

2022 Edition



Affordable

Century Housing Annual Magazine & Manager Report

West LA VA

Progress at the country's largest Veteran site

Rampart Village TOD
Developer Goes Big

Missing Middle Found
in Menlo Park

Woman in Construction



Our *Century*

Affordable Housing is Our mission. But we could not accomplish our mission without You and all the other developers, investors, community stakeholders and advocates who are dedicated to creating and preserving quality, affordable housing. In 2021, Century continued our long-standing tradition of responsible financial, social, and environmental stewardship in support of Our common mission.

To assure that Century loan products address the needs of our stakeholders, Century worked with impact investors to offer opportunities to finance exceptional affordable housing so that the people we serve may have a dignified home, a healthy and hopeful future and attain economic independence. Century's development work at the West LA VA campus and at the 27-acre Century Villages at Cabrillo community in Long Beach demonstrated our growing capacity to develop supportive housing with property management and services focused on the unique needs of the residents.

Our combined accomplishments follow one central conviction: homes are the cornerstone of a thriving and just society

Housed 3,751 residents in Century-operated affordable communities

Financed 4,000+ homes for residents earning an average of 47.5% of the area median income

Helped create approximately 4,000 full-time equivalent construction jobs



*Century Housing
Board of Directors*

Yvonne B. Burke
Mediator | Alternative Resolution Centers

Christopher David Ruiz Cameron
Professor of Law | Southwestern Law School

Sincere welcome from our Board Chairs and President

**Raised \$74,555,000
in Century
Sustainable Impact
Notes**

**Awarded \$270,000
in educational
scholarships
targeting metro-
based colleges
teaching urban
planning,
development,
social enterprise,
and other fields
related to
affordable housing**

By remaining focused on affordable housing, Century continues to attract investors and partners allowing us to keep innovating and adapting to new programs. Please follow @centuryhousing on LinkedIn, Twitter, and Instagram for updates about Century initiatives designed to streamline the development process and make financing more accessible.

This second edition of Century's *Affordable* annual magazine collects housing stories told directly by Century managers working across California. We encourage you to reach out to our authors to strengthen the bonds that connect us all in service of the common cause of more affordable housing: a cause that is more critical today than ever.



Yvonne B. Burke
Yvonne B. Burke
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R. Steven Lewis
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Louise Oliver
Regional Operations Officer
Goodwill Southern California

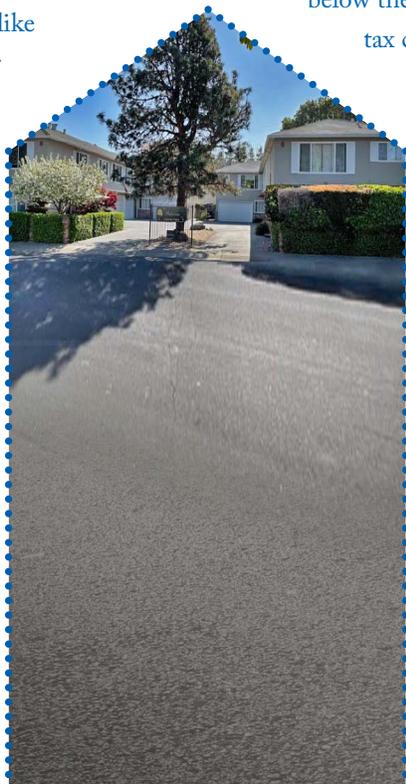
Kristina Olson
Ambassador | California Technology Council

Darroch F. Young
Chancellor Emeritus | LA Community Colleges

Hiding In Plain Site

Bay Area developer is hip to the missing middle

In early 2021, a client new to Century, HIP Housing, approached us about helping preserve 14 apartments with reasonable rents in the Bay Area city of Menlo Park. The project on Coleman Place looked like an unsuspecting site for affordable housing innovation, but within the compact 1950s buildings lay an economic conundrum being confronted around the state. With new affordable housing ever more expensive to produce, what can



be done to preserve existing affordable housing stock at lower total cost?

The answer came in the form of a partnership between HIP Housing, the City of Menlo Park, and Century Housing. For whatever reason, prior owners of the property had not aggressively improved the property or aggressively increased rents and therefore had not put these 14 units far out of reach of the median family in Silicon Valley. At the epicenter of astronomical rents, propelled by high wages in the technology center, this small property represented a rare opportunity to protect moderate-income rents from another paint job, another “interior refresh” or trendy xeriscaping.

HIP Housing, a longtime affordable housing operator, service provider and developer saw opportunity in adding to their portfolio of small properties below the scale of what most tax credit developers seek out. Menlo Park was looking for more “missing middle” housing, suitable for workers unable to afford market rents but over income for tax credit properties, and contributed a substantial pool of funds to cover the gap between the income the

property generates now and the debt it supports. This also addressed the gap between market expectations in terms of quality and the high purchase price another developer would be willing to pay. Century was prepared to move quickly, working with HIP Housing to interpret the physical needs of the structure and systems, anticipate leasing through the city’s waiting list and size the debt such that HIP Housing could earn a developer fee and hopefully continue to find similar opportunities.

In the end, rents remained affordable to households earning below 80% of AMI, and 14 families will live near where they work and raise their kids with the assurance of affordable, safe and secure housing. Century has seen a growing interest in the unsubsidized affordable housing space and we are actively providing traditional and novel solutions to help developers acquire and hold these vital resources.

by Nick Friend
Vice President, Lending
nfriend@century.org



Constructing Gina

Entrepreneur Explores Multifamily

According to the Bureau of Labor Statistics, 91% of the construction industry is composed of men. Following trends in the financial and tech industries, women, and especially minority women, are entering this space at an accelerated rate and bringing a new energy to a field that will need more creativity and more entrepreneurial spirit to keep up with demand.

Behind every great man is a great woman, and when the conditions are just right, a great man can support a great woman as well. In the middle of the recession, Gina Candari started Square Consulting with her husband. They began by flipping single-family homes in Watts as a way of securing future wealth for their family. By the 50th flip, they had a successful business venture and began investigating less acrobatic ways to add value and diversity to their portfolio.

The couple's first multifamily development, eight workforce homes on Van Nuys Boulevard in the middle of the San Fernando Valley, was financed with a high-LTV Century construction loan. Their vision was to create a strong development team that can "start small and eventually build big," says Gina. This conservative approach may have saved the project when the GC left unexpectedly. Century showed flexibility as they corrected course and went into operation earlier this year.

"The sense of accomplishment you feel when a project that you had a hand in building is completed is second to none."

— *Gina Candari*
Co-Owner
Square Consulting





Ms. Candari's success is proof that women builders belong in the construction industry. She says, "At the conclusion of the project, all involved can physically see the results of their efforts by constructing a building that becomes part of its community."

There is power in numbers and women are just getting started. Gina, and all the women she inspires, myself included, will continue to build a support system to serve as the foundation for future thought-leadership and innovation. Promoting this evolution of the industry, at a time when housing in any and all forms is so essential, is exactly the sort of sound investment Century is here to make.

by Tracey Burns
 Vice President, Construction Lending
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Brave effort to transform a shady wrong turn into a shining TOD hub

Century Housing provided patient early stage financing for Enlightenment Plaza, an affordable housing project planned for Rampart Village. This Los Angeles neighborhood with a reputation for unchecked blight and drug activity, will be reimagined by Flexible Housing Solutions and The Pacific Companies into a 454 unit campus composed entirely of permanent supportive housing for individuals transitioning from homelessness.

The site is located near a metro rail station, close to job centers, and within the footprint of a number of highly

regarded social service agencies with an expertise in caring for formerly homeless individuals. This was an ideal Transit Oriented Development site being used by a cable company to park repair trucks at night!

Century provided a \$15M land acquisition loan, approximately 90% of the acquisition price, to secure the entire underutilized site which is being divided into four phases. The first two phases recently closed their construction loans and the third phase will break ground in mid-2022. The fourth phase has received all of its soft financing and a Project Based Voucher





John Molloy (right), CEO of Flexible PSH Solutions, joins Josh for a walk around a nearby tiny home community organized with John's help.

contract and will be applying for tax credits in early 2023. Everything will be built using modular construction.

The open architecture, park-like landscaping and plentiful communal space including rooftop terraces will serve as the foundation for a holistic approach to services that include both mental and physical health support made available to every resident.

Century is proud of its role. This project could not have happened without a CDFI that understood the developer's vision and the practical steps required to assess the risk on a large land loan. The



seller was patient, but could not wait for all of the various layers of financing to be made available. There was a closing deadline, and without Century,

this project could have been lost and developed into something a lot less enlightened—like luxury housing or a bigger parking lot.

by Josh Hamilton | Senior Vice President, Lending | jhamilton@century.org





2021 Combined Social Impact

Lending Transactions

Century loan products supported the development of affordable housing and the creation of full-time equivalent construction jobs in these counties

County	Units	Purpose	Jobs	Loan Type
Alameda	112	Families	130	Bridge
Los Angeles	92	MIX	107	Acquisition
Los Angeles	81	FAM	94	Acquisition
Los Angeles	92	SUP	107	Acquisition
Los Angeles	63	Seniors	73	Permanent
Los Angeles	15	Families	17	Construction
Los Angeles	62	Supportive	72	Predevelopment
Los Angeles	85	Supportive	99	Acquisition
Los Angeles	92	Families	107	Acquisition
Los Angeles	100	Supportive	116	Acquisition
Los Angeles	46	Families	53	Construction
Los Angeles	115	SFR	93	Letter of Credit
Los Angeles	226	Families	262	Acquisition
Los Angeles	95	Families	110	Permanent
Los Angeles	63	Families	73	Acquisition
Los Angeles	127	Seniors	147	Predevelopment
Los Angeles	103	Seniors	119	Permanent
Los Angeles	46	Families	53	Bridge
Los Angeles	58	Families	67	Acquisition
Los Angeles	54	Families	63	Construction
Los Angeles	12	SFR	14	Construction
Los Angeles	45	Families	52	Perm./Acquisition
Los Angeles	16	Families	19	Construction
Orange	200	Families	232	Acquisition
Sacramento	174	FAM	202	Acquisition
Sacramento	132	Families	153	Acquisition
Sacramento	67	Supportive	78	Acquisition
San Diego	180	Families	209	Acquisition
San Diego	120	Families	139	Acquisition
San Diego	100	Supportive	116	Acquisition
San Luis Obispo	110	Seniors	128	Permanent
San Mateo	14	Families	16	Permanent
Santa Clara	249	Families	289	Acquisition
Sonoma	142	FAM	165	Predevelopment
Yuba	48	Families	56	Acquisition
Yuba	32	Seniors	37	Acquisition
Yuba	48	Families	56	Acquisition

Impact Investment Map

Multifamily affordable developments financed in 2021

Affordable Homes Financed

4,080

Construction Jobs Created

3,989



Income Growth
5.0% + **Rent Savings**
\$11,628

Yearly average for residents living in Century developed and operated communities

Housing Stability
97.7%

On average for 12-month period at PSH properties

Dignity/Respect
92%

of residents agree or strongly agree they are treated with dignity and respect by property management staff

Happiness
86%

of residents report being somewhat or very happy living in Century communities

Development Impact Snapshot

2,020 homes in operation

3,654 people housed

605 homes created or preserved

2,520 homes in the pipeline

\$79,627,308 investment value generated

See centuryaffordable.org or these dedicated sites for more good news happening every day in Century-developed communities:



centuryvillages.org



wlvac.org



onesanpedro.org



VA Development Update

Operation West Los Angeles VA North Campus underway; thousands of unhoused Veterans standing by



Veteran homelessness is a stain on the American Flag and Los Angeles is its epicenter. In the latest survey, there were nearly 4,000 Veterans and many more family members homeless on the streets of Los Angeles on any given night. Since 2018, Century Housing and its partners at The Veterans Collective have been planning and developing a large-scale solution on the historic grounds of the West Los Angeles VA Campus on approximately 70 acres north of Wilshire Boulevard.

The sounds of progress on the campus are hard to ignore as **Building 207**, the first of the Principal Developer Team buildings to open, will complete construction and start lease up by the end of 2022. Developed principally by Thomas Safran & Associates, with services provided by U.S.VETS, Building 207 is a supportive housing community for 59 senior Veterans with 26 units reserved for formerly and chronically homeless Veterans ages 62 and older. All resident will have access to case management and wellness activities.

Thanks to funding commitments from the Los Angeles County Development Authority and the State of California's VHHP program, Century hopes to break ground on its first project, **Building 404**, a new construction 73-unit permanent supportive housing development for Veterans, in late 2022. Right behind Building 404, Century expects to start construction on the adaptive reuse of **Buildings 156 & 157** into 112 permanent supportive housing units in the spring of 2023.



Veterans at increased risk of homelessness such as senior Veterans, women Veterans, LGBTQ Veterans, Veteran families, single-parent Veteran families, Iraq/Afghanistan era Veterans, chronically homeless Veterans, disabled Veterans, and Veterans who experienced military sexual trauma and other injured Veterans will receive specialized care.



Working with the VA and the Los Angeles Homeless Services Authority (LAHSA), community needs will be reviewed yearly and services will be adjusted accordingly.

When completed, this will be the country's largest supportive housing community for homeless and at-risk Veterans and their families and will include service-enriched housing, access to quality recovery and wellness programs, job placement services, enterprise opportunities, community resources, and more. Our mission as The Principal Development Team is to ensure that this plan translates to a vibrant neighborhood that promotes opportunity, wellness, and a feeling of belonging.

This redevelopment is personal to all of us but especially to two of the Collective's own U.S. Military Veterans:



Judge Harry Pregerson (right) with Ron Griffith celebrating the opening of Cabrillo Gateway at the Century Villages at Cabrillo in Long Beach.

Century's President and CEO Ron Griffith, recipient of the Combat Infantry Badge and Purple Heart, and Stephen Peck, CEO of U.S.VETS and recipient of the Navy Commendation Medal. The work of Century and U.S.VETS at the West Los Angeles VA benefits from a 25-year partnership at



Brian D'Andrea, Steve Peck and other members of the West LA Veterans Collective host a campus tour for the Veterans Community Outreach and Engagement Board (VCOEB).



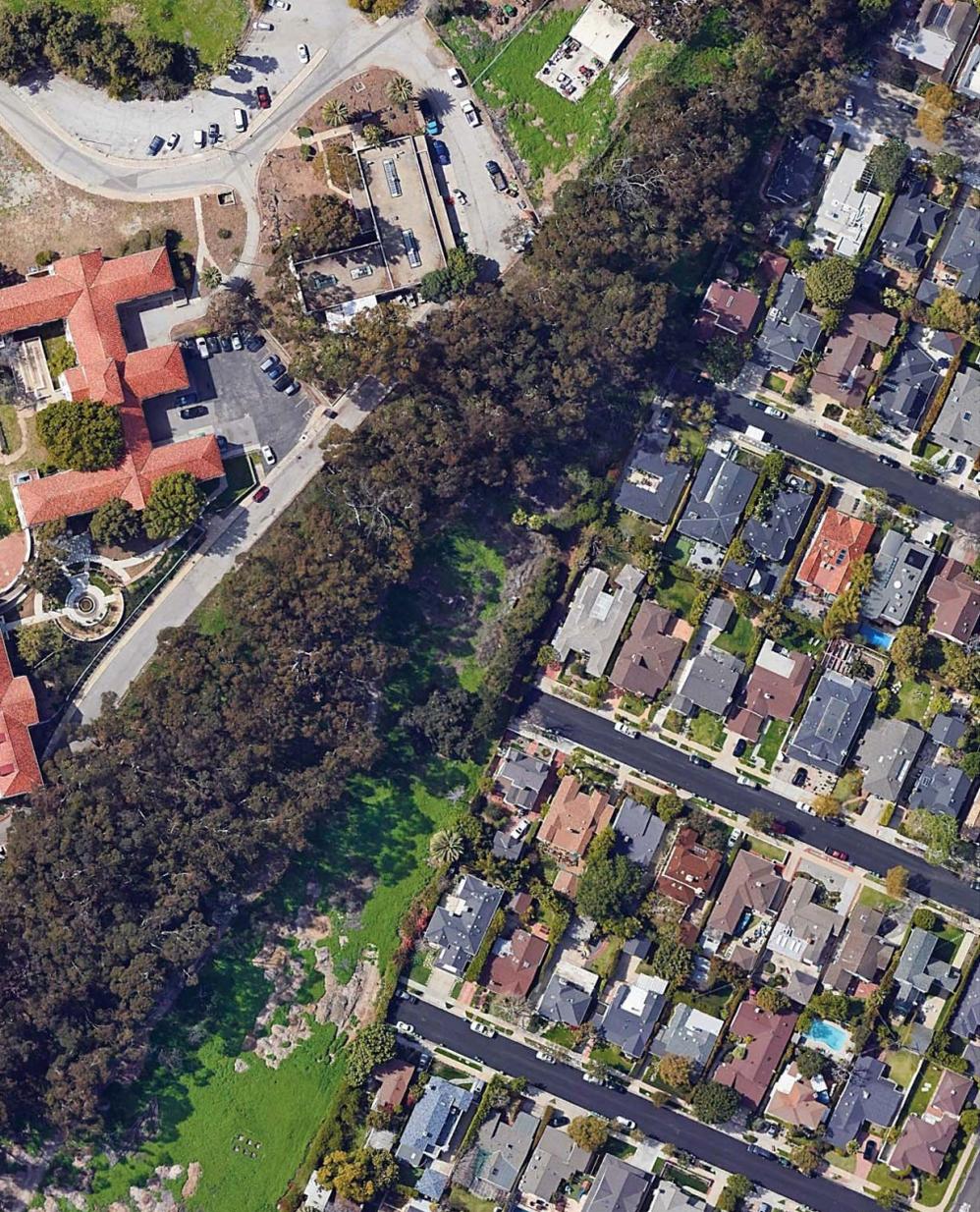


Building 156

Building 157

Building 207

Building 404



the Villages at Cabrillo in Long Beach, a 27-acre supportive housing community with more than 1,500 residents, including approximately 700 Veterans.

Although he is no longer with us, it is important we remember the lasting impact that Judge Harry Pregerson had in establishing Century Housing and guiding its mission. By converting the Century Freeway Housing Program into Century Housing, Judge Pregerson ensured that surplus funding from that initial freeway project would be used to provide affordable housing in perpetuity. Judge Pregerson, a WWII Veteran who was wounded at Okinawa, is also responsible for the creation of U.S.VETS, a nonprofit with a mission to end veteran homelessness in the United States.

by Brian D'Andrea
Senior Vice President, Housing
bdandrea@century.org

10,000ft View The campaign to expedite Veteran housing

Recognizing the current budget surplus, The Veterans Collective recently launched a new and multi-faceted campaign aimed at garnering \$75 million from the state to further expedite the development of more than 500 units of supportive housing.

Appreciating the previous investment of \$20 million in last year's state budget, our Principal Developer Team is actively engaged with Governor Newsom, the state legislature, community stakeholders, the press, and the public to raise awareness about this important project and explain how the additional funding will accelerate housing production, support crucial transportation infrastructure improvements, and help build amenities.

If you care about homelessness, there may never be a better opportunity to help! The Veterans Collective has initiated a plan that will make the West LA VA the largest Veteran facility in the nation, but there is much more we can do to improve this extraordinary campus:

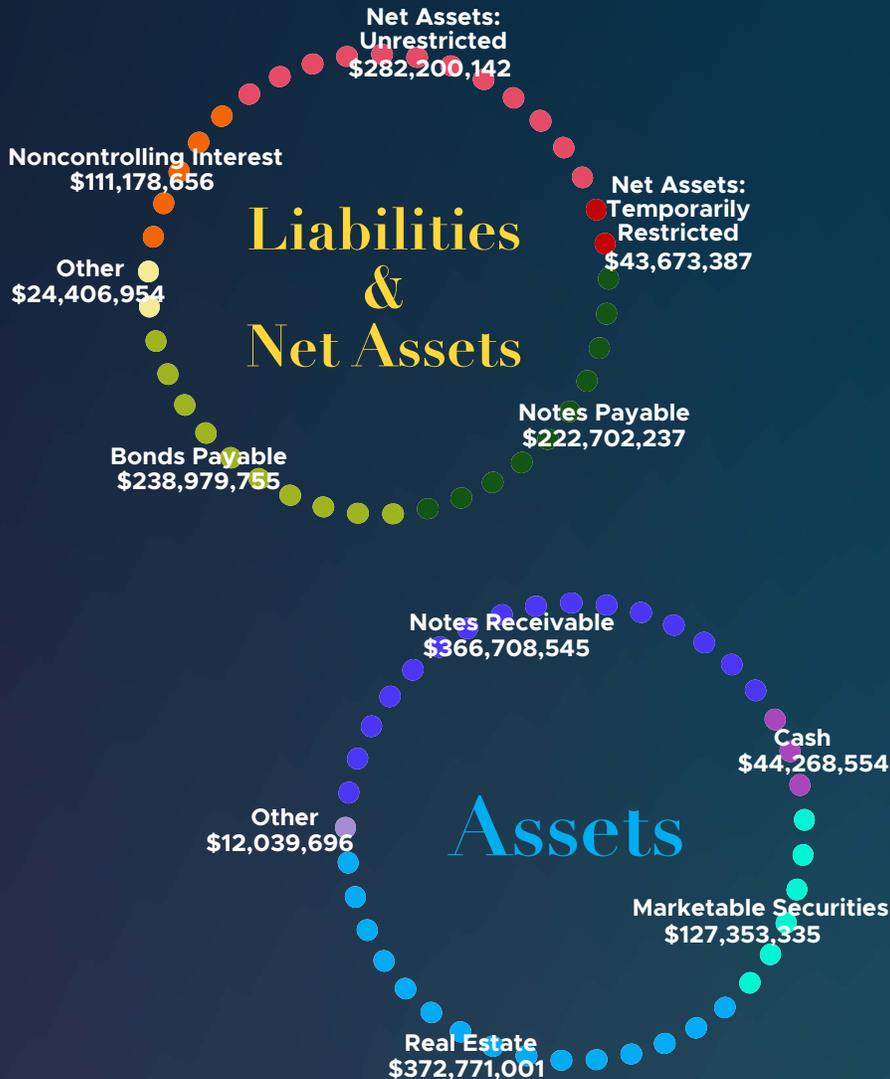
Stay connected and help build support by visiting the West LA Veterans Collective
www.wlavc.org



Our Numbers

Financial Position

Century Housing and Consolidated Affiliates | December 31, 2021



\$2.3 billion
in cumulative impact investment

\$1.3 billion in 2016

\$667K in 2011

2011 | 2016 | 2021

50,000+

affordable and workforce homes financed

	2018	2019	2020	2021
Total Assets	\$619,421,982	\$718,911,255	\$816,533,440	\$923,141,131
Net Loans Receivable	242,238,733	284,519,978	366,592,660	366,708,545
Cash & Marketable Securities	127,510,689	150,386,803	155,153,886	171,621,889
Net Real Estate	242,401,969	276,490,098	286,024,435	372,771,001
Debt	321,349,704	378,732,047	403,430,419	461,681,992
Total Net Assets	213,374,160	239,397,653	278,698,162	325,873,529

AA-
S&P Global Ratings

AA
Fitch Ratings

Sustainability Bond
Opinion by
Sustainalytics

Stacked Good

Investments creating layers of tangible social and environmental impact

With your support, Century Housing has grown into one of the largest originators of acquisition loans serving affordable housing in California. This early-stage financing clears a big predevelopment hurdle and, in conjunction with other Century loan products, allows more than 4,500 safe and affordable apartment homes to proceed with development every year.

Century investors are participating in this success with the help of a recent expansion of impact investment offerings. Our AA stable and AA- stable ratings by Fitch and by S&P Global, respectfully, led to new opportunities for institutions and individual investors to join our mission without incurring excess risk. Century has already delivered \$2 billion in affordable housing loans and now we can do more faster.



The average home created or preserved with Century's financing is affordable to individuals and families earning approximately 50% of the area median income (AMI), with a large portion affordable to residents earning close to 30% of AMI. Low-income and unhoused workers, seniors, Veterans and families with a disabled member are given a chance at healing and economic recovery.

In addition to this social benefit, Century-financed developments are environmentally beneficial by virtue of density and responsible building practices. Approximately 14% include energy retrofits, 33% are classified as Transit-Oriented Developments reducing traffic congestion and pollution, and 66% qualifying for low-income housing tax credits which are awarded based largely on the inclusion of energy and water efficient designs. Many are also LEED certified.

For some final insights into our mission, the leading 2nd party ESG opinion provider to the affordable housing industry, Sustainalytics, has determined that Century Housing's operations support 4 of the 17 United Nations Sustainable Development Goals. Sustainalytics also assessed the quality of Century's management practices, highlighting multiple distinctions as one of the best nonprofits to work by *The NonProfit Times*. Century's commitment to social change begins within.

Get to know more about the real climate and housing stability outcomes achieved by affordable housing and the novel ways Century is balancing its investment offerings at:

century.org/invest



by Alan Hoffman
Senior Vice President & CFO
email ahoffman@century.org

Thank You!!!!!!!!!!!!!!

Affordable Housing Developers

Abode Communities
Affirmed Housing Group
Alliance Property Group
AMCAL Housing
AMG & Associates
Bridge Housing Corporation
Burbank Housing Development
C&C Development
Cesar Chavez Foundation
Charities Housing Development
Chelsea Investment Corporation
Community Corporation of Santa Monica
Community Housing Partnership
CRP Affordable Housing & Community Development
Danco Communities
Domus Development
EAH Housing
East Bay Asian Local Development Corporation
East LA Community Corporation
Eden Housing
Elsey Holdings
Excelerate Housing Group
Father Joe's Villages
Highland Property Development
HIP Developments
Hollywood Community Housing
Housing Diversity Corporation
Jamboree Housing Corporation
Jemcor Development Partners

Kingdom Development
LA Family Housing
Linc Housing Corporation
MAAC
Many Mansions
Mercy House
Mercy Housing California
Meta Housing Corporation
MidPen Housing Corporation
Mission Economic Development Agency
National Community Renaissance
Ocean Development
The Pacific Companies
PATH Ventures
The Richman Group
ROEM Development Corporation
Shara L. Coletta
Skid Row Housing Trust
Solutions For Change
Southport Financial Services
Step Up On Second Street
The Core Companies
The Richman Group
Thomas Safran & Associates
Trestle Development
Triton Community Development
USA Properties Fund
Veloce Partners
Visionary Home Builders
Wakeland Housing and Development Corporation
West Hollywood Community Housing

Essential Workforce Housing Developers

Ahmad Samie
Alexis Gevorgian
Alfons Ibrahim
Behzad Okhovat
Chong Lee
Diversified Equities
Edward Lorin
Efi Meirson
Gina Candari
Hassan Soltani
Jonathan Lee
Komova Chandran
Leo Y. Lee
Michael Cohen
Michel Welter
Noam Matas
Prakash Chandran
Shahar Kalev
Soledad Enrichment Action
Steven Bram
Steven Friedman
Timothy R. Roth
Uzi Levy
Yehunda Trattner
Yoram Hassid

Investors

The Ahmanson Foundation
Bank of America
Bank of New York
BBVA Compass
California Community Reinvestment Corporation
California Department of Housing and Community Development
California Housing Finance Agency
Calvert Social Investment Foundation
Cedars-Sinai Medical Center
Charles Schwab Bank
Chase
CDFI Fund
Citibank
City of Long Beach
City National Bank
EastWest Bank
Fannie Mae
Federal Home Loan Bank of San Francisco
GE Foundation
HSBC Bank USA
Housing Partnership Network
Hudson Housing Capital
JP Morgan Chase Bank
Los Angeles County Community Development Commission
Los Angeles Housing and Community Investment Department
Low Income Investment Fund
Manufacturers Bank
MUFJ Union Bank
RSF Social Finance
San Luis Obispo Housing Trust
The Weingart Foundation
US Bank
Wells Fargo Bank