



California Community  
Reinvestment Corporation



# ANNUAL REPORT 2020





## LEAN IN. TOGETHER.

In February 2020, we were in the process of putting finishing touches on our 2019 Annual Report — one acknowledging our momentous 30-year anniversary. And then March happened, and we all know what was to follow ... it no longer felt appropriate to celebrate with so many facing such uncertainty and fear. It was time to get to work and make sure CCRC could weather the storm and determine how we could be a part of the solution.

March was a scary time. I actually wondered if CCRC would survive, knowing our tenants' ability to pay their rent had been impacted and hence, our borrowers' ability to make their mortgage payments. Even the best-laid plans aren't always pandemic-proof. We instantly mobilized to work with the state of California, other lenders in the state and our investors to approve a forbearance policy that supported our borrowers while they in turn were trying to support their tenants. Like they tell you on the plane, we put our oxygen mask on first so we could then help others.

I would describe 2020 as "the year of the pivot." Our industry keeps building, leasing and moving people into such needed housing while at the same time, making adjustments to the type of resident services and delivery systems critical to support the changing needs of their residents. Distance learning, employment benefit training,

TeleMed access — the list goes on and on. And at CCRC, our team rose to the occasion and faced these new challenges without missing a beat. The entire staff began working remotely the second week of March and that is how we continue to operate today.

2020 wasn't just the year of the pandemic although it was so heavily dominated by Covid-19 and its impacts on industries and people across the spectrum. It was also the year that racial and social justice came to the forefront stemming most notably from the circumstances that surrounded the death of George Floyd, on the heels of Breonna Taylor's death just months earlier.

We were faced with asking ourselves what our role would be ensuring racial and social justice in all of our work and programs? We know how to originate and underwrite loans. We know we create affordable housing opportunities for our communities and residents of color. The morning after the unrest that unfolded across the nation, I knew we had to talk about this as a team. The board talked about what their respective organizations were doing and what CCRC should be doing to be more inclusive in our work.

As a talking piece, I referred to an essay written by my friend, former CCRC board member and current president and CEO of the Federal Reserve Bank of Atlanta, Raphael Bostic: “A Moral and Economic Imperative to End Racism.” In it, he writes: “This country has both a moral and economic imperative to end these unjust and destructive practices ... We can do this, first, by fulfilling the mission given to us, which is to promote the health of the U.S. economy and the stability of the U.S. financial system.”

We have always known that housing is a basic right. More than ever this past year, I witnessed the importance of what we do first hand. But for this safe, affordable housing— this safety net — where would these vulnerable families be? Affordable housing isn't just a safety net, it's a lifeline — one that has enabled these families to keep their children in the same schools, afford groceries and health care, continue their education and now literally, be safe. It's having this housing as a cornerstone in a family's stability and taking that insecurity off the table that allows for them to

solve for the other needs of the family. Despite many unknowns, we — all of us in this industry — help to provide this stability. Stability is empowering. Stability creates opportunity. And, stability creates a path for growth and change, too.

In all of this, I feel encouraged, which may sound strange as we reflect on 2020, which was devastating in so many ways. But, I am. I saw people come together around a common goal, and the responsiveness and creativity of this industry saved lives.

And now again, as the ink begins to dry on our 2019-2020 Annual Report, our country is faced with yet another crisis. A crisis of confidence in our underlying democratic values. The village just got bigger in terms of how we will come together to save what is sacred to this country, but given what I have seen us come together around this past year, I trust we are up to the challenge.





## 1985-1995

- 46 Banks
- \$100 Million Pool

## 2001-2007

- Seamless Construction to program
- \$250 Million Loan Pool

## 2013-2020

- \$187 Record Year
- \$880 Capital Sources
- 2 Freddie Securitizations for \$230 Million

## 1995-2001

- Servicing In-House
- Tax Exempt Bond Program
- 1st Major Loan Sales-ICC

## 2007-2013

- Major Recession
- Scholarship Program
- \$300 Million Loan Pool





# Funders Who Make It Possible

ALLY BANK  
 AMERICAN BUSINESS BANK  
 BANK OF AMERICA  
 BANK OF HOPE  
 BANK OF STOCKTON  
 BANK OF THE ORIENT  
 BANK OF THE SIERRA  
 BANK OF THE WEST  
 BARINGS  
 BBVA BANK  
 BOSTON PRIVATE BANK & TRUST  
 BROADWAY FEDERAL BANK  
 CALIFORNIA BANK & TRUST

CATHAY BANK  
 CIT BANK  
 CITIZENS BUSINESS BANK  
 CITY NATIONAL BANK  
 COMERICA BANK  
 EAST WEST BANK  
 EXCHANGE BANK  
 FARMERS & MERCHANTS BANK  
 FIRST BANK  
 FIRST CITIZENS BANK  
 FIRST GENERAL BANK  
 FIRST NORTHERN BANK OF DIXON  
 FIRST REPUBLIC BANK

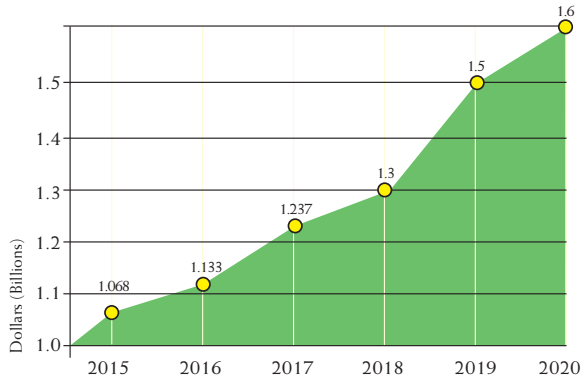
HANMI BANK  
 HSBC BANK USA  
 INDUSTRIAL & COMMERCIAL BANK  
 OF CHINA  
 JP MORGAN CHASE BANK  
 MANUFACTURERS BANK  
 MECHANICS BANK  
 MISSION VALLEY BANK  
 MONTECITO BANK & TRUST  
 MUFU UNION BANK  
 PACIFIC WESTERN BANK  
 RIVER CITY BANK  
 ROYAL BUSINESS BANK

SILICON VALLEY BANK  
 STATE BANK OF INDIA  
 SUNWEST BANK  
 TRI-COUNTIES BANK  
 U S BANK  
 UMPQUA BANK  
 UNITED BUSINESS BANK  
 WELLS FARGO BANK  
 WESTERN ALLIANCE BANK

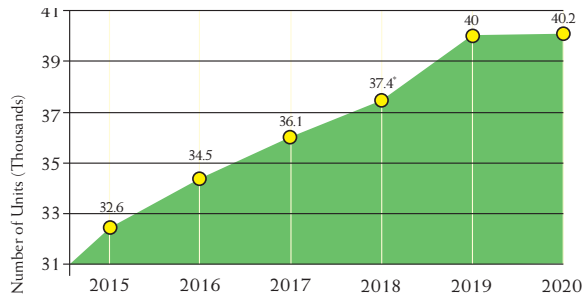


# Accountability is Key

## Loan Dollars, 2015-2020 - Funded



## Housing Units 2015-2020 - Funded



Charts cumulative 1989-2020

\*There has been an adjustment in the 2020 totals

### CALIFORNIA COMMUNITY REINVESTMENT CORPORATION CONSOLIDATED STATEMENTS OF ACTIVITIES YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Changes in net assets without donor restrictions:		
Revenues, gains and other support:		
Interest income, loans	\$ 11,385,430	\$ 9,538,253
Investment income, net	1,385,642	1,362,735
Loan, commitment, rate lock and prepayment fees	2,251,223	1,832,355
Credit enhancement fees and other income	522,973	542,577
Loan servicing income, net	1,619,275	1,540,660
Contributions	-	50,000
Total revenues and gains	<u>17,164,543</u>	<u>14,866,580</u>
Net assets released from restrictions:		
Satisfaction of program restrictions	<u>2,148,252</u>	<u>667,168</u>
Total revenues, gains and other support	<u>19,312,795</u>	<u>15,533,748</u>
Expenses:		
Program services:		
Affordable housing financing and servicing	13,087,350	18,658,624
Scholarship	41,374	56,000
Total program services	<u>13,128,724</u>	<u>18,714,624</u>
Supporting services	661,074	636,089
Total expenses	<u>13,789,798</u>	<u>19,350,713</u>
Increase (decrease) in net assets without donor restrictions	<u>5,522,997</u>	<u>( 3,816,965)</u>
Changes in net assets with donor restrictions:		
Contributions and grant	46,500	3,204,600
Net assets released from restrictions	<u>( 2,148,252)</u>	<u>( 667,168)</u>
Increase (decrease) in net assets with donor restrictions	<u>( 2,101,752)</u>	<u>2,537,432</u>
Increase (decrease) in net assets	3,421,245	( 1,279,533)
Net assets, beginning of year	<u>28,512,936</u>	<u>29,792,469</u>
Net assets, end of year	<u>\$ 31,934,181</u>	<u>\$ 28,512,936</u>

See notes to consolidated financial statements





## 2019-2020 Loan Committee

- Perica Bell, MFG Union Bank
- Norma Dominguez, Wells Fargo Bank
- Mike Jarrells, Montecito Bank & Trust
- John Denton, Bank of the West
- Henry Tiedemann, JP Morgan Chase
- Diana Cardenas, US Bank
- Claudia Lima, CIT
- Adey Tesfaye, HSBC

## 2019-2020 CCRC BOARD OF DIRECTORS

- |   |   |  |
|---|---|--|
| <b>Bob Besser</b><br>City National Bank   | <b>Mark Glasky</b><br>Bank of the West  | <b>Terce Sandifer</b><br>MUFG Union Bank             |
| <b>Frank Bravo</b><br>First Republic Bank | <b>Robin Hughes</b><br>Abode Communities  | <b>Ann Sewill</b><br>California Community Foundation |
| <b>Alice Carr</b><br>JP Morgan Chase      | <b>Steve Herman</b><br>California Bank & Trust                                    | <b>Ken Sofge</b><br>Wells Fargo Bank                 |
| <b>John Chan</b><br>Compass Bank          | <b>Mary Kaiser</b><br>CCRC  | <b>Beth Southorn</b><br>LifeSteps USA                |
| <b>Lisa Gutierrez</b><br>US Bank          | <b>Jeanne Peterson</b><br>Peterson & Associates Affordable<br>Housing Connections | <b>Tom Vandiver</b><br>Dentons                       |

## 2019-2020 Staff

- |                                  |                         |
|----------------------------------|-------------------------|
| <b>Meg (Meghmik) Babakhanian</b> | <b>Maria Majczinger</b> |
| <b>Maria Bassett</b>             | <b>Inez Martinez</b>    |
| <b>Andy Chan</b>                 | <b>Sylvia Meldonian</b> |
| <b>Steven Cole</b>               | <b>Jamie Nelson</b>     |
| <b>Renee Cooks</b>               | <b>Mark Niles</b>       |
| <b>Enrique Felix</b>             | <b>Laura Orellana</b>   |
| <b>Marla Garcia</b>              | <b>Gary Pinson</b>      |
| <b>Mary Kaiser</b>               | <b>Mark Rasmussen</b>   |
| <b>Angie Kirkhart</b>            | <b>David Saltzman</b>   |
| <b>Kyle Kerley</b>               | <b>Roberto Sanchez</b>  |
| <b>Vivian Lee</b>                | <b>Aaron Smith</b>      |
| <b>Christine Lew</b>             |                         |



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