



NEW JERSEY  
**COMMUNITY**  
CAPITAL

*Innovations Advancing Equitable  
Homeownership*

Jeffrey Crum  
Community Asset Preservation Corporation  
September 17, 2019

A photograph of a building facade with a vibrant, colorful mural. The mural features a red dragon, a blue hand, and a pink face with a large eye. The building has a mix of beige siding and corrugated metal. A teal banner is overlaid on the bottom of the image.

# About New Jersey Community Capital

NCC's parent company, New Jersey Community Capital, is a 32-year-old community development financial institution (CDFI) that **creates thriving communities through strategic investments and knowledge.**

# Our Impact

## Since Inception



**600 MILLION**  
INVESTED IN NJ  
COMMUNITIES



**10,330+**  
HOUSING UNITS  
DEVELOPED



**12,390+**  
JOBS CREATED,  
PRESERVED



**19,760+**  
EDUCATION  
SEATS



**6,340+**  
EARLY CHILDCARE  
SLOTS



**5.2 MILLION**  
S.F. REAL ESTATE  
DEVELOPED

- **945+** loans since inception, totaling over **\$489 million**
- **\$500+** million in assets under management
- In **2009**, acquired Community Asset Preservation Corporation (CAPC) to expand real estate development & neighborhood stabilization capacity
- In **2012** created NCC to expand NPL purchase capacity & launch the ReStart initiative

# About CAPC



CAPC is NJCC's nonprofit real estate subsidiary created to acquire vacant and abandoned properties to stabilize communities and provide affordable housing opportunities.

- **Acquisition & Rehabilitation or Conversion** of REO properties, abandoned homes and structures, and municipally-owned buildings
  - Nearly 1,200 units acquired since 2011
  - Approx. \$250MM in development since 2010
  - Partners with local community groups to complete key projects
- **Vertically Integrated Real Estate Company**
  - Asset management
  - Construction/Rehab Management – Innova Home Services
  - Property Management – CAPC Property Management
  - Realty Services - Integro Real Estate
- **Community Oriented Disposition Strategies**
  - Rehab and sell to owner occupants
  - Rehab and lease as affordable housing
  - As Is Sale to Local Minority Investors and nonprofit organizations

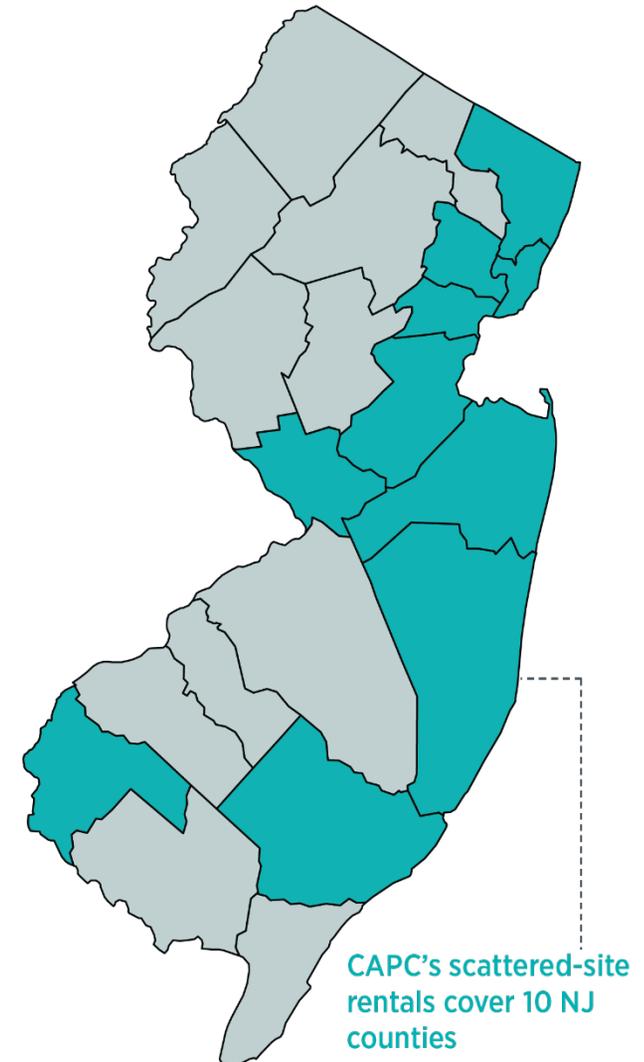
# Experience, Track Record & Social Outcomes

## Sold Properties

- Over 350 homes sold in New Jersey & Florida
- Average buyer AMI: 85 percent
- Integro Real Estate—acts as listing agent for CAPC properties

## Rental Units

- Over 525 units leased in New Jersey and Florida
- 10 to 15 units being added to the portfolio every month
- Average tenant AMI: 42 percent
- NJ units managed through CAPC's social enterprise, CAPC Property Management



# CAPC Partnerships

CAPC partners with local nonprofit organizations to stabilize neighborhoods in target geographies by purchasing REO and substandard properties for rehabilitation and return to the market as affordable housing.

## Partnership Outcomes

- **Sale to owner occupant**  
Re-establishes homeownership in neighborhoods leading to higher values – most common outcome for CAPC FL partnership
- **Held in portfolio as rental property**  
Most common for CAPC-purchased tenant - occupied properties
- **Other outcomes**  
Sale of unit to local investors or specific institutional investors as approved by CAPC



# Market Segment

- Distressed assets
- Distressed communities
- Neighborhood impact
- Healthy housing
- Comprehensive revitalization strategy



# Acquisition Strategy & Process

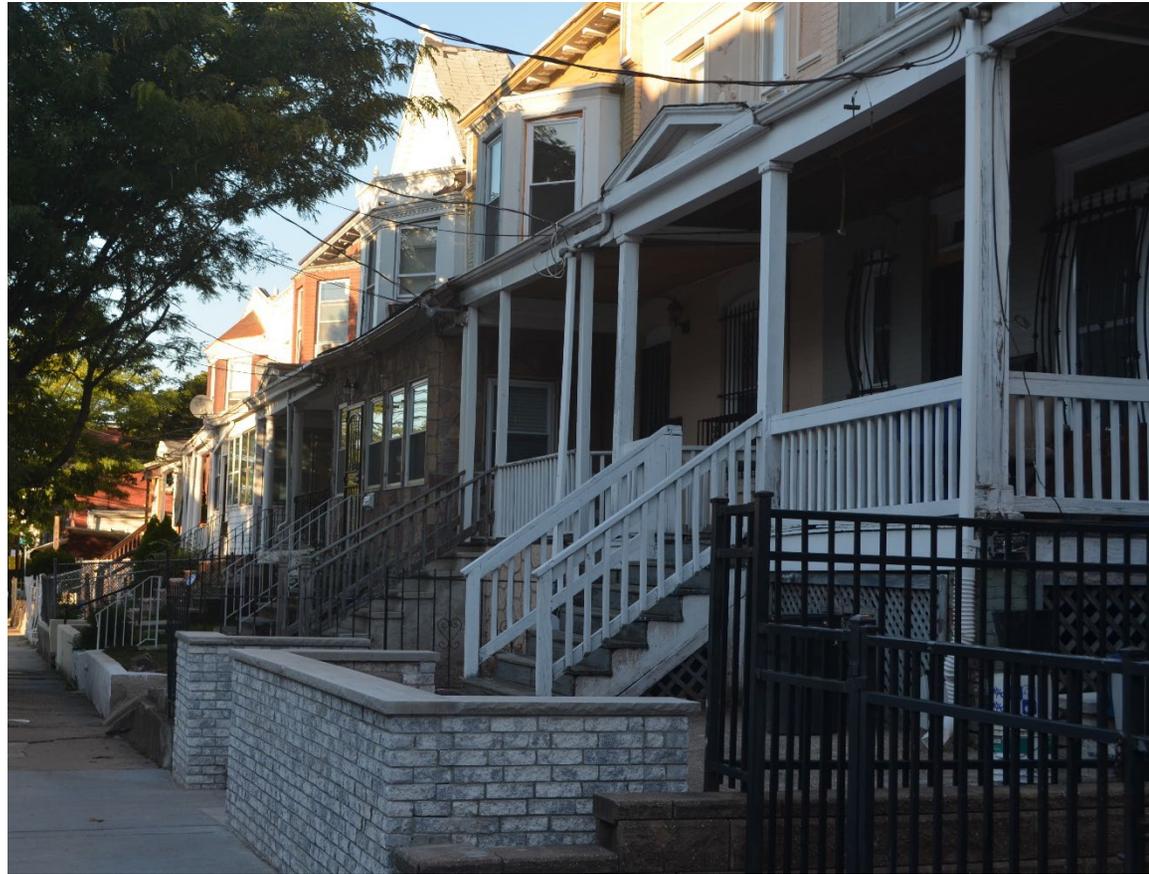
- **Geographically Targeted**
- **Multi-Pronged Strategy**
  - ✓ National Community Stabilization Trust
  - ✓ Municipal/Government Property
    - Land Banks
    - Abandoned Properties
    - Tax Liens
  - ✓ Nonperforming Mortgage Note Funds/Pools
  - ✓ Open Market
- **Disposition drives Acquisition**

# Capital Resources

- Organizational Equity
- Senior Debt Capital
- Program Related Investments
- Balance Sheet Loans
- CRA Investment Capital
- Government Subsidy
- Private Equity & Partnerships

# Market Dynamics

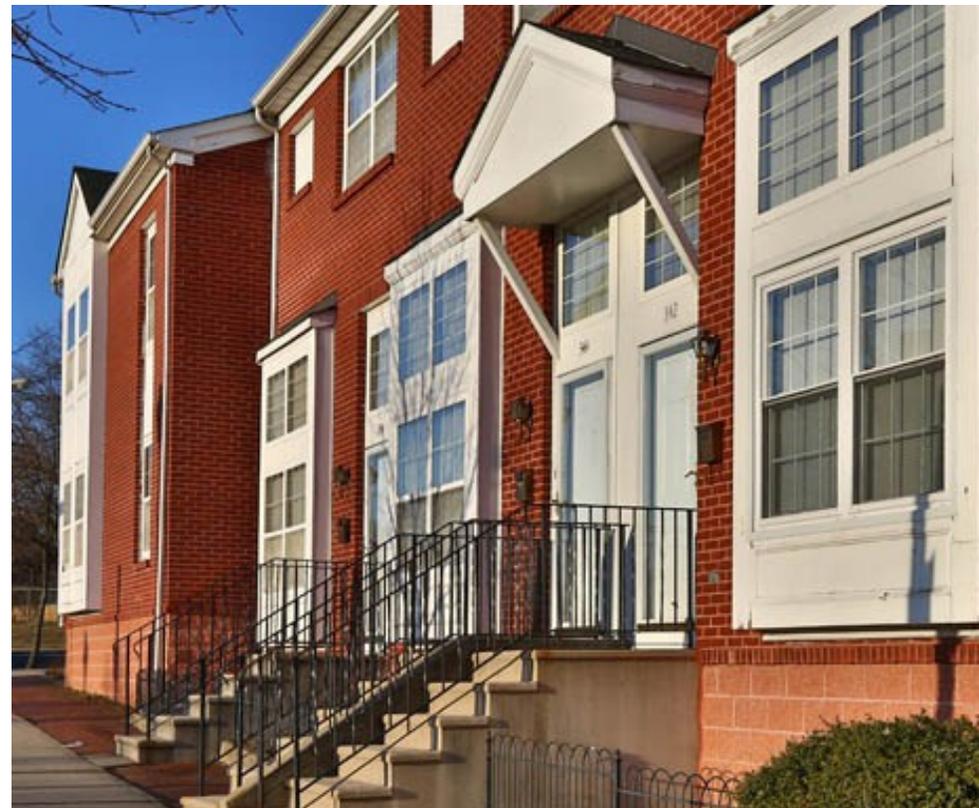
- Targeted market strategy
- Hyper-local market impact
- LMI neighborhoods and census tracts
- Comprehensive Community Revitalization Plan
- Rental to homeownership



# What We've Learned

## 4 Key Highlights

1. Mission-focused with limited use of government subsidies
2. Delivery timelines
3. Neighborhood revitalization
4. Business models





For More Information



[www.capcnj.org](http://www.capcnj.org)



[/njcapc](https://www.facebook.com/njcapc)

Jeff Crum  
[jcrum@njclf.com](mailto:jcrum@njclf.com)  
732.640.2061



NEW JERSEY  
**COMMUNITY**  
CAPITAL