



Greater Victoria Housing Society

# **Investor Brief**

# **Vancity Affordable Housing**

# **Accelerator Fund**

Greater Vancouver Community Assistance Foundation (GVCAF)  
409-312 Main Street, Vancouver BC V6A 1T2



## Rising Housing Costs.

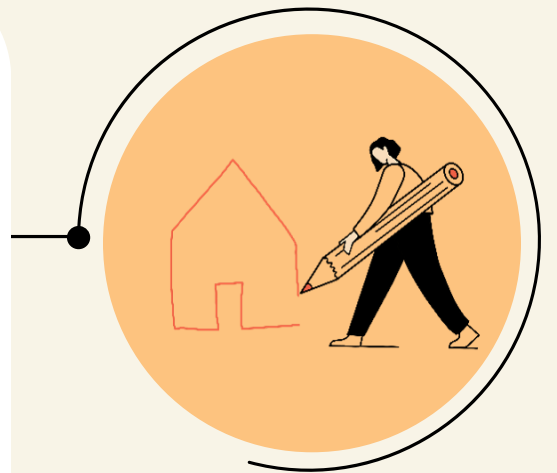
Rising housing costs have created serious challenges for individuals and families in BC. A lack of affordable housing options has put pressure on our communities, particularly for the rental housing system. This has resulted in an increase in homelessness, an inability for young families to obtain adequate housing, and an exodus of workers and families from large urban centers. But where there's challenge, there is opportunity - to change people's lives for the better by coming together to accelerate the development of climate-ready affordable housing in our communities.

## Fund Purpose.

Not-for-profit, Cooperative, and Indigenous organizations have a vital role in providing affordable housing.

With significant land equity, aging and underutilized buildings, and increased government investment opportunities, housing organizations and other community-land owners are eager to leverage their assets and experience to build and preserve affordable rental housing. However, they often lack the early stage risk capital required to move a project from idea to construction.

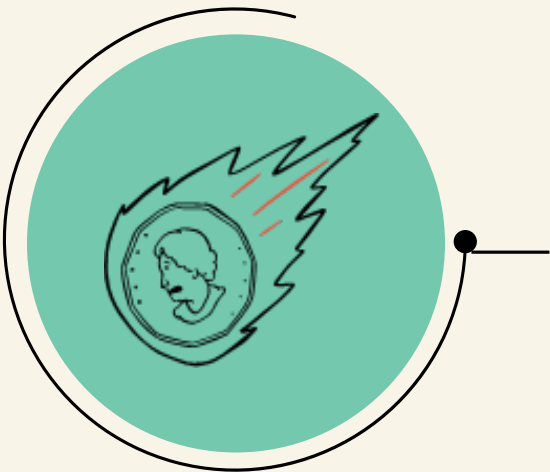
That's where the Affordable Community Housing Program + Fund comes in. We enable organizations to acquire and develop affordable housing by supporting the early phases of the development process and making projects investment-ready.



## About the Fund.

The Fund provides nimble and flexible capital in the form of low-cost loans for the pre-construction and acquisition phases of an affordable rental housing project. The loans are provided at discounted rates to help drive affordability and support housing projects to become construction-ready faster by supporting pre-construction work that is often underfunded.

Our overall program also provides grants to support the vision, feasibility and business planning phases of projects, including capacity building grants to organizations who are seeking to strengthen their ability to grow and manage their housing real-estate projects.

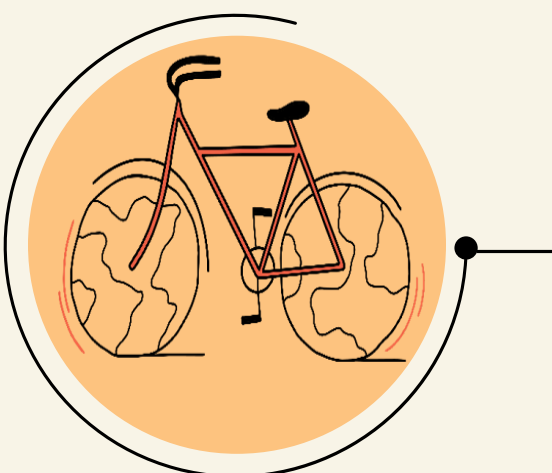


## Community Impact.

The Fund creates powerful social change by helping accelerate the supply of community owned climate-ready affordable rental housing for diverse low to moderate income households.

We prioritize housing created by and for Indigenous, Black, and other racialized groups, newcomers, womxn, people living with disabilities, 2SLGBTQIA+, and other equity deserving groups.

We only offer loans to not-for-profit, co-operative and Indigenous organizations that are developing or acquiring affordable rental housing. This commitment ensures housing remains in community and is preserved for future generations.



## Climate Ready Homes

We support projects that will ideally pursue step 3 of the BC Energy step Code or greater, provide at least 10% accessible units, and have adequate access to public transit. You can view our latest climate guidelines [here](#). As of December 31, 2023, 91% of homes in the projects that have received a loan will use at least 50% less energy relative to the BC Building Code (based on the municipal requirements of each project location) and 100% of homes are near transit with an average distance of 145 meters.

# Results and Impact.

The Vancity Affordable Housing Accelerator Fund is a proven model with a solid track record, both in its financial sustainability and its community impact. **We have issued over 94 loans totaling \$39 million for 75 housing projects, supporting the development and preservation of over 5300 homes as of December 31, 2023.**

## Investment - How it Works.

We offer socially minded impact investors with an opportunity to support community owned climate-ready affordable rental housing by contributing to the Vancity Affordable Housing Accelerator Fund:



You are an institutional or individual investor who wants to help address the affordable housing crisis.

**You seek to invest for generating a high social and environmental impact, and understand the need for low-cost flexible and patient capital financing.**

The money you invest into the fund is loaned to community housing organizations as a fixed-rate term loan to cover the costs associated with early stages of developing affordable rental housing:

- Pre-development costs (expected to be repaid with the first draw of construction financing)
- Equity gap / subordinated debt financing (expected to be repaid with the first refinancing of take-out mortgage).
- Acquisition costs to facilitate the purchase of turn-key units, existing rental buildings, or land.



**Investment is provided by way of a promissory note. We also offer a donation option.**



- Minimum investment of \$250,000
- Minimum 3-year term.

**A minimum capital commitment of \$250,000 and no less than a 3-year term with an option to renew is required, except as otherwise agreed to by the Fund.**

Select your level of community impact and earn up to a maximum of 4% interest per annum.

**We keep loan rates affordable by maintaining a mix of non-repayable contributions and investors selecting rates from 1% up to 4%.**



\*Terms and Conditions Apply.

Capital Mix as of December 31, 2023.



- CMHC (24%)
- Vancity Credit Union Non Repayable Grant (28%)
- Impact Investors (48%)

## Capital Mix.

We combine a mix of capital, including grants & non-interest-bearing contributions, allowing us to offer impact investors a fair financial return on their investment while helping maintain affordability for community housing developers and their projects. The fund is also seeded with capital contributed by Vancity Credit Union that is non-repayable grant capital and is used as first loss capital.

**Have questions? Get in touch with us | [affordablehousing@vancity.com](mailto:affordablehousing@vancity.com)**

The Vancity Affordable Housing Accelerator Fund is held at the Greater Vancouver Community Assistance Foundation and the Fund is managed and operated by the staff and board of the [Vancity Community Foundation](#).

# Mount Douglas Seniors Housing Society

Mount Douglas Manor – 1550 Arrow Road,  
Victoria BC



## Organization Bio

The Mount Douglas Seniors Housing Society has provided comfortable homes and a safe caring community for lower-income independent seniors aged 55 and older since the early 1970's. Their long-standing success in service to older adults is made possible in part by the dedication and generous support of the Anglican Church Women (ACW), who continue their community service today as a ministry of the Anglican Diocese of British Columbia. The society now has two affordable housing buildings on their property that was donated from the Anglican Church Women over 40 years ago – Mount Douglas Court and the Mount Douglas Manor.

## The Project

Mount Douglas Manor is a three-story affordable seniors rental residence situated along the 1500-block of Arrow Road in Saanich in Victoria's urban core. In response to a need for affordable housing for seniors, the Anglican diocese along with the Mount Douglas Seniors Housing Society, decided to undertake a new development project for affordable senior rental housing on a vacant portion of their property that was next to their existing building that was built in 1971 (Mount Douglas Court). The Manor was completed in 2019 and was awarded the Victoria Real Estate Boards Award of Excellence for affordable housing design.

The Society received grant support from the Vancity Community Foundation for the feasibility and business planning stages of the project, and a pre-development loan from the Vancity Affordable Housing Accelerator Fund.

## Social Impact and Affordability

Many seniors are reaching retirement age and do not have sufficient pension income to afford market housing. Mount Douglas Manor offers affordable rents and adds "a little bit of luxury" to senior living by offering comfortable amenity spaces and extensive landscaping with walkways and raised planting beds for residents growing vegetables and flowers. The building is "Built Green Gold Technology" and offers 36 studios at \$670 per month, 48 one-bedroom units at \$875-\$920 per month and includes two fully wheelchair accessible units.

## NEIGHBOURHOOD

Saanich, BC

## SOCIAL IMPACT

Homes: 84

Households Served

Seniors 55+ with an income of \$30,000 or less.

## INVESTMENT

Loan-Type

Pre-Development loan

Loan Amount

\$200,000

Loan Interest

2%

Completion Date

2019

## ENERGY EFFICIENCY

This project is BUILT GREEN® Gold Certified by Built Green Canada

# Catalyst Community Developments

The Rivermark – 6968 Pearson Way, Richmond B C



## Organization Bio

Catalyst is a BC-based not-for-profit real estate developer that works with non-profits to unlock the value of their real estate assets to build community spaces and affordable rental homes. They offer decades of real estate development experience that includes a full suite of supports such as business plan development, managing the design and construction of a project, and the occupancy and management service for properties.

## The Project

The Rivermark is 31-unit affordable rental community located in Richmond BC that opened for tenants in June 2020. Catalyst purchased the 31 affordable homes from the North American Property Developer, Intracorp to become the long-term owner operator. As a result, Catalyst expanded their portfolio of affordable housing, and Intracorp fulfilled its commitment as a developer to the City of Richmond's Affordable Housing Strategy.

The Vancity Community Foundation approved an impact investment in the form of an acquisition loan and a letter of credit so Catalyst could purchase the homes from Intracorp at Rivermark. The letter of credit was a creative solution that guaranteed that Vancity would cover the deposit if Catalyst didn't close on the purchase. Intracorp accepted the letter, which meant both the Foundation and Catalyst kickstarted an affordable housing solution without putting any money down.

## Social Impact and Affordability

The Rivermark was created to provide safe and secure rental housing at rents that are affordable to people at or below average household incomes in Richmond. The families and individuals are in the low to moderate income bracket earning approximately \$49,000 to \$73,000 annually and can enjoy a vibrant new community with rents between \$1,250 and \$1,850 a month.

## NEIGHBOURHOOD

Richmond, BC

## SOCIAL IMPACT

Homes: 31

Households Served  
Families and individuals earning  
low to moderate incomes from  
\$49,000 to \$73,000.

## INVESTMENT

### Loan-Type

Acquisition

### Loan Amount

\$665,000

### Loan Interest

2%

### Completion Date

June 2020

# Anhart Community Housing

The Ryder – 1270 Ryder Street, Hope BC



## Organization Bio

Anhart Homes is a privately owned and operated community contribution company (C3) that develops affordable rental housing projects across BC. Profits from their housing projects are re-invested into the Anhart Community Housing Society to subsidize tenant rents and support their programs focused on preventing homelessness. Anhart has an overall goal of building 20,000 homes across Canada by 2030.

## The Project

The Ryder is a 40-unit affordable rental community which opened for tenants in April 2020. It is the first of Anhart's projects to be completed in Hope, BC, a small town which has experienced a rental housing shortage due to rapidly rising property values and loss of units. Anhart also owns several lots adjoining this property and plans to build more projects with an affordable home ownership model.

Anhart borrowed \$500,000 from the Vancity Housing Accelerator Fund for costs associated with the pre-construction (PCL) of the project. This includes building design, operating plans, permit processes, construction, and procurement for the project.

## Social Impact and Affordability

The Ryder's tenant selection focused on people who already live or work in Hope, and on the following groups: seniors, people working entry to mid-level jobs, people with disabilities, and small families. The building includes studios, two and three-bedroom units.

Throughout the tenanting process, Anhart heard from people about their difficulty finding affordable housing in Hope, where CMHC had recently measured a zero per cent vacancy rate. Anhart is currently talking to several municipalities about building affordable housing in small urban centres across Canada struggling with the same factors facing Hope: a shortage of purposebuilt rental housing and recent sales of homes with former rental units.

## NEIGHBOURHOOD

District of Hope, BC

## SOCIAL IMPACT

Homes: 40

## Households Served

Seniors, people working entry to mid-level jobs, persons with disabilities, and small families. with an income from \$30,000 to \$65,000

## INVESTMENT

### Loan Type

Pre-Construction Loan

### Loan Amount

\$500,000

### Loan Interest

2% simple interest

### Completion Date

March 2020

## ENERGY EFFICIENCY

Achieved a minimum of 15% decrease in energy use and greenhouse gas emissions over and above the 2015 National Building Code and National Energy Building Code