

COMMUNITY 
HOUSING CAPITAL
WHEN THE MISSING PIECE IS CAPITAL



Annual Report
FY 2020

We Invest at Scale to Improve Access to Affordable Housing

FY 2020

"Community Housing Capital finances justice by getting capital to go where capital doesn't go, and that's what CDFI's do."

Cindy Holler
President and CEO
Community Housing Capital

Investments to Improve Access to Affordable Housing



\$270 MM
Invested



\$236 MM
Leveraged



20
Community Developers



1,125+
Homes



2,726+
Individuals Housed

The projects we invest in create homes that are...



Affordable

91% of CHC borrower's properties are affordable to families earning **80%** of the area median income or less

8% of CHC borrowers' properties are affordable to families earning **30%** of the area median income or less

19% of CHC borrowers' properties are affordable to families earning **31%-50%** of the area median income

55% of CHC borrowers' properties are affordable to families earning **51%-60%** of the area median income

9% of CHC borrowers' properties are affordable to families earning **61%-80%** of the area median income

Accessible



30% of CHC borrowers' homes are accessible via public transit (within a 10 minute walk of a train or a 5 minute walk of a bus stop)

Sustainable



34% of CHC borrowers' homes, on average, are preserved structures using green features

Safe



CHC's borrowers' affordable housing protects tenants moving out of sub-standard housing from physical and social threats

Our Lending also Strengthens the Local Economy by Supporting Local Jobs



CHC's lending supports 2,760* Construction/Renovation Related Jobs

Permanent property management, maintenance, and service provider positions; and local vendors are not included.

*Adjusted to calculate based on all loan types with construction in the capital stack (regardless of CHC loan type) and not including prior loans from CHC



Supporting Underserved Populations

We Support Underserved Populations by Investing in Developers Providing Supportive Services



85% of these investees offer *financial wellness training*

35% of these investees offer *other supportive services*

50% of these investees offer *educational services*

100% of CHC's investees provide *supportive services*

15% of these investees offer *transitional support*

25% of these investees offer *vocational training*

30% of these investees offer *health and wellness services*



Research supports four main conclusions:

- Supportive housing helps people with disabilities live stably in the community.
- People with disabilities in supportive housing reduce their use of costly systems, especially emergency health care and corrections.
- Supportive housing can help people with disabilities receive more appropriate health care and may improve their health.
- People in other groups, including seniors trying to stay in the community as they age and families trying to keep their children out of foster care, likely also benefit from supportive housing

Spotlight on NHDC, Gainesville, Florida

Senior Housing in a College Town



Deer Creek Senior Apartments
Gainesville, Florida

The Gainesville, Florida area caters to the students and young professionals drawn to the University of Florida. However, according to a Florida Housing Finance Corporation study, Gainesville has a severe senior housing shortage. The high demand was no surprise to the Neighborhood Housing & Development Corporation (NHDC), a highly successful nonprofit serving North Central Florida.

"It hit home when we found out that a local developer, who had finished building a senior project just two years before, said they estimated a 20-year waitlist for their units," said Corey Harris, CEO of NHDC. "We had always focused on single-family affordable housing but knew we had to do something. "NHDC already owned a piece of vacant land but we didn't have the requisite multifamily experience for a successful Florida LIHTC program application."

NHDC formed a partnership with Rural Neighborhoods (RN) in Florida City, Florida, a leader in building affordable multifamily housing. The partner's collaboration to find the highest and best use for the vacant Gainesville parcel became the vision for the Deer Creek Senior Apartments.

The partners' next step was to pull multiple layers of financing together. "We've had great support from our local lenders for hundreds of single-family homes. So, we were surprised when both organizations went looking for multifamily financing," said Harris. "After vetting all our options, we found that Community Housing Capital

(CHC) provided greater flexibility, leverage, and rates for both construction and permanent financing than other lenders could provide."

CHC will combine a \$12 million construction loan with a \$3.6 million permanent loan. This financing gives NHDC and RN the funds to bridge in a portion of the LIHTC equity, supporting a higher LIHTC syndication valuation. The permanent loan allows for surety of financing sources post-construction. Other capital sources include a \$469,000 loan from the City of Gainesville.

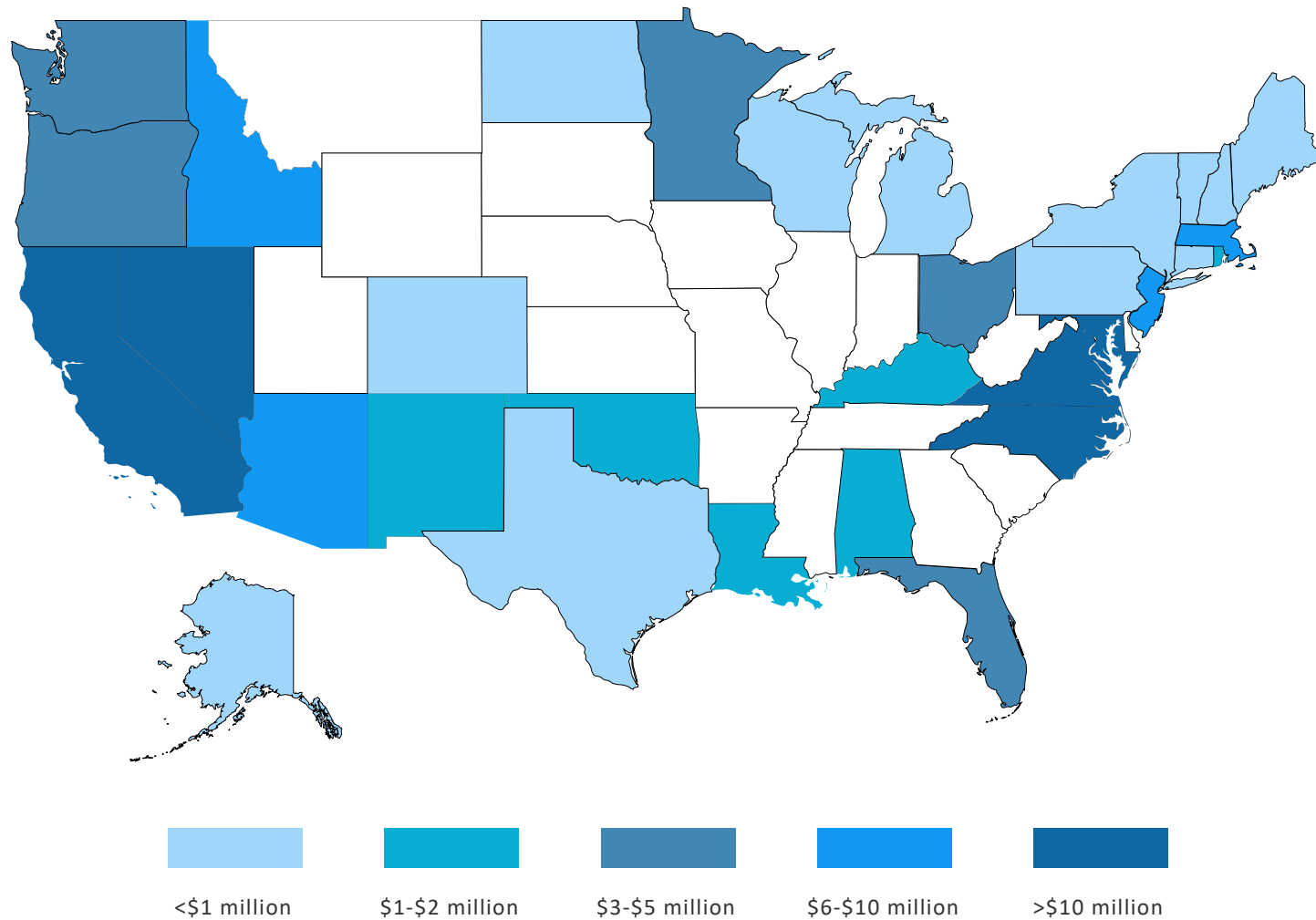
NHDC and RN will construct 62 senior housing units within one, five-story apartment building. All the apartments are reserved for tenants aged 55+, with seven apartments reserved for senior households earning 33% or less of the Area Median Income (AMI) and 55 apartments reserved for senior households earning 60% or less of AMI. A resident service program that includes literacy and computer training will operate at the property. Common amenities will include an elevator and a laundry room on each floor, clubhouse, multipurpose meeting room, fitness center, library, and computer lab.

Beyond filling an urgent need for senior housing, partnering with RN will give NHDC the opportunity to learn from a successful and seasoned multifamily developer. Replicating that success gives Florida one more organization creating a place to call home for some of our most vulnerable neighbors.

Community Housing Capital A National Footprint with a Local Approach

CHC strives to build healthy, vibrant communities across the United States by creating innovative capital solutions for the NeighborWorks® network and its partners helping individuals and families live, work, and thrive.

Loan Portfolio September 30, 2020



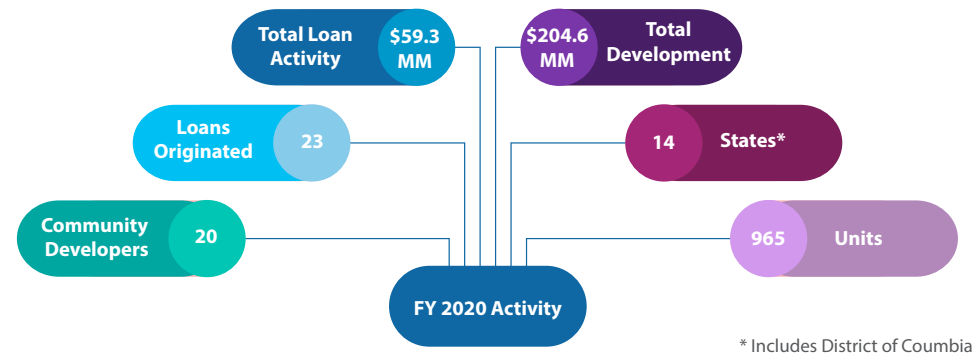
Contributing to Progress Towards the SDGs

CHC Contributes to 10 of 17 SDGs

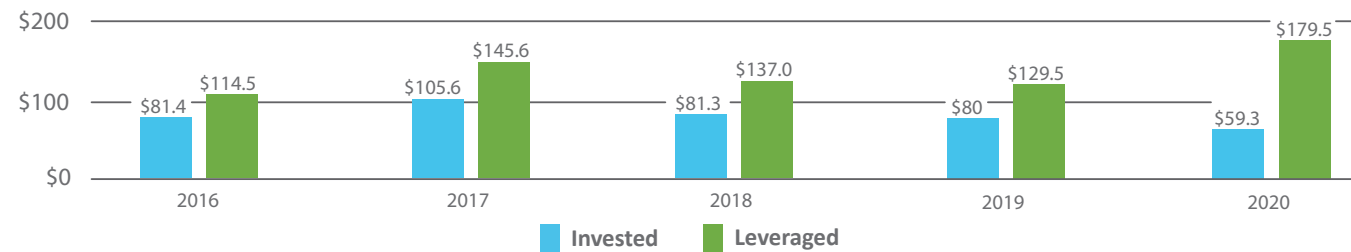


Contribution of CHC's Borrowers		
SDG	<i>The high-quality affordable housing provided by CHC borrowers....</i>	
No Poverty	1 NO POVERTY 	<ul style="list-style-type: none"> Supports improvements in tenants' health, educational achievement, and access to employment opportunities, which contribute to increases in their earning potential Reduces exposure and vulnerability to climate-related extreme events and other economic, social, and environmental shocks and disasters
Zero Hunger	2 ZERO HUNGER 	<ul style="list-style-type: none"> Reduces tenant spending on housing, increasing the income available to purchase sufficient quantities of safe, nutritious food Increases access to sufficient quantities of safe, nutritious food through partnerships with local food banks
Good Health and Wellbeing	3 GOOD HEALTH AND WELL-BEING 	<ul style="list-style-type: none"> Increases access to healthcare for vulnerable populations (at properties with supportive services) Increases access to adequate quantities of safe, nutritious food Reduces exposure to extreme environmental conditions and environmental pathogens Enables increased maintenance of treatment routines and greater continuity of care
Quality Education	4 QUALITY EDUCATION 	<ul style="list-style-type: none"> Supports superior educational outcomes for children who benefit from greater continuity in their education, improved access to quiet places to study, and increased parental responsiveness Increases adult access to vocational and financial literacy training (through properties with supportive services)
Gender Equity	5 GENDER EQUALITY 	<ul style="list-style-type: none"> Reduces gender-based violence by increasing victims' access to alternative housing
Clean Water and Sanitation	6 CLEAN WATER AND SANITATION 	<ul style="list-style-type: none"> Increases access to safe and affordable drinking water, especially for tenants transitioning from homelessness Increases access to sanitation and hygiene, especially for tenants transitioning from homelessness
Affordable and Clean Energy	7 AFFORDABLE AND CLEAN ENERGY 	<ul style="list-style-type: none"> Reduces greenhouse gas emissions by utilizing renewable energy Reduces greenhouse gas emissions by incorporating sustainable design principles, conducting energy efficiency audits, and investing in energy-efficient appliances and systems
Decent Work and Economic Growth	8 DECENT WORK AND ECONOMIC GROWTH 	<ul style="list-style-type: none"> Supports the local economy by creating construction, property management, and tenant coordination jobs Increases access to employment opportunities
Reduced Inequalities	10 REDUCED INEQUALITIES 	<ul style="list-style-type: none"> Supports improvements in low-income tenants' health, educational achievement, and access to employment opportunities, which contribute to increases in their earning potential Improves the health and safety of low-income children Supports those with disabilities in managing their conditions and healthcare costs
Sustainable Cities and Communities	11 SUSTAINABLE CITIES AND COMMUNITIES 	<ul style="list-style-type: none"> Contributes to the sustainable management of natural resources by implementing sustainable design principles, using renewable energy, and incorporating energy efficient systems/appliances Reduces waste by developing properties through rehabilitation projects

Displaying Financial Strength

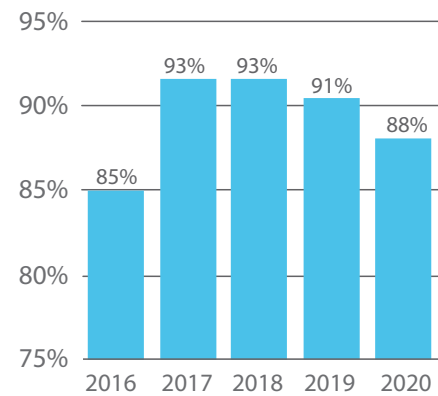


Loan Activity
\$MM



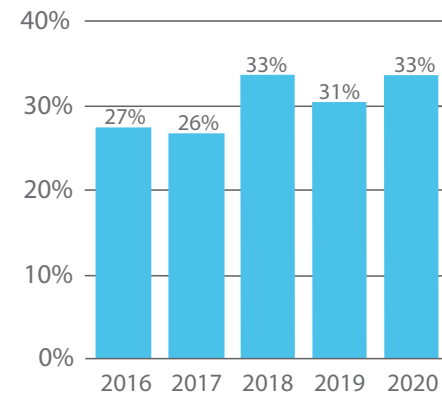
Deployment Ratio

Total Loans / Capital + Debt



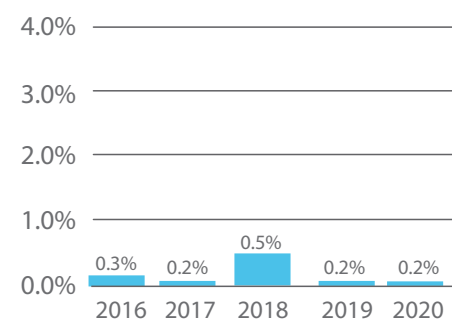
Capital Ratio

Net Assets / Total Assets



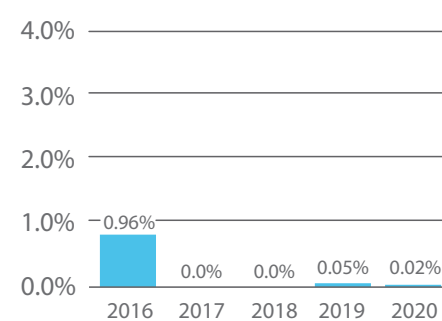
Delinquency Ratio

(NAL + Delinquencies > 90 Days) / Total Loans



Charge-offs

Net Charge Offs / Total Loans



Committed to Affordable Housing

CHC strives to build healthy, vibrant communities across the United States by creating innovative capital solutions that help individuals and families live, work, and thrive.

Value Proposition

Flexibility
CHC prides itself on the ability to creatively drive solutions for individual developments and its clients, regardless of the loan amount.

Expertise
CHC is experienced working with complicated and nuanced developments that require innovative financing structures.

Ability to Generate Leverage
CHC leverages public sector dollars with grant and equity financing to attract private-sector debt capital from banks and socially-motivated investors.

Coverage Across Life-Cycle
CHC offers loan products spanning the entire life-cycle of a property, from predevelopment through permanent financing.

“What CHC brings to the table is the ability to help us seize opportunities that make good things happen. CHC offers a “community-minded focus, a human focus” and a seasoned, sensitive understanding of “pull up the bootstraps” community development. CHC’s attitude is, “Let’s figure out how we can do this!”

*Bud Compher
CEO, NeighborWorks Boise*

NeighborWorks Boise
Pocket Neighborhoods





*...until everyone has a place
to call home*



402 E. Howard Avenue, Decatur, GA 30030 • 866.974.3221
www.CommunityHousingCapital.org