



# Transforming Communities. Transforming Lives.

## **cinnaire®** **STRATEGIC PLAN** **2019 – 2023**

Since our founding more than 25 years ago, Cinnaire has been guided by the core belief that ***all people deserve the opportunities provided by living in healthy communities.*** It's our purpose, the *Why* we do what we do, and the vision for the communities that we serve.

Rising to the challenge of our *Why*, Cinnaire has invested more than \$4.2 billion in revitalization and leveraged more than \$7.3 billion in community impact across our nine states. Our 2019-2023 Strategic Plan builds on this strong history while positioning Cinnaire to thrive in the future and achieve greater impact in the markets we serve. The plan details six strategic goals that strengthen our established business lines and grow our newer ventures — including community development lending and real estate development. We've also named three Priority Cities where we will concentrate our expanded community development efforts by working closely with local partners to advance community-driven revitalization plans.

### COMMUNITY IMPACT

Cinnaire will bring capital, development capacity, and expertise to improve the lives of people living in the communities we serve. We partner with other mission-driven organizations to multiply our impact through collaboration.

#### We Will...

- > Address the number of vacant single-family homes in our Priority Cities by financing the acquisition, rehab or resale of properties to help local families achieve homeownership.
- > Launch a pilot Lease-to-Purchase homeownership program in Detroit.
- > Deploy equity and loan capital to provide safe and affordable rental housing to 21,000 households and develop 1.2 million square feet of commercial community space.
- > Support the creation or retention of more than 32,500 jobs.
- > Develop the skills and capabilities of 25 local developers through Cinnaire Solutions co-development and capacity building.

### STRATEGIC MARKET FOCUS

Cinnaire will optimize established business lines across our nine-state footprint. We will be engaged at the community level in our Priority Cities to provide capital and support services to local developers and nonprofits, especially those owned by people of color, to bring community-driven projects to fruition.

#### We Will...

- > Deepen engagement in our Priority Cities to provide our full range of financial tools and development capacity to yield community-driven revitalization.
- > Partner with 25 local organizations to improve their development capacity and support local initiatives.
- > Expand Cinnaire Solutions to provide development and co-development services that focus on filling gaps and completing projects others have not undertaken.
- > Optimize the delivery of our existing programs across our geographies and expand our established businesses by partnering with organizations based on shared goals.

***Our Priority Cities*** – Detroit, MI; Wilmington, DE and La Crosse, WI – were identified based on the potential to provide diverse benefits to people in need, political and community support for Cinnaire's involvement, and the potential to raise capital to support the work.

### BUSINESS LINE GROWTH

#### **Cinnaire Lending, LIHTC Syndication and Title Insurance**

Cinnaire Lending will deliver a range of flexible, competitive loan products to the communities we serve. We will optimize our LIHTC syndication business and grow our Title Insurance business. Through lending and equity products, Cinnaire will pursue not only the creation of housing, but also the preservation of existing affordable housing.

#### We Will...

- > Expand and optimize our lending business to provide partners with financing along the continuum of development, including pre-development, acquisition, mini-perm and permanent loans.
- > Develop 3-5 new product offerings over the next five years.
- > Commit more than \$500 million in community development loans and bring our total loan originations to more than \$1 billion.
- > Receive AERIS rating in 2020.
- > Expand our LIHTC syndication business to \$300 million.
- > Increase Title Services business by 10% annually.

### CINNAIRE SOLUTIONS

Cinnaire's development entity, Cinnaire Solutions, will grow as an enterprise and will develop critical properties, co-develop with local developers and boost capacity for local partners.

#### We Will...

- > Develop or co-develop with 25 local partners to improve their capacity and support 49 community revitalization projects over five years.
- > Reflect the communities we serve by seeking to support developers owned and managed by people of color.
- > Reduce the number of vacant single-family homes in our Priority Cities through the acquisition, rehab and resale of properties.
- > Support the development of 1.2 million square feet of commercial space.

### FINANCIAL STRENGTH

Cinnaire will continue to grow and maintain a healthy financial position, including raising significantly more diverse sets of capital to meet the goals of this plan.

#### We Will...

- > Increase the total capital available for lending to \$103 million. This capital will be flexible, low-cost and representative of advantageous terms available in the market.
- > Pursue opportunities through our New Ventures team to offer supportive services to strengthen our industry partners, including loan servicing and portfolio or fund management.
- > Prepare annual financial plans to guide our growth and focus our deployment of capital, including a Business Funding Plan and a Capital Allocation Plan.

### PEOPLE AND PROCESSES

To achieve the goals outlined in this plan and ensure success, Cinnaire will make investments in and broaden our staff, Boards of Directors, and systems.

#### We Will...

- > Maintain a culture of diversity and inclusion across our people and programs.
- > Continue to embody a *One Cinnaire* culture as we grow and diversify.
- > Evaluate and optimize the structure, composition and roles of our Boards of Directors.
- > Ensure our work reflects local priorities by establishing Advisory Boards in each Priority City.
- > Engage in and influence public policy discussions regarding affordable housing and community development issues.

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