



Community
Preservation
Corporation

2024

ANNUAL REPORT

CEO's Message

CEO'S MESSAGE



"FY 24 saw new and existing partners

continue to seek out CPC to take on the toughest housing challenges that are happening in New York and across the country. Together, our \$643 million of new investments **made an impact on American communities, the people who call them home, and the way capital is deployed** across the housing industry."

Rafael E. Cestero
CHIEF EXECUTIVE OFFICER



SCAN TO WATCH VIDEO

50 YEARS OF IMPACT

Transforming Neighborhoods Since 1974



\$15 Billion
INVESTED
in Multifamily Housing



HOMES FINANCED
for **1.1 Million**
People

Mission in Focus

MISSION

FY 24 Impact: \$643 Million in Mission Driven-Capital Deployed Across 9 States

During a landmark year leading up to the organization's 50th anniversary, CPC closed 80 loans and investments to finance affordable and workforce multifamily housing that will deliver enduring economic benefits to communities across the country.

In a testament to its innovative approach and unmatched impact over five decades, CPC secured several competitive achievements in FY 24, including:

- The Federal Deposit Insurance Corporation (FDIC) selected a CPC-led partnership for the acquisition of a \$5.8 billion loan portfolio, secured by New York City properties containing nearly 35,000 apartments. CPC will service the 868 loans in the portfolio, the majority of which is rent regulated.
- The team came together to stand up a new subsidiary, CPC Climate Capital, a subrecipient of federal funding awarded through a competitive, public process to catalyze investments in clean energy, buildings, and transportation. CPC Climate Capital's low-cost debt financing model is designed to support multifamily building developers, owners and tenants by decreasing the overall cost of mortgage capital while increasing proceeds to cover the costs to upgrade existing buildings or build new energy-efficient multifamily housing.

CPC's loans and investments demonstrate an unwavering commitment to the neighborhoods we serve:



93% of Transactions

CONTRIBUTING
to affordable housing



\$155 Million

**DEPLOYED TO
DEVELOPMENT PROJECTS**
led by ACCESS developers



\$245 Million

INVESTED
in energy efficient and
high performance homes

As CPC celebrates its 50th anniversary, the organization is poised to continue delivering economic opportunity and transformation in communities for years to come.

Making an Impact Across Our Business Lines

Construction Lending

Building on CPC's 50-year history of construction lending in New York, CPC originated construction and permanent loans to finance new construction, preservation, and revitalization of multifamily housing in neighborhoods across the state. With the majority of lending focused in CPC's home state of New York, CPC also financed quality, affordable housing in Connecticut and California.

\$246 Million

ORIGINATED

2,100 Homes

FINANCED

Mortgage Lending

FY 24 saw CPC Mortgage Company increase originations volume by 115% year over year, expand its national footprint, and continue to build on The Community Preservation Corporation's five decades of positive social impact.

With more than 75% of loan volume in affordable housing transactions, our team of experts continued to lead with our mission, meet market challenges with a range of flexible capital solutions, and empower our customers to make a difference in their communities.

\$364 Million

ORIGINATED

TRANSACTIONS IN
6 States

3,000 Homes

FINANCED

Equity Investing

New acquisitions in FY 24 will help CPC and its partners preserve affordability for residents and build the capacity of emerging real estate owners and investors in cities including Charlotte, North Carolina and Washington, D.C.

\$33 Million

IN FY 24 EQUITY
INVESTMENTS

4,500

AFFORDABLE HOMES
UNDER OWNERSHIP

Closing the Wealth Gap

Empowering Developers One Building at a Time

ALBANY, NY

CONSTRUCTION LENDING

2

AFFORDABLE
HOMES

\$207,000

CONSTRUCTION
LOAN

CPC joined developer Sierra Murray to celebrate the gut rehabilitation of two affordable apartments in Albany, NY. Murray is a graduate of the CPC ACCESS Incubator program, a free, virtual real estate development training series. With CPC training and access to financing, Murray has grown the capacity of her small business and now owns 13 units across six properties that she plans to revitalize, aiming to make a difference in her own, historically redlined neighborhood. CPC provided \$207,000 for this project.



Two Acquisitions to Preserve Affordability

WASHINGTON, DC & BRENTWOOD, MD

EQUITY INVESTING

\$3.65 Million

IN EQUITY INVESTMENTS

2

ACQUISITIONS

100+

AFFORDABLE HOMES

In partnership with A. Walker and Co., CPC invested alongside BrookWynn Capital in the acquisition and major capital renovation of a 118-unit multifamily asset in Brentwood, MD. This investment will create 77 new rent-restricted, family-sized units and preserve workforce affordability in the remaining units.

Alongside a joint venture between Mosaic Affordable Housing and Vantage Realty Capital, CPC also made a \$1.2 million equity investment for the acquisition of a 65-unit property in Washington. With this investment, the team will renovate 50% of the units and income-restrict 50% of the units for renters earning at or below 80% of area median income, with a strategy of non-displacement.



Energy Efficiency

New Construction of High-Performance, Mixed-Income Homes

NEW YORK, NY

CONSTRUCTION LENDING

CPC MORTGAGE COMPANY

\$74.8 Million

FREDDIE MAC
TAH LOAN

\$15.5 Million

SUBORDINATE
CONSTRUCTION AND
PERMANENT LOANS

188

NEW HOMES
FOR
NEW YORKERS

20%

DEEPLY
AFFORDABLE
APARTMENTS

This new, 17-story new construction project will bring 188 apartments to Gowanus, Brooklyn. With support from NYC's Mandatory Inclusionary Housing (MIH) program, 25% of the units will be affordable. The building will be fully electric with the exception of domestic hot water production which will use natural gas and be conversion-ready. The project is the first to receive financing via CPC's \$25 million revolving loan fund capitalized with NY Green Bank funds.



Electrification of Affordable Homes in NY's Hudson Valley

MIDDLETOWN, NY

CONSTRUCTION LENDING

\$2.7 Million

CLIMATE FRIENDLY
HOMES FUND GRANT

107

AFFORDABLE
HOMES

CPC awarded \$2.7 million for the electrification of Horizons at Wawayanda, a six-building development in the Town of Wallkill, Middletown, NY. The property was one of the first housing complexes to receive a grant through the \$250 Million Climate Friendly Homes Fund, which CPC is administering in partnership with NY State Homes and Community Renewal. Funding will support the electrification of heating, cooling and domestic hot water production for all apartments at the Low Income Housing Tax Credit development.



Homes and Healthcare Resources for Low Income Families, Homeless Veterans

POMONA, CA

CONSTRUCTION LENDING

\$75.8 Million

NEW DEVELOPMENT

90

AFFORDABLE
HOMES

6,756 SF

HEALTH CLINIC SERVING
COMMUNITY MEMBERS

CPC joined the Cesar Chavez Foundation and partners to finance the new construction of 90 affordable homes for low-income families and homeless veterans. Residents of the LEED-certified property will have access to on-site social services and an on-site health clinic.

Financing was provided by Citi, the City of Pomona, the CA Department of Housing and Community Development and other community partners. A partnership between CPC, UnitedHealth Group, and Corporation for Supportive Housing provided a \$13 million subordinate construction loan.



Affordable, High Performance Senior Housing

SAN JOSE, CA

CPC MORTGAGE COMPANY

\$12.9 Million

FREDDIE MAC
FORWARD LOAN

101

AFFORDABLE HOMES
FOR SENIORS

CPC Mortgage Company provided Freddie Mac Targeted Affordable Housing financing for the new construction of this four-story building that will offer 101 affordable apartments and on-site supportive services for seniors, including 20 permanently supportive homes for formerly unhoused residents. In addition to the Freddie Mac 9% LIHTC Forward Commitment loan arranged by CPC Mortgage Company, the high performance building received financing from Santa Clara Housing Authority, DeRose HDC, Inc., and First Citizens Bank & Trust company.



Affordable Housing

Revitalizing Affordable, Supportive Housing

NEW YORK, NY

CONSTRUCTION LENDING

40

UNITS

\$4.9 Million

CONSTRUCTION LOAN

\$5.3 Million

PERMANENT LOAN
IN PARTNERSHIP
WITH NYCERS

CPC worked with mission-driven nonprofit Lower East Side Service Center, NYC Housing Preservation and Development (HPD) and the NYC Employees' Retirement System (NYCERS) to finance the renovation of this 40-unit property providing affordable, supportive homes for residents diagnosed with HIV/AIDS. Renovations include capital systems upgrades, interior improvements, and energy efficiency measures. The project benefits from \$8.2 million in HPD subsidy and NY State Energy Research and Development Authority grant funds.



Forward Financing for New Affordable Homes

SEATTLE, WA

CPC MORTGAGE COMPANY

235

AFFORDABLE
HOMES

\$23.3 Million

FREDDIE MAC
TAH FORWARD LOAN

CPC Mortgage Company provided Freddie Mac Targeted Affordable Housing forward financing for this new affordable housing property being developed by mission-driven organizations BRIDGE Housing Corporation, a repeat CPC customer, and Community Roots Housing. The transit-oriented development will help meet the housing needs of the Seattle community by delivering 235 units of newly constructed housing, with 100% of the units affordable at or below 60% of area median income.



Investing in Long-Term Affordability

CHARLOTTE, NC

EQUITY INVESTING

\$4.8 Million

EQUITY INVESTMENT

64

AFFORDABLE
HOMES

CPC made a \$4.8 million equity investment alongside J&S Realty LLC and Sandee Road Ventures to acquire a 64-unit townhome community in the west side of Charlotte, NC. Together, the partners plan to preserve affordability, modernize the property, and lease the homes to Section 8 tenant-based voucher holders. Southeast Affordable Housing Administration facilitated a property tax abatement in exchange for restricting all rents to be affordable to households earning 80% of area median income and below.



2024 Financials

Unaudited results for the 12 months
ended June 30, 2024

CPC CONSOLIDATED FINANCIAL HIGHLIGHTS (000s)

Net Assets

\$300,378

Revenues

\$105,975

PORTFOLIOS (000s)

Servicing Portfolio

\$9,516,000

Construction Loan Portfolio

\$1,6000,000

Equity Portfolio

\$77,642

TOTAL ASSETS UNDER MANAGEMENT (000s)

Total Assets Under Management

\$11,654,912

HIGHLIGHTS

Our

Strong Foundation



AA-rated
by S&P Global



\$11.7 Billion
in Assets Under
Management



\$9.5 Billion
Servicing Portfolio

Looking Ahead

Thank you to the customers, partners, and team members whose commitment and collaboration helped elevate our **impact in Fiscal Year 2024**.

Looking ahead, we will continue building on CPC's 50-year history of meeting the unique housing needs of communities and delivering loans and investments that transform neighborhoods and the lives of the people who call them home.



» VIEW THE FULL CPC ANNUAL REPORT: communitycp.com/2024annualreport

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