



California Community  
Reinvestment Corporation

# ANNUAL REPORT 2022

## 2022 HIGHLIGHTS

- S&P confirms CCRC's A+ rating
- New record for originations of \$256 million
- Funding of 31 Forward Commitments
- 4,825 new homes created
- CCRC's scholarship fund renamed the Mary Kaiser Education Scholarship

The Grove (Vista, San Diego County)  
Affordable Senior Housing Community

## FUNDERS, PARTNERS AND FRIENDS OF CCRC

While the past year was marked with so many accomplishments, it also proved to be a transitional year unlike any CCRC has experienced during the past 34 years.

At the end of December 2022, Mary Kaiser, longtime president of CCRC, retired. Mary's leadership and vision for the organization over the past 27 years is unmatched in CCRC's history. However, as one shining star fades, another one appears, as CCRC welcomes a new president and CEO. Tia Boatman Patterson brings a lifelong commitment to affordable housing to the organization both through policy and housing production experience.

We wish to extend our gratitude to all our investors and partners who continue to support our mission. Because of your support, vulnerable populations remain housed and healthy, all receiving the important services and support they need to live enriched lives.

As we look back on 2022, immense thanks to the entire CCRC team who, collectively, are professionals in every way, the CCRC Board of Directors, the CCRC Loan Committee, and all the developers whose tireless work we very much value. We're all rowing in the same direction every day to fulfill the mission of creating affordable housing and it's a privilege to have these collaborations and strong partnerships.

Sincerely,

Mark Rasmussen  
Executive Vice President

Lisa Gutierrez  
Board Chair

A photograph of the Truckee Artist Lofts building, a modern multi-story structure with a mix of white horizontal siding, dark wood paneling, and brickwork. The building features large windows and a prominent copper-colored metal balcony or walkway on the ground floor. The sign "TRUCKEE ARTIST LOFTS" is visible on the left side of the building.

Truckee Artist Lofts (Truckee, CA)  
Mixed-Use, Affordable Housing Community

# HIGHLIGHTS

## FINANCIAL RESULTS

The 2022 audit reflects total net assets of \$69.4 million, a \$4.6 million decrease from 2021. The decrease in net assets was almost entirely due to unrealized fair value adjustments of \$4.1 million on CCRC's investment portfolio, a result of interest rate increases. CCRC's cash flow remains strong for 2022 at \$3.9 million after adjusting for \$4.1 million of cash that was used to self-fund loans.

A chart depicting the history of CCRC's Lender's Interest Rate vs. 10-Year T-Bill is included in the financial section of this annual report, indicating investor returns - 3.68% + the 10-year Treasury over the past twelve years and 2.81% + the 10-year Treasury since 1995.

## S&P RATING

CCRC's initial S&P A+ rating obtained in September 2021, was reviewed again in September 2022, and was held at an A+ rating. This important affirmation is critical as we move to grow alternative capital sources.

## ORIGINATION AND LOAN ADMINISTRATION

A new record for originations was reached with originations of \$256 million in mortgages and tax-exempt loans across 39 projects, helping to create 2,793 new homes for families, seniors, residents with special needs, veterans and formerly homeless Californians. In addition, CCRC's origination and loan administration teams converted and funded 31 forward commitments, representing 2,032 new homes and \$127 million in lending opportunities for our investors.

## LOAN PORTFOLIO/ASSET MANAGEMENT/SERVICING

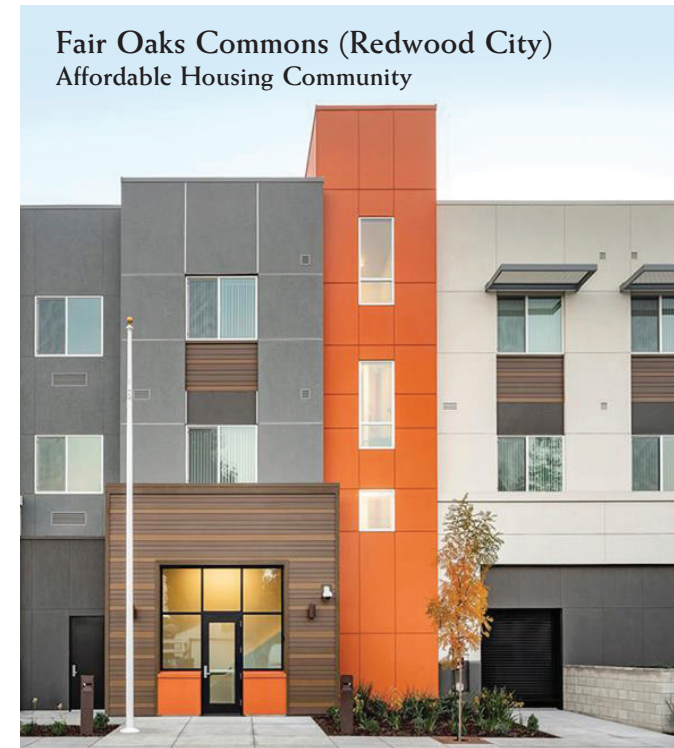
The risk metrics of the entire portfolio remain strong and continue to demonstrate the resiliency of affordable housing developments and the strength of our clients. At FYE 2022, the CCRC funded loan portfolio had a weighted average debt coverage ratio of 1.32, a loan-to-value of 51%, and an overall occupancy of 97%.

The portfolio CCRC now services is more than \$1 billion.

## CAPITAL

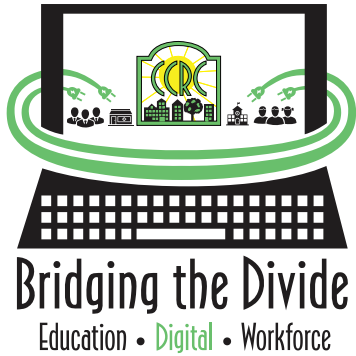
In August, CCRC closed a sale of \$95 million in funded tax-exempt loans to East West Bank, that allowed for important capital to be returned to the tax-exempt lending program. Special thanks to CCRC board member John Chan and the team at East West Bank.

The lingering effects of COVID, the challenges with stabilizing properties with targeted populations, and bureaucratic delays associated with multiple layers of financing all led to delays in funding forward commitments, creating challenges to the capital availability.



# HIGHLIGHTS (CONTINUED)

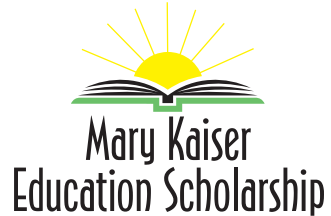
## BRIDGING THE DIGITAL DIVIDE



CCRC launched its Bridging the Digital Divide Program in 2021. The initial grants were awarded to Mercy Housing, Abode Communities and LifeSTEPS for programs designed to create and improve connectivity during this period of isolation that could only be bridged with enhanced technology and targeted programs, such as supporting remote learning, providing telehealth access, addressing food scarcity, enhancing socialization, and offering employment related services.

During 2022, CCRC awarded three grants totaling \$100,000 under this initiative. Awardees were Hope Through Housing, The Housing Authority of the County of Santa Barbara, and Community Corporation of Santa Monica. The awards were, in part, funded by a \$75,000 grant from Union Bank.

## THE MARY KAISER EDUCATION SCHOLARSHIP



CCRC's scholarship fund was formed in 2008 and, over the past 15 years, has awarded \$514,000 to 408 deserving students throughout California. In 2022, 27 students received scholarship money totaling \$54,000. In 2022, CCRC's board of directors renamed the scholarship fund the Mary Kaiser Education Scholarship.



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VISTAS DEL PUERTO

Vistas Del Puerto (Long Beach, CA)  
Affordable housing

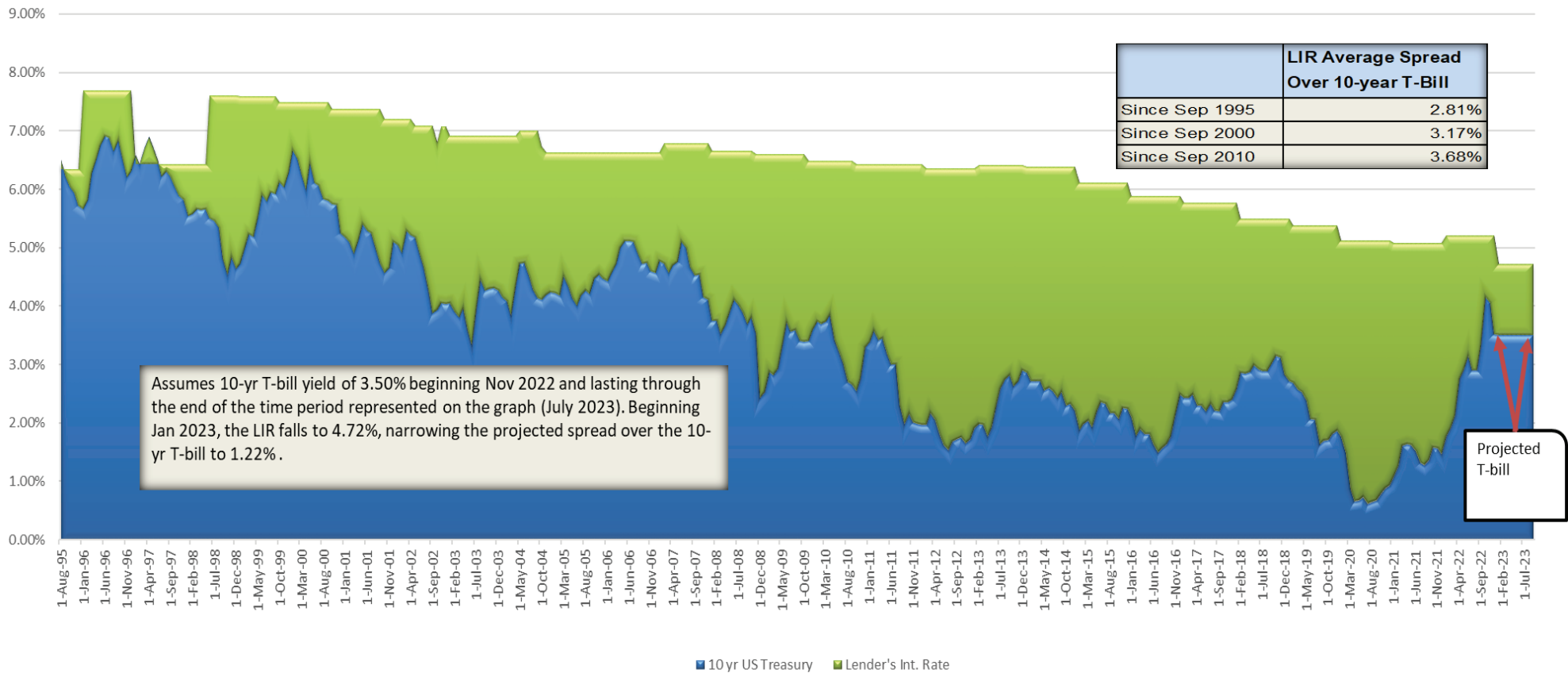
# OUR FUNDERS

- WELLS FARGO BANK
- MUFG UNION BANK
- CIT BANK
- US BANK
- SILICON VALLEY BANK
- BANK OF THE WEST
- UNITED BUSINESS BANK
- HSBC BANK USA
- JP MORGAN CHASE BANK
- PACIFIC PREMIER BANK
- FLAGSTAR BANK
- CITY NATIONAL BANK
- FIRST REPUBLIC BANK
- UMPQUA BANK
- MONTECITO BANK & TRUST
- CATHAY BANK
- ALLY BANK
- BENEFICIAL STATE BANK
- COMERICA BANK
- INDUSTRIAL & COMMERCIAL BANK OF CHINA
- PACIFIC WESTERN BANK
- CALIFORNIA BANK & TRUST
- PNC BANK
- TRI-COUNTIES BANK
- EAST WEST BANK
- AMERICAN BUSINESS BANK
- MECHANICS BANK (RABOBANK, N.A.)
- BANK OF STOCKTON
- MANUFACTURERS BANK
- CITIZENS BUSINESS BANK (COMMUNITY BANK)
- MISSION VALLEY BANK
- RIVER CITY BANK
- FARMERS & MERCHANTS BANK
- FIRST CITIZENS BANK & TRUST COMPANY
- EXCHANGE BANK
- STATE BANK OF INDIA
- BAC COMMUNITY BANK
- HANMI BANK
- SUNWEST BANK
- FIRST GENERAL BANK
- ROYAL BUSINESS BANK
- FIRST CITY BROADWAY BANK
- BANK OF THE ORIENT
- US BANK (PACIFIC NATIONAL)
- FIRST NORTHERN BANK OF DIXON
- BANK OF HOPE (CENTER)
- FIRST BANK



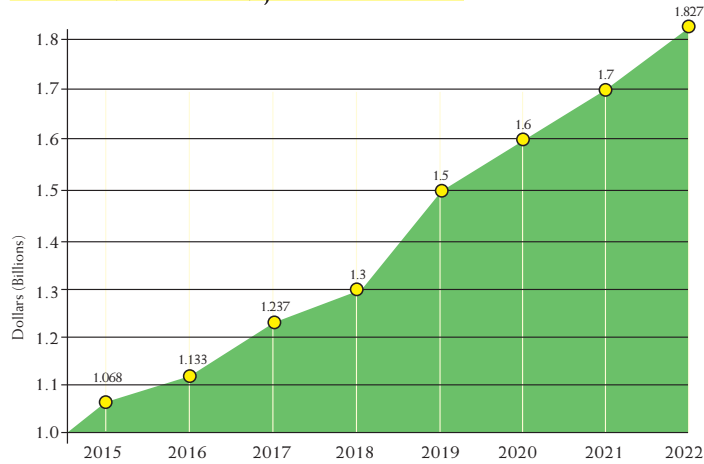
Logan Place (Petaluma, CA)  
Multi-Family Residential Community

# HISTORY OF CCRC LENDER'S INTEREST RATE (LIR) VS. 10-YEAR US T-BILL YIELD

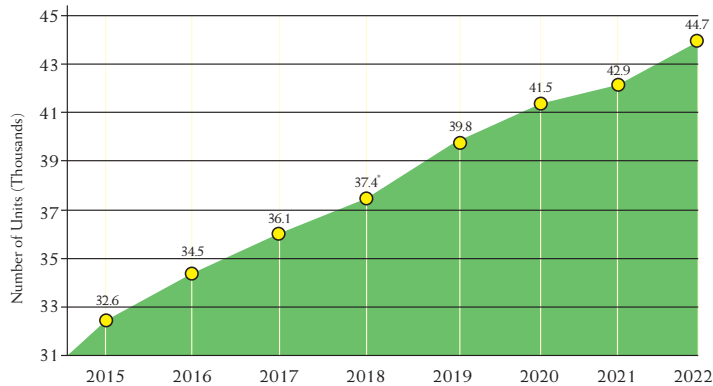


# FINANCIALS

## LOAN DOLLARS, 2015-2021



## HOUSING UNITS FUNDED



Charts cumulative 1989-2022

\*There has been an adjustment in the 2020 totals

	2022	2021
Changes in net assets without donor restrictions		
Revenues, gains and other support:		
Interest income, loans	\$ 6,619,534	\$ 5,254,398
Investment (loss) income, net	(2,777,291)	749,440
Loan, commitment, rate lock and prepayment fees	935,444	2,345,983
Loan sale premium, net	-	40,778,992
Credit enhancement fees and other income	469,794	947,113
Loan servicing income, net	<u>2,119,816</u>	<u>2,048,675</u>
Total revenues and gains	7,367,297	52,124,601
Net assets released from restrictions:		
Grant proceeds returned	(586,680)	-
Satisfaction of program restrictions	<u>42,055</u>	<u>572,954</u>
Total revenues, gains and other support	6,822,672	52,697,555
Expenses:		
Program services:		
Affordable housing financing and servicing	11,092,586	9,369,709
Scholarship	42,055	66,000
Other	<u>100,000</u>	<u>120,000</u>
Total program services	11,234,641	9,555,709
Supporting services		
General and administrative	<u>780,645</u>	<u>693,209</u>
Total expenses	<u>12,015,286</u>	<u>10,248,918</u>
(Decrease) increase in net assets without donor restrictions	<u>(5,192,614)</u>	<u>42,448,637</u>
Changes in net assets with donor restrictions		
Unexpended grant proceeds	586,680	-
Contributions	67,000	171,304
Net assets released from restrictions	<u>(42,055)</u>	<u>(572,954)</u>
Increase (decrease) in net assets with donor restrictions	<u>611,625</u>	<u>(401,650)</u>
(Decrease) increase in net assets	(4,580,989)	42,046,987
Net assets, beginning of year	<u>73,981,168</u>	<u>31,934,181</u>
Net assets, end of year	<u>\$ 69,400,179</u>	<u>\$ 73,981,168</u>

## CCRC BOARD MEMBERS

Lisa Gutierrez  
US Bank

John Kauh  
Wells Fargo Bank

Mark Glasky  
Bank of the West

John Chan  
East West Bank

Cecile Chalifour  
JPM Chase Bank

Steve Herman  
California Bank & Trust

Robin Hughes  
Abode Communities

Jimar Wilson  
Enterprise Community Partners, Inc.

Beth Southern  
LifeSTEPS USA

Ray Pearl  
California Housing Consortium

Tom Vandiver  
Dentons

Janet Garufis  
Montecito Bank & Trust

## LOAN COMMITTEE

Javier Guzman, City National Bank

Diana Cardenas, US Bank

Henry Tiedemann, JP Morgan Chase

Christian von Merkat, Wells Fargo

Raji Narayanan, Bank of the West

Kasi Perkins, Ally Bank

Mike Jarrells, Montecito Bank & Trust

Karen Davis, CIT Bank

## STAFF



Laura Arzumanyan



Maria Bassett



Tia Boatman  
Patterson



Kori Cahill



Andy Chan



Steven Cole



Renee Cooks



Ruben Farias



Marla Garcia



Angie Kirkhart



Kyle Kerley



Vivian Lee



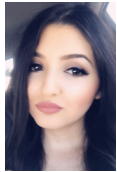
Christine Lew



Maria Majcinger



Susan Makabi



Inez Martinez



Sylvia Meldonian



Jamie Nelson



Mark Niles



Laura Orellana



Owen Patterson



Gary Pinson



Jennifer Quevedo



Mark Rasmussen



David Saltzman



Lisa Sepp-Moore



Aaron Smith



TingTing Xiao



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