BRINGING CAPITAL HOME

Housing Trust Silicon Valley
2017 Annual Report
Dear Community,

More than ever before, the Housing Trust is using our unique vantage point and understanding of the complex issues of the housing crisis in the greater Bay Area to see new connections and opportunities. Our role as a community loan fund is to bring resources together so more residents can secure stable and affordable housing that works for their families. In short, our job is to bring capital home.

We are extremely proud of our partnerships that are bringing more financial and creative capital to affordable housing development, and inspiring new initiatives that will drive progress. Our collaborations with other community organizations and public entities are helping move people experiencing homelessness into housing, creating affordable options for those struggling to pay rent, and preparing first-time homebuyers for the biggest purchase of their lives.

We know there’s no one solution to the Bay Area’s housing crisis. That’s why we’re tackling the problem from many angles, from helping those experiencing homelessness to financing affordable housing developments to assisting first-time homebuyers to leading beyond lending.

We celebrated two significant organizational milestones this year. First, our total assets reached $100 million for the first time, making us one of the largest regional Community Development Financial Institutions in the nation. And, second, we had our most productive lending year to date with $34 million committed to support the development of 1,069 affordable homes.

We are proud to have made more affordable housing loans than any other nonprofit lender in the greater Bay Area. Our aggressive effort to raise capital from new sources, particularly the private and philanthropic sectors, will bring millions more dollars to the creation and preservation of thousands of affordable homes. Even more significant are the impacts these homes have on the lives of individuals, from those experiencing homelessness to renters to first-time homebuyers. Ultimately, even as we achieve impressive bottom line results, we never lose sight of our core directive – bringing capital home.

Thank you for all you do to support us in this work.
CREATING THE MARKETPLACE

Housing Trust is leading the effort to create a strong marketplace for affordable housing in the greater Bay Area. We are proud to have made more loans than any other nonprofit housing lender in the region.

ABIMAE AND YAMILLET were overjoyed when their family moved into an affordable two-bedroom apartment after living in one room of a shared duplex. Now they have their own place to play, study and just be kids.

Since 2000...

$145 million  
invested in affordable housing

15,490  
housing opportunities

27,640  
people served

$2.6 billion  
leveraged by our partners
Housing Trust works in 13 counties in the greater Bay Area that have one thing in common – a critical need for affordable housing and more capital to support its development.

Six of the top 10 most expensive housing markets in the entire nation are located in the Bay Area, causing huge segments of the population to struggle to afford housing.¹

²⁰⁺ YEARS

In multiple Bay Area locations, it will take more than 20 years for the current generation of potential homebuyers to save enough money for a down payment.²

SJ $2,570  SF $3,040

The average monthly rent for a two-bedroom apartment.³

ALIGNING RESOURCES

From the homeless to renters to first-time homebuyers, we assist a wide range of residents with programs across the spectrum of housing issues. Our financial expertise coupled with our public and private sector partnerships ensure we make the most out of every dollar.

OUR CAPITAL

PUBLIC

PRIVATE

WE MAKE EVERY DOLLAR RAISED GO FURTHER

Once our loans are repaid we reinvest that same money back into new loans in the community to create more homes – multiplying the impact of every dollar invested in us.

SPECIAL THANKS

Each year Housing Trust hosts a fall gathering in San Jose to thank our supporters and partners, celebrate victories over the past year and look ahead to the next.
LEADING BEYOND LENDING

We link affordable housing to other big-picture regional concerns – economic sustainability, traffic congestion and quality of life at all income levels.

Housing Trust provided critical support for Measures A in Santa Clara County, A1 in Alameda County and K in San Mateo County, which received voter approval in November, 2016. Together they will generate $2 billion for affordable housing over the next 10 years. Now our attention is focused on how we help put these dollars to use.

Housing Trust continues to pioneer new ways to increase private social impact investment – most recently with the launch of Technology Equity Community Housing (TECH) Fund and its $50 million goal. Our ability to loan this money, have it be repaid, and loan it again multiple times will ultimately fund $150 million in affordable homes. Thanks to investments from Cisco Systems Foundation, Sobrato Family Foundation and David and Lucile Packard Foundation, the TECH Fund already has $20 million at work in the community.

INVESTOR BRIEFING
Housing Trust’s annual Investor Briefing is a prominent event where 500 business and community leaders along with elected officials gather to learn about the state of affordable housing and leave inspired and enthusiastic about solutions.
INCREASING SUPPLY

We help provide low- and middle-income residents with more affordable housing opportunities by financing the development and construction of multifamily properties. Fiscal year 2017 was our highest volume lending year to date.

“If we didn’t have access to affordable housing, I would have to work two jobs to support my family, and I couldn’t go to school.”

Chanel, EMT at Stanford Hospital, nursing student, mother of two and resident at Palo Alto Housing’s Oak Court Apartments

In fiscal year 2017...

$33.7 million in loans committed

1,069 homes financed

222 homes for homeless and special needs clients

385 homes for seniors

369 homes for families

PREDEVELOPMENT LOAN
A $1 million loan for Villas on the Park in downtown San Jose helped to move this much-needed project forward.

The 83 apartments developed by Affirmed Housing and PATH will provide permanent supportive housing and interim housing for individuals with extremely low incomes.

ACQUISITION LOAN
An $11.2 million loan – our largest yet – to MidPen Housing supported the purchase of a 55-family apartment complex in Redwood City that was about to be lost to market-rate development. Now long-term affordability is preserved and the existing low-income tenants avoid displacement.
BRINGING THE HOMELESS HOME

We help individuals and families experiencing or at risk of homelessness move into homes they can afford. We strengthen the safety net for our most vulnerable residents by providing security deposit grants and making capital need grants to homeless service providers.

“So many times we’ve come with a last minute situation, but the people at the Housing Trust totally get it. I knew they would do everything they could to make sure a disabled mom and daughter did not have to spend another weekend living in a car.”

Joe Escalante, Silicon Valley Independent Living Center

In fiscal year 2017...

606 people assisted

$942,540 grants for those experiencing homelessness

APPLIED MATERIALS SILICON VALLEY TURKEY TROT

For the past 12 years, Housing Trust has been a grateful beneficiary of the Silicon Valley Turkey Trot and has dedicated all $2.1 million in race proceeds to our homelessness programs.

MOBILE SHOWERS

Each night, Village House provides shelter for 15 women experiencing homelessness. A grant from Housing Trust provided a mobile shower to their overnight accommodations. A safe place to sleep, a hot shower, dinner, and companionship are helping these women move beyond simply meeting basic needs and into experiencing a better quality of life.
HELPING HOMEBUYERS

We prepare first-time homebuyers by providing low-interest loans for down payments and offering education programs that give buyers the financial literacy they need to purchase and keep a home.

In fiscal year 2017...

1,518

homebuyers educated

300

pre-purchase counseling sessions

ED & THERIE

“We went from a dream to reality.” Ed and his wife, Therie, bought their first home in their beloved community after renting a house there for six years. Now they don’t have to worry about unexpected rent increases or suddenly being forced to move if the landlord decides to sell.

ALEXIS CONDOMINIUMS, developed by SiliconSage Builders in the City of Santa Clara include six homes sold at below market prices. Housing Trust participated in construction financing and, through our program administration for the City of Santa Clara, matched qualified buyers to the below-market rate homes.
BUILDING ON A SOLID FOUNDATION

Housing Trust is the first nonprofit housing lender with a Standard & Poor’s credit rating, a confirmation of our financial strength and our ability to make smart investments that maximize impact.

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<td>$ 25M</td>
<td>$ 50M</td>
<td>$ 75M</td>
<td>$ 100M</td>
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FINANCIAL POSITION

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<th>2017</th>
<th>2016</th>
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<tr>
<td>Total assets</td>
<td>$100.2</td>
</tr>
<tr>
<td>Gross loans receivable</td>
<td>66.7</td>
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<td>Cash and marketable securities</td>
<td>33.1</td>
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NET ASSETS

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<tr>
<th>2017</th>
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<tr>
<td>Unrestricted net assets</td>
<td>27.8</td>
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<tr>
<td>Temporarily restricted net assets</td>
<td>30.9</td>
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STATEMENT OF ACTIVITIES

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<th>2017</th>
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<tr>
<td>Total Revenue</td>
<td>11.2</td>
</tr>
<tr>
<td>Total Expense</td>
<td>5.1</td>
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<tr>
<td>Change in Net Assets</td>
<td>6.1</td>
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*2017 unaudited results, $ millions, year ending June 30

FINANCING PARTNERS

TECH FUND
Cisco Systems Foundation ($10 million)
David and Lucile Packard Foundation ($5 million)
Sobrato Family Foundation ($5 million)

INVESTORS
Bank of America
Boston Private
Charles Schwab Bank
First Bank
Mercy Partnership Fund
MUFG Union Bank
Rabobank
Religious Investment Fund, Inc.
Silicon Valley Bank
U.S. Bank
Wells Fargo Bank

AFFORDABLE HOUSING GROWTH FUND AND 2015 LOAN POOL
Avidbank
Beneficial State Bank
Bridge Bank, a division of Western Alliance Bank
East West Bank
First Bank
Heritage Bank of Commerce
Manufacturers Bank
Presidio Bank
Silicon Valley Bank
Technology Credit Union

FUND PARTNERS
County of Santa Clara
Monterey Bay Economic Partnership
Thank you for your support. Together, we are making meaningful impacts on the lives of those in our region facing housing challenges.

"We support the Housing Trust to help ensure that the region’s most vulnerable individuals and families have a stable place to call home.”

Joe Pon, Corporate Vice President, Applied Materials
OUR THEORY OF CHANGE

By creating a wide spectrum of affordable housing opportunities, Housing Trust helps build strong and diverse communities with room for everyone including minimum wage workers, seniors on fixed incomes, and growing families.