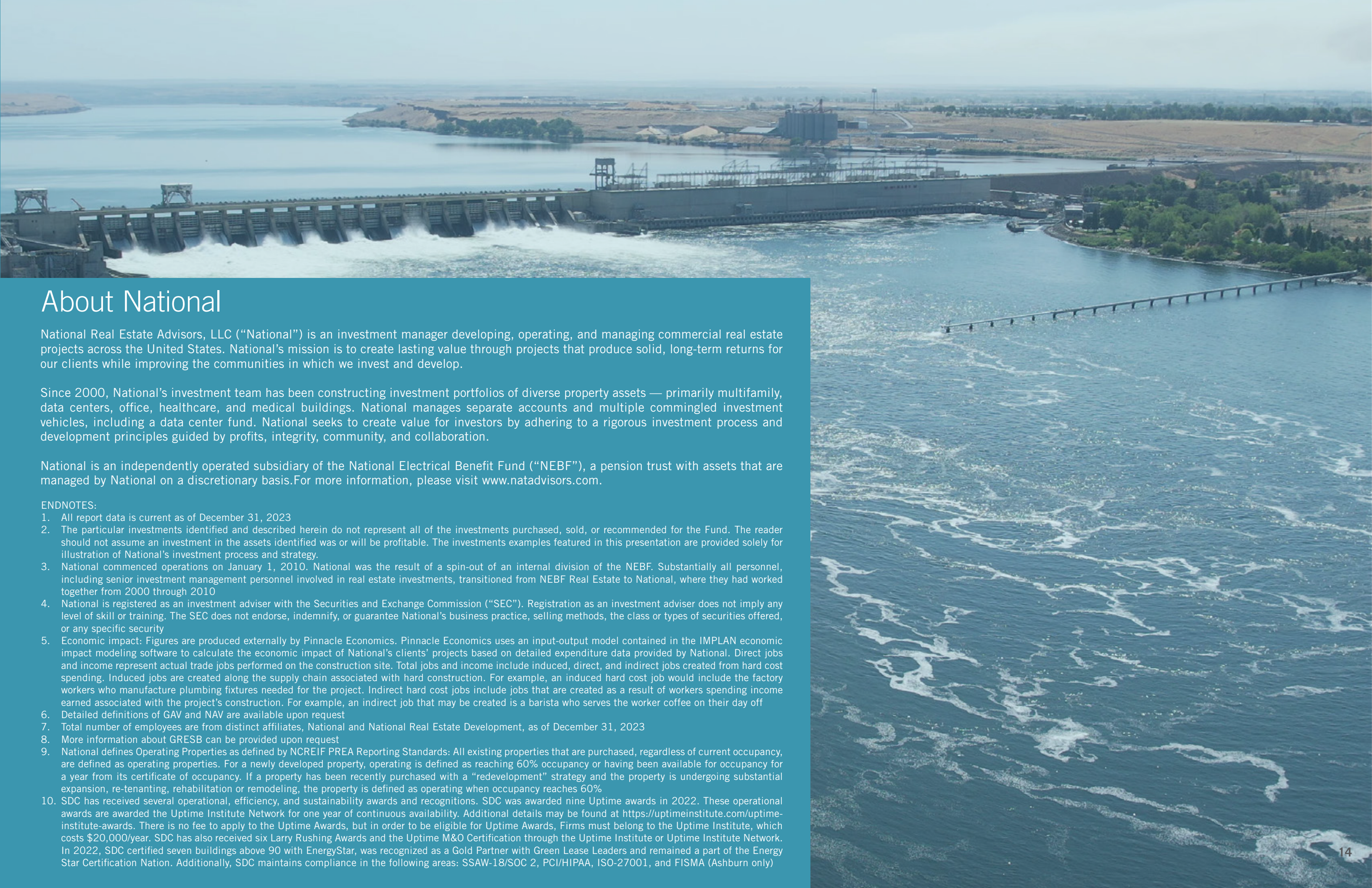
# Philanthropy and Partnership

National has contributed to various organizations and causes throughout the year, benefiting local communities and nationwide initiatives, as philanthropy and community involvement operate at the core of our greater mission.

In 2023, we supported the **Washington School for Girls Fundraising Board**, sponsoring events like the **Hoops for Hope Tournament** and the **Carr Cares Benefit Concert**. Our participation in local initiatives, such as the **Boys and Girls Club** luncheon and monthly volunteer efforts, underscores our commitment to making a positive impact. Additionally, in 2023, our team contributed over **300 pounds of food**, delivered **450 meals**, and provided **15 necessity kits** through monthly volunteer efforts. Furthermore, we've donated to national causes like the **Dressember Foundation**, showcasing our dedication to serving local and broader communities.







## About National

National Real Estate Advisors, LLC (“National”) is an investment manager developing, operating, and managing commercial real estate projects across the United States. National’s mission is to create lasting value through projects that produce solid, long-term returns for our clients while improving the communities in which we invest and develop.

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National is an independently operated subsidiary of the National Electrical Benefit Fund (“NEBF”), a pension trust with assets that are managed by National on a discretionary basis. For more information, please visit [www.natadvisors.com](http://www.natadvisors.com).

### ENDNOTES:

1. All report data is current as of December 31, 2023
2. The particular investments identified and described herein do not represent all of the investments purchased, sold, or recommended for the Fund. The reader should not assume an investment in the assets identified was or will be profitable. The investments examples featured in this presentation are provided solely for illustration of National’s investment process and strategy.
3. National commenced operations on January 1, 2010. National was the result of a spin-out of an internal division of the NEBF. Substantially all personnel, including senior investment management personnel involved in real estate investments, transitioned from NEBF Real Estate to National, where they had worked together from 2000 through 2010
4. National is registered as an investment adviser with the Securities and Exchange Commission (“SEC”). Registration as an investment adviser does not imply any level of skill or training. The SEC does not endorse, indemnify, or guarantee National’s business practice, selling methods, the class or types of securities offered, or any specific security
5. Economic impact: Figures are produced externally by Pinnacle Economics. Pinnacle Economics uses an input-output model contained in the IMPLAN economic impact modeling software to calculate the economic impact of National’s clients’ projects based on detailed expenditure data provided by National. Direct jobs and income represent actual trade jobs performed on the construction site. Total jobs and income include induced, direct, and indirect jobs created from hard cost spending. Induced jobs are created along the supply chain associated with hard construction. For example, an induced hard cost job would include the factory workers who manufacture plumbing fixtures needed for the project. Indirect hard cost jobs include jobs that are created as a result of workers spending income earned associated with the project’s construction. For example, an indirect job that may be created is a barista who serves the worker coffee on their day off
6. Detailed definitions of GAV and NAV are available upon request
7. Total number of employees are from distinct affiliates, National and National Real Estate Development, as of December 31, 2023
8. More information about GRESB can be provided upon request
9. National defines Operating Properties as defined by NCREIF PREA Reporting Standards: All existing properties that are purchased, regardless of current occupancy, are defined as operating properties. For a newly developed property, operating is defined as reaching 60% occupancy or having been available for occupancy for a year from its certificate of occupancy. If a property has been recently purchased with a “redevelopment” strategy and the property is undergoing substantial expansion, re-tenanting, rehabilitation or remodeling, the property is defined as operating when occupancy reaches 60%
10. SDC has received several operational, efficiency, and sustainability awards and recognitions. SDC was awarded nine Uptime awards in 2022. These operational awards are awarded the Uptime Institute Network for one year of continuous availability. Additional details may be found at <https://uptimeinstitute.com/uptime-institute-awards>. There is no fee to apply to the Uptime Awards, but in order to be eligible for Uptime Awards, Firms must belong to the Uptime Institute, which costs \$20,000/year. SDC has also received six Larry Rushing Awards and the Uptime M&O Certification through the Uptime Institute or Uptime Institute Network. In 2022, SDC certified seven buildings above 90 with EnergyStar, was recognized as a Gold Partner with Green Lease Leaders and remained a part of the Energy Star Certification Nation. Additionally, SDC maintains compliance in the following areas: SSAW-18/SOC 2, PCI/HIPAA, ISO-27001, and FISMA (Ashburn only)