

Young Pros Plus Affordable Equals A Good Match

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IRVINE, CA—It's just good business sense overall to hire smart, young professionals as much as possible, plus this cohort can see the direct impact this work will have in communities and on individual lives, CPP's Anand Kannan tells GlobeSt.com.



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IRVINE, CA—It's just good business sense overall for [affordable-housing developers](#) to hire smart, **young professionals** as much as possible, plus this cohort can see the direct impact this work will have in communities and on individual lives, **Anand Kannan**, president of **Community Preservation Partners**, a subsidiary of **WNC**, tells GlobeSt.com. Kannan was recently recognized as an **Affordable Housing Finance 2016 Young Leader** at **AHF Live: The Affordable Housing Developers Summit** in Chicago. During his time with Community Preservation Partners, Kannan has

grown the firm's portfolio from approximately 1,000 units to more than 4,600 units, with a combined development cost of approximately \$750 million.

Kannan, who has approximately 15 years of experience in the development and preservation of affordable housing, joined CPP as VP in 2010 and was promoted to president in 2014. The firm was founded by WNC in 2004 to address the growing need to preserve the aging affordable rental housing stock across the country and has successfully **acquired, developed** and rehabilitated more than 4,000 affordable-housing units across the nation since its founding.

We spoke with Kannan about the role of young professionals in the affordable-housing **development** realm and why this sector needs more of them.

GlobeSt.com: Is it common to see young professionals in the affordable-housing development realm?

Kannan: No, I would say it's not common to see **young professionals** in the affordable-housing realm. Mainly, when you get out of college and go into **economics** or urban planning, etc., you're more focused on **market-rate development**. Affordable housing is not as glamorous as development of **condos, single-family** homes, **retail**, commercial buildings or **hotels**, and **multifamily** affordable housing doesn't have that same appeal or draw.

GlobeSt.com: Why would young professionals be drawn to this sector?

Kannan: There are two factors that make affordable housing and multifamily affordable housing a little more attractive versus market-rate development. First is the fact that you're doing good, improving communities and making a direct impact on people's lives. The level of social good will in affordable housing makes you feel like you're having a direct impact on families' and seniors' lives by what you do. You're affecting actual tenants' lives with the services you're providing, and you're having a direct impact on everybody, not just the real estate.

The direct challenge of affordable housing is that it's a complicated financial-engineering transaction. This is a giant puzzle that developers figure out. They're not only building and preserving good real estate, but they're also taking into account the community impact, residents' lives, government interest and that of all the stakeholders and trying to satisfy everybody while building good product. It's a big financial puzzle, which is very challenging and rewarding for high-achieving young people. It's a two-pronged approach.

There's a huge affordable-housing crisis out there—there's just not enough housing for people—so for us to try to figure out solutions, it takes a collective effort.

GlobeSt.com: Similarly, why would affordable-housing developers be smart to hire more young professionals?

Kannan: It's just good business sense overall to hire smart, young professionals as much as possible. I think a lot of the expertise that people have in this industry—especially since it's very complicated with regulations, etc.—comes from experience, doing projects on the ground and making mistakes. I got into it in my 20s and had no idea at that time what affordable housing was. Making mistakes and learning on the ground while things are happening builds expertise. The only way to build an organization is by having people step in day one, work their way up and grow from there.

Also, a lot of the ideas coming from young professionals are more current with **technology** and green technology, and with respect to social services, there's a lot that the young professionals can bring to the table to enhance development and improve the projects.

GlobeSt.com: What else should our readers know about being a young leader in this realm?

Kannan: I think it's important for people to know that it's truly an impactful industry, and anybody who gets into it, sticks around and can see it through can truly get to see the benefits of the work they put into it. Sometimes, when you're young and sitting in cubicle crunching numbers, you don't see the impact you have on people's lives. This is one example where the model you're running is directly affecting how communities are built. It's unique in that sense.



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Carrie Rossenfeld is a reporter for the West Coast region of GlobeSt.com and Real Estate Forum. She was a trade-magazine and newsletter editor in New York City before moving to Southern California to become a freelance writer and editor for magazines, books and websites. Rossenfeld has written extensively on topics including commercial real estate, running a medical practice, intellectual-property licensing and giftware. She has edited books about profiting from real estate and has ghostwritten a book about starting a home-based business.

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