



The Anelia Foundation
a not for profit housing provider

Strategy Planning

| | |
|---|---|
| Overview | 2 |
| Summary | 3 |
| Goal..... | 3 |
| Objectives | 3 |
| Keys..... | 3 |
| Operations` | 4 |
| Market Analysis..... | 4 |
| Targets | 5 |
| BC Housing Registry..... | 6 |
| Provincial Build Targets..... | 6 |
| Housing Market Demands..... | 6 |
| Surplus of Housing Stock and Supply | 6 |
| Community Planning..... | 7 |
| Our Program..... | 7 |
| Housing Administration..... | 8 |
| Case Management..... | 8 |
| Third Party Programming..... | 8 |
| Rental Rate Structure..... | 8 |
| Milestones..... | 8 |
| Involvement for Collaborations..... | 9 |

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Overview

There is a level of equity not being seen to and a contribution level of equity not taking action to see the consideration of its macro environments. Its influences include extenuating affects on economical factors that become tangible on a national scale from consumerism to domestic and international migratory habits. Ranges of industries from agricultural and international trade to the accessible pricing of goods including food and groceries; the enrollment of our educational institutes and its reflections on the workforce; to the direct affordability of homeownership and the availability of adequately marginalized rental accommodations itself.

In the past 20 years, Metro Vancouver saw a 700% increase to fees involved in construction project development as well as a 40% jump in home sale pricing since the year of 2016. Development fees specifically contribute 25% to this inflation. This has led to an increase in higher density builds, having apartments represent 72% of construction in the first quarter of 2024 alone; 47% of which were market rate rentals. 2022 saw a registry of roughly 15,000 purpose-built rentals; a 72% gain on 2012. Rental rates in 2022 saw an increase themselves on asking price from 43 to 24 percent for units that were sold vacant as opposed to those with existing tenancies.

In the lower end of the private market, median averages are used to set trends and gauge the influence of rental rates. Practices such as inclusionary zoning employ populus densities at reduced percentages to the median market rates, generally 15 to 20 percent below average market rate. With these practices, as we lean into the lower end of income earned and low to below market housing, the term affordable housing begins to miss its target population. As a threshold when geared to income, the housing income limits for provincial subsidized housing creates a 40% overhead for rent, a comparison of more than double the expense as a class at its rate. When income is reduced further and subsidy supports are required, an overhead of 20% is restored, levels which reflect median market rates.

The Housing Needs Reports dictates a target of building 10,000 housing units in the Metro Vancouver area annually in a five year window, with a fix on affordable housing options and solutions, compared to the current roughly 3,000 being generated. These reports which guide the municipalities responsibility in their role in community planning and its movement under the affordable housing initiative have created bodies such as the Burnaby Housing Authority and Vancouver Affordable Housing Endowment Fund with the resolution of working with their partners in the community to attain a closure in deficit. Minimizing the remainder, housing committees are able to act alongside and in supplement of development teams and organizations at a full capacity and establish supports for the public, not-for-profits and smaller developers to involve themselves in fulfillment of the action plan where feasibility or commitment may not seem suited.

Summary

As a not-for-profit organization with our partnerships, associations and cooperations, we are able to build a program for below market rental housing as housing providers that satisfies the needs of the targeted populations. Using reasonable strategies, we plan to purchase brand new, high quality single and family-sized units for affordable housing from an incoming surplus of inventory supply of multistorey residential developments and operate them as a below market rental housing provider. Through negotiations with developers and their agents we are able to maximize early investments for project financing and saturate municipal inclusionary zoning requirements with project involvement.

Goal

To source and obtain, properly resource, and adequately manage property using the developing and pre-existing housing supply and stock as below market rental housing providers. To offer rental rate structures below median averages and establish lower overhead margins of housing expenses for individuals facing housing affordability issues. And to create affordability for lower income classes facing core housing needs; a greater influence for market value, overhead inflation rates, and an improvement of economic standards through fulfillment of housing target orders.

Objectives

1. Source ideal properties in alignment with official community planning including suburban city centres and transit-oriented areas
2. Identify community housing needs of demographics in line with regional growth strategies
3. Provide affordable housing options under the structures of both BC Housing Income Limits and reduced affordability suggested limits
4. Act in membership of the BC Housing Provider community
5. Provide quality property management services as a rental housing provider
6. Focus on engaging in service at level with respect to the needs of our clients

Keys

- a. Use reasonable strategies to source ideal property, utilizing inventory stock, supply and its surplus
- b. Form and maintain negotiations with developers and their agents
- c. Perform as a housing operations administrator with diligence and consideration
- d. Provision of service to clientele at level under demographic
- e. Maintain profitability margin and operational retention
- f. Act in confidence as a not-for-profit and charitable organization
- g. Alignment with housing needs and official community planning

Operations`



Project Partnerships

Direct involvement in permitting phases of multistorey residential developments for purposes including financing, zoning and community engagement. Partnerships with developers to determine the feasibility of affordable housing components in projects.



Acquisitions

Bulk purchasing from sales agents representing multistorey residential developments of properties that fit program requirements. The use of supply from pre-existing buildings and buildings under development that can be properly operated by a rental housing provider.



Property Administration

Housing operations established to provide below market rental housing services for moderate to low-income individuals and families. Fulfillment of duties including acquisition assignments, third-party coordination, case planning, residential management, property maintenance and financial management.



Community Engagement

A constant collaboration of efforts influencing the public and working with not-for-profits, charities and other professional associations to bring a multitude of opportunities worth canvassing.



Research & Development

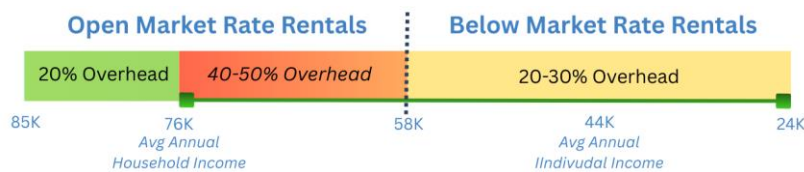
Planning and projects relevant to future programming.

Market Analysis

With a supply shortage of affordable housing options, a surplus of multistorey residential vacancies, and a market inflated over a buyer's needs, a rare pocket has been created in the lower end of market value rental rates and upper end of below-market housing. As a supplement to the median rate and subsidy of housing rates, a program can be performed on a model capable of providing tiered service to clients and improved standard to the economic functions that have seen disruptions at all levels of momentum across the consumer price index, as per housing target orders.

Median provincial household income as reported by the Canadian Mortgage Housing Commission is 76,000 annually and Statistics Canada states an average income of 44,000 annually per revenue agency filer. Job posting forums reported at the end of the year previous an average of 53,000 in salary per job hiring. The median rental rate for a one bedroom is 1,900 and for a two bedroom 2,300 as reported by the CMHC. Rental boards online report an average price of 2,300 for a one bedroom suite and 3,000 for a two bedroom. Overhead expenses related to housing for this income bracket are roughly forty to fifty percent.

The Housing Income Limits as required for below market housing has a ceiling of 58,000 in income earned annually. Cooperative and social housing agencies generally reduce their rates an additional twenty percent below qualifying requirements of 'affordable housing' as suggested by the CMHC reducing the household overhead to roughly 20% to 30%. Core Housing Needs refers to acceptability of shelter to income ratios in excess of thirty percent of an individual's income being unaffordable margins alongside standards of habitable quality of a domicile regarding occupancy, electrical, plumbing, heating and structural integrity.



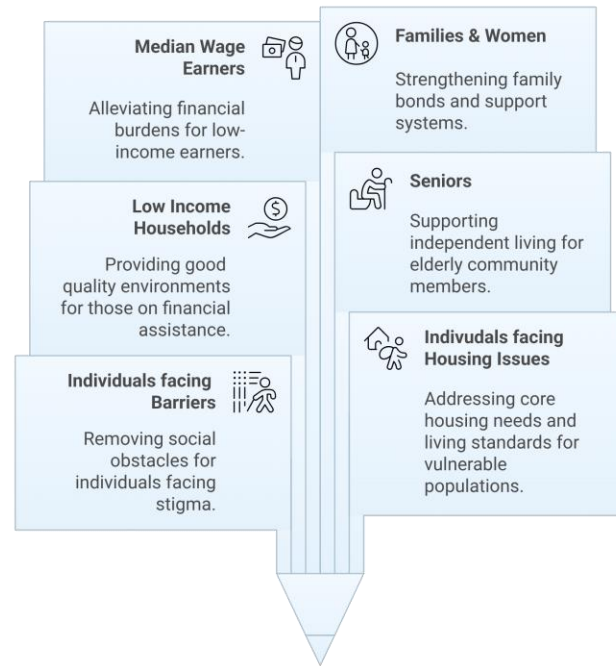
Over the past decade, increases in development fees for construction teams and builders have led to a rise in sales pricing and an unaffordability for buyers and owners to manage their mortgages. The rental rate has coincided with an increase, leaving a gap of unaffordability for a working class of individuals on the middle to low end of income earned. Developers have since decided to lean towards advantages in luxury and have geared their focus towards higher earning households. Homeownership programs, advanced lending and market rental services have grown to secure homeowners and leasees with greater investment strategies, and still remain strapped to margins of affordability; the same margins that can be seen in affordability of housing expenses for the lower end of income classes. The bottom line becomes the same for corporate interest and development teams as it does the moderate and lower income earners; the maximum allowable cost of living per day against cost per square foot.

With this state of economics, the lower income wage brackets are left with minimal options within their margins for any affordability of housing. Those with core housing needs and facing affordability issues saw an increase of 48% from 2021 to current with a higher demand not listed. The reliance has been left on not for profits, the organizations and government agencies to build social housing outside of their traditional spectrum with the limitations of funding and project management that is held by private developers, their teams and investors.

Targets

BC Housing Registry

As of 2024 the provincial registry saw a database of 35,000 clients and a waitlist in excess of 5,600 individuals. Statistics Canada reports over 655,000 renters in BC live in unaffordable housing with social housing waitlists in the range of 300,000 individuals, while the Canadian Mortgage and Housing Commission reports over 1.9 million residents are facing affordability issues with core housing needs not being met. This represents a 66 percent increase in families and a 25 percent increase in single individuals from 2022, with an overall increase of 145 percent since 2020; a 33 percent increase in homelessness, with 30 percent being unsheltered, was seen between 2020 and 2023.



BC Housing manages over 50,000 supportive housing units for seniors, disabled, families and low-income individuals. Its role under the provincial housing commission is to create priority access to supports for community needs. Over 53% of these units operate independently through housing agencies for targeted needs, the remainder are focused on homelessness transition and senior supportive care.

For individuals that meet qualifications for the registry in search of below market rental housing, it provides access to listings for housing organizations that operate within affordable margins. As a housing agency and housing provider member, it gives access to a client registry of individuals that fall into these demographics, through income and standard of living requirements.

Provincial Build Targets

For the province of British Columbia, build targets in Metro Vancouver are in excess of 10,000 units annually, while the action plans in place have created less than 3,000 successful builds per year since initiation in 2017. A focus has been given to supportive and transitional housing, while programs are now becoming available to private developers. A greater access is also becoming available to homeownership supports and strategies for middle and lower income earners.



Housing Market Demands

At a municipal level, increased density zoning and inclusionary practices are taking place to ease navigation of the rezoning and permitting process for builders. The provincial government is allowing greater access to programs and funding for not for profits, and now private developers to support actions under initiatives coming down from the federal government. The federal government is launching it's own program alongside its distribution of funding to support builders directly and catalyze the housing industry to provide a greater balance of national standards surrounding housing needs. In private equity, the interest has been taken to offer advance lending options, creating lending to ownership programs and product incentives with greater luxuries and spending options for buyers. The banking industry has also made its efforts to balance national interest rates, increase amortization and increase lending to reduce mortgages arrears as a response to balance current market trends.

Surplus of Housing Stock and Supply

An increasing surplus of supply from the housing stock is developing of residential apartments nation-wide in an economic environment that has contributed to a rise in home sale prices of forty percent in the last decade. A draw for concern is made for the market value of product with the increase of luxuries including amenities and the growth of market value rental management services as opposed to satisfaction of home sales pricing objectives. A target consumer has been created on the higher ends of the housing market and household income, shrinking the availability for prospective consumers with affordabilities that lay on the lower ends of the housing market and respective household incomes. The Canadian Mortgage Housing Commission reports roughly 2,500 residential apartments are in an unsold surplus of housing stock in the Metro Vancouver area, constituting 25% of the regional build target, as an arbitrary comparison.

Community Planning

Neighbourhood planning is based on the preservation of existing cultural integrity while renewing the wear and erosion created through time and growth in activity. Deriving from the community and its members, a large focus is given to improving and updating the standards of dynamics and maintaining the pre-established core values.

Shadow Restrictions, for example, allow for increased building height in areas zoned for the depth of density, and remove the imposition of infringement on neighbouring community members based on their concern for their natural greenspaces, vantage points and property values. Projections have labelled a need for a general increase in multi-dwelling densities and multipurpose residential builds based off community and neighbourhood planning.

Our Program

Housing Administration

Client acquisition and tenant placement based on metrics including income, standard of living, and financial barriers. Rental management services as below market housing providers with properties designed to offer start of the art, high quality living environments envisioned to enable healthier lifestyles through enhanced community engagement. A general policy regard is made for the level of service administered to the fit the needs of the demographic.

Case Management

Client services and case planning under referral on an individual basis that require handling through a proper engagement process. Active coordination and planning for communications, payment scheduling, advocacies and third-party programming.

Third Party Programming

Access to supports and supplements through cooperation with partnering agencies and organizations to improve the standard of living and social sustainability of clients requiring greater assistance.

Rental Rate Structure

A bracket of it's own rates against the market to match the socio-economic needs of populations targeted with the intent of improving the sustainability of housing affordability for individuals in the current and the long term. Rental pricing structures for clients are based off the thirty percent suggested reduction from the median average reported by the Canadian Mortgage Housing Commission and a further twenty percent below the median averages into the housing income limits of the provincial housing commission. These ratios will be used as metrics against income to determine satisfaction of housing overhead maintained at roughly twenty-five percent for our program.

Property Selection

A projected and visible preference has been made by developers to build with greater density in concentrated community centres and the routes that feed them through the growth of transit. Within these densities are requirements for residential components to fulfill the housing demand in a market saturated by its price points. Bubbles in relative markets have shown a higher demand for support in lower income classes and a shift has been made along the range to provide equity for median to low income earners. During an alteration in regional height framework, a surge in construction supply and an increasing inventory surplus, an availability has been created for the capacity of multistorey residential developments to meet the demands of inflated housing overhead and strengthen regional economics through day to day lifecycles, specifically the resemblance on rental rates and the decreased living standard of median to low income households.

Milestones

| Permit Filing | Permit Acquisition | Onboarding | Purchasing | Tenancy Placement |
|--------------------------|----------------------------|--------------------------------|------------------------------------|---------------------------------|
| Application registration | Funding and permit awarded | Staffing, Systems, and Clients | Financing & Acquisition Completion | Residential program fulfillment |
| <i>Late Spring</i> | <i>Summer</i> | <i>Summer</i> | <i>Summer</i> | <i>Late Summer</i> |

Involvement for Collaborations

Tenant Placement

Residential program fulfillment through client acquisitions on a referral basis from our partners, cooperatives and associations

Rental Management Supplement

Ability to perform alongside team networks to provide below-market rate rental services to offset the overwhelming housing needs and improve market standards

Charitables as Expenses

Inventory and service as charitables as gifts in lieu of cash pledges at fair market value

Purchasing Power

Program participation to create tangible and intangible asset value as a cooperative through a mutual increase in project funding and leveraged buying power

Building for Namesake

Builds, purchases and renewals in conjunction as partners and associations

Focused Partnerships

Resolution programming to meet mutual targets for the need of community and socio economic standards

Pledge Packages

Hydro Program

A three year pledge for home utility subsidies

Internet Program

A three year pledge for home internet services

Family Hampers

Food and goods including fresh groceries and backpacks

Seasonal Hampers

Non perishables and fresh groceries for individuals and families

Move-In Supports

Furniture, supplies and household goods to assist during the placement process

Relocation Assistance

Furniture moving services during tenant placement process

Rent Bank

Additional subsidies to further reduce overhead housing expenses and improve individual budgetting