INVEST
STRENGTHEN
ADVANCE

NEW JERSEY
COMMUNITY CAPITAL
2013 ANNUAL REPORT
New Jersey Community Capital is a nonprofit community development financial institution (CDFI) with the mission of transforming at-risk communities through strategic investments of capital and knowledge.

But we are so much more than an investor.

We help our local partners gain financial strength and independence. We develop new models for neighborhood revitalization. We create effective responses to crises in our communities. We share best practices with community developers across the country.

In New Jersey and beyond, we play a unique and critical role in making our cities and communities stronger by creating and preserving homes, schools, and businesses through our investments, partnerships, and innovations.

Join us in our cause.
Superstorm Sandy and the foreclosure crisis have only reaffirmed the importance of our role as a progressive, innovative, and collaborative nonprofit that aligns financial capital with social and economic justice.

LIKE MOST NEW JERSEYANS, we at New Jersey Community Capital could not have foreseen Superstorm Sandy’s unprecedented devastation of New Jersey’s residents, businesses, and communities. Nonetheless, as a high-capacity statewide CDFI, we were immediately ready to respond. Innovating new and effective financial solutions to meet the needs of distressed communities is exactly what CDFIs are built to do.

In the first week after the storm, we asked our partners—local nonprofits, public officials, financial partners and investors—to help us assess what needs we could meet using our capital and financial expertise. When the recovery of small businesses emerged as a foremost challenge, we began raising millions of dollars in private investments, and within a month, we launched REBUILD New Jersey, a disaster recovery loan fund.

By offering accelerated loan processing and one-on-one technical assistance, we closed our first low-interest REBUILD loans before the end of 2012. By the end of 2013, we had provided over $1.2 million to 34 small businesses, helping them create jobs and restoring life to their communities.

We have also responded to the housing needs of displaced and distressed residents in Sandy-impacted areas. Through ReStart the Shore, we facilitated the purchase of over 500 nonperforming mortgages in New Jersey’s nine most impacted counties, and are now providing principal reductions and one-on-one counseling to the distressed homeowners—preventing their foreclosure—and rehabilitating vacant properties included in the purchase. Meanwhile, through the Gap Funding Initiative, we are managing and administering a grant program to help impacted homeowners make repairs they cannot pay for on their own.

These efforts are not only humanitarian ventures; they are part and parcel of our larger mission to ensure that at-risk residents and communities in New Jersey have equitable access to resources and opportunities. Indeed, Superstorm Sandy and the foreclosure crisis have only reaffirmed the importance of our role as a progressive, innovative, and collaborative nonprofit that aligns financial capital with social and economic justice.

In this report, you will find information, stories, and impact data on REBUILD, ReStart, and several of our other vital investments that reshape distressed neighborhoods into places of hope and opportunity. In addition to our disaster recovery efforts, you will find a story on our flexible loans for a critical daycare service; our New Markets Tax Credit investment in a state-of-the-art new university campus center; and how Community Asset Preservation Corporation (CAPC), our real-estate arm, is rebuilding hundreds of affordable housing units.

We are uniquely positioned to foster the success of these projects. We have the capital base and statewide reach to invest at a transformative scale. We have the flexibility to create replicable new models and promptly respond to the changing needs of the communities we serve. We have the knowledge and expertise to play a leading role in holistically reviving New Jersey’s most distressed communities.

We are a CDFI, but we are so much more. We invite you to learn more about our work and how you can join us in our mission of transforming at-risk communities.

Sincerely,

WAYNE T. MEYER, PRESIDENT
DUDLEY BENoit, BOARD CHAIR
INVESTING STRENGTHENING ADVANCING

INVESTING IN NEIGHBORHOODS
We provide flexible financing that is tailored to address the pressing needs of neighborhoods with inadequate access to conventional sources of capital.

STRENGTHENING ORGANIZATIONS
Beyond financing, we offer community organizations technical and strategic support, empowering them to do more to improve lives in the areas they serve.

ADVANCING COMMUNITY DEVELOPMENT
We continue to blaze the trail in community revitalization by forming strategic partnerships, developing new models, and advocating for creative approaches.

NJCC IS DRIVEN BY IMPACT. While we ensure that each investment we make is financially sound, the first questions we ask for every project we support are all about outcomes. How does our investment strengthen the organization or business that is using it? How does the project benefit the broader community? How many lives will be improved, and in what ways?

The impact numbers and the success stories in this report all underscore our commitment to our mission. As an outcomes-oriented organization, we use a comprehensive feedback loop system, working with borrowers, partners, and end beneficiaries of our investments to define our objectives, evaluate our progress, and adjust our strategies as conditions evolve. This approach ensures that we are flexible and accountable to our partners and our communities.

NJCC’S IMPACT IN 2013

$23.2 MILLION IN COMMUNITY INVESTMENTS + $41.2 MILLION IN CAPITAL LEVERAGED

= 494
HOMES THAT STABILIZE LOW-TO-MODERATE INCOME FAMILIES

1,035
JOBS THAT PROVIDE OPPORTUNITIES TO WORKING PEOPLE

205
CHILDCARE SLOTS THAT NURTURE YOUNG CHILDREN

1,460
CHARTER SCHOOL SEATS THAT EDUCATE THE NEXT GENERATION
We provide a range of loans and investments to fulfill unmet housing, education, and employment needs in low-income communities. More than that, our committed lending team provides financial guidance to our borrowers throughout the life of the loan, strengthening them for the long haul. In 2013, we closed 69 loans and investments at a total of $23.2 million, generating a total of $64.4 million in capital for projects that created thousands of critical new opportunities for families to live, work, and learn.

At 4:00 PM, the front daycare room at Babyland Family Services is in ceaseless motion. The toddlers have finished their formal learning for the day—a range of exercises in math, science, writing, art, and other social and cognitive skills. Now it’s free time.

Two children play Memory with a volunteer. Five others sit around a crafts table, studiously making play-dough snowmen (when one is asked what she is making, she earnestly replies, “magic”). A boy and girl press keys on a multi-colored keyboard, prompting an animated loon named Tommy to flap around the computer screen. Not one child is disengaged.

“If you sow good deeds, you are going to reap good seeds,” says one of the providers, who has worked with the children at Babyland for over 20 years and is known affectionately as “Grandma Mary.”

“If you nurture young children,” she says, “they’ll run back for more. Always.”

Early care funding has been dramatically cut in New Jersey, and Babyland is one of many centers that have either closed or faced the threat of closing. But by relying on revenue from other programs and on financial guidance from a consulting group that NJCC operated for several years, Babyland has preserved daycare services for almost 100 children and a host of services for their parents, from workforce development to domestic violence support.

In 2013, NJCC provided Babyland a $325,000 mini-permanent loan to help it preserve ownership of its building, where it has operated and held daycare activities for over 30 years. NJCC continues to offer technical assistance along with its loan.

Going forward, Babyland Executive Director Wesley Jenkins envisions a measured growth, including two new daycare centers and its first transitional housing for domestic violence victims. “This work is about restoration of faith,” says Jenkins. “Every hour that I’m here, somebody is affected by what we do.”

If you nurture young children they’ll run back for more. Always.

COMMUNITY LENDING
BUILDING THE CAPACITY OF OUR BORROWERS

97% OF FINANCING BENEFITS LOW-TO-MODERATE INCOME INDIVIDUALS AND COMMUNITIES
Through our $30 million New Markets Tax Credit (NMTC) allocation from the U.S. Department of the Treasury, we are enabling the completion of an array of major development projects that create hundreds of jobs and spur further investments in underserved communities. Since its inception, NJCC has deployed a total of $56 million in NMTCs, leveraging $260 million in additional capital and creating 2,630 jobs in communities of need.

Shina, a freshman at St. Peter’s University, weaves her way through the foyer of the Mac Mahon Student Center—the University’s state-of-the-art new centerpiece—and over to a curved sofa facing a gas fireplace. She sits down beside her friend Bianca, a junior, and offers her a pour of chips. The friends, who met in the school’s Anime Club, are there to catch up between classes. “We’re probably here almost every day,” says Shina. “The fireplace is the best part,” she adds. “You don’t get that in the library.”

At the end of the foyer, a place called Jazzman’s Café serves coffee and pastries, and through a double-door, a series of racks hold hoodies and t-shirts imprinted with the school’s logo. Up a flight of stairs is a two-story dining hall, and above that a large and crowded game room.

Each room evidences the school’s top-ten national ranking in diversity, and each shows how the center connects this medley of residents and commuters in new ways. “Now everyone has a place to gather,” says Kevin, a senior, who has joined a few friends in a circle of big chairs in the game room.

The LEED-certified center is a result of ten years of planning and fundraising by university students, staff, and partners. In late 2012, the school turned to NJCC for a $5.1 million investment of New Markets Tax Credits, which leveraged $35 million in private capital to make the project possible.

The sixth floor is the most impressive room: a 425-person event center with a high ceiling covered by a wave of wood panels. As Michael Fazio, the school’s Vice President for Advancement and External Affairs, lists the campus and community groups that have already used the room for meetings and events, its curtains are sent up, revealing a stunning panorama of the Manhattan skyline. “It’s given us all a morale boost,” Fazio says of the student center. “When you walk inside, you just feel your chest puff up a little bit.”
Through our REBUILD New Jersey fund, we have provided expedited recovery loans and financial guidance to small businesses along the Jersey Shore. These loans have sustained jobs and helped to restore communities that were impacted by Superstorm Sandy, from Jersey City to Asbury Park to Toms River. In less than one year, REBUILD provided 34 loans to impacted small businesses at a total of $1.2 million.

As she walks under Langosta Lounge’s low-hanging Christmas lights and along its blue and gold walls, Marilyn Schlossbach lists everything she needed to replace after Superstorm Sandy blew out its oceanfront windows and flooded its interior. Wiring, plumbing, floors, walls, tables and chairs—the list goes on.

People, too all of Schlossbach’s key staff found other jobs in light of the restaurant’s uncertain future.

After the storm had passed, NJCC’s REBUILD New Jersey program was Langosta’s only source of funds. Less than two weeks after Schlossbach submitted her application, NJCC provided Langosta with a $30,000 loan, preserving 75 job opportunities.

Langosta used NJCC’s loan to make repairs, pay its local vendors, and begin its long road to restoration. In fact, many of Langosta’s vendors—from its meat and fish suppliers to its paper wholesalers—needed Langosta’s business to begin to pay for their own rebuilding process.

As Schlossbach is recalling the duress and uncertainty of the first few months after the storm, a diner stops her to compliment the floral gold wallpaper on one wall. “This is a great pattern,” Schlossbach concurs. Indeed, she chose to use the same pattern she had used before the storm.

“We could have gutted everything,” she says. “We happened to like Langosta the way it was before.”

However, not everything is precisely recreated in Langosta, which reopened on Memorial Day Weekend of 2013. Take, for instance, the new three-foot wall that divides a row of tables from the bar. A close look at the wall reveals a number of chips and chafes.

“All reclaimed Sandy wood,” Schlossbach says proudly. For her, the new wall is a reminder of the adversity she survived. “I wanted to feel connected to what happened,” she says. “You want to make the best out of anything like that.”
In the bedroom that Rosa Santana and her husband, Ariel Reyes, set up for their two-year-old son Dariel, decals of cars, buses, and fire engines form a row along the wall. A bin full of toys and a tricycle rest on the floor, and a group of stuffed animals sit on a shelf, peering over Dariel’s crib.

Soon, Dariel will move to a bed across the room to make way for his little brother Gabriel, now just a month old. For now, Gabriel sleeps peacefully in his bassinet, shielded from the light coming in through the sheer living room curtains.

The affordable duplex that the family now owns in Plainfield is a far cry from the crowded rental apartment they recently left behind, an overcrowded three-bedroom unit they shared with Rosa’s mother, sister, and brother. In their only bathroom, the tiles had cracked, and cigarette smoke frequently came into the unit through the vents from the apartment below. “My children needed a safer environment,” says Rosa.

Now, her mother and sister live in the second-floor unit of the refurbished duplex. The smell of Dominican cooking wafts down the stairwell. “She’s very helpful with the kids,” Rosa says of her mother. “We like having our own space,” she adds, “but I don’t want her to be far away from me.”

The home was one of a series of nine foreclosed and vacant Plainfield properties redeveloped by NJCC’s real estate arm, Community Asset Preservation Corporation (CAPC). CAPC partnered on the project with Greater Plainfield Habitat for Humanity, which marketed the homes, and local non-profit Faith Bricks & Mortar, which partnered on property development and provided counseling to the new homeowners.

For Rosa’s family, a rebuilt home is a new opportunity. “We have more responsibility now, but we feel happy,” says Rosa. “We think we’re going to live here for a long, long time.”
ReStart is our model for providing hundreds of families who are facing foreclosure a second chance to fulfill the dream of successful homeownership and economic stability. It is also another way we are stabilizing vulnerable neighborhoods that are still recovering from the foreclosure crisis, which has devastated low-income areas for almost a decade.

Through ReStart, we leverage private capital to buy large discounted pools of distressed mortgages. This discount allows us to modify many of these mortgages to a principal amount that the homeowner can afford. We also partner with local counseling agencies to offer homeowners comprehensive one-on-one financial guidance, ensuring they succeed over the long term. Meanwhile, we work with local organizations to convert vacant properties in the pool into new affordable housing.

We are one of the first mission-driven organizations to use a bulk-purchase model in order to provide large-scale principal reductions and prevent foreclosures. We have already acquired almost 800 distressed mortgages, including over 500 in Sandy-impacted counties through our “ReStart the Shore” initiative. In the next year, we will expand this groundbreaking program and create tools to help fellow CDFIs use similar strategies to restore their own communities.

ReStart is another way in which we are creating and preserving healthy homes at a scale sufficient to reshape communities. It is also another way in which we are innovating on-the-ground solutions with the potential for national significance.

NJCC Seed Capital + Private Investment Leveraged + Public Support

Purchase of Nonperforming Mortgage Pool (Auction/Direct Sale) Mortgage 36-48 Months Delinquent

Homeowner Outreach/ Counseling through Local Counseling Agencies

Clearance of Title and Conveyance of Property to Community Partners

3-12 Month Trial Modification Principal Payments below 30% of income

Deed-in-Lieu of Foreclosure Transitional Assistance to New Housing

Vacant Property Redevelopment through Community Partners

Permanent Modification at Trial Rate/Protection from Foreclosure

Conveyance of Vacant Property as Affordable For-Sale or Rental Home

Stable Homes, Families, and Communities

$14.1 Million in Principal Forgiven to Distressed Homeowners
INVEST IN US

OVER THE COURSE OF OUR 26-YEAR HISTORY, we have invested over $300 million in distressed areas of the state, leading to new opportunities for positive change for tens of thousands of New Jerseyans.

To make these critical investments, we rely on contributions from socially responsible investors. Without this support from individuals, corporations, foundations, and religious organizations, many of the homes, schools, and businesses we finance would remain underserved.

Investments into NJCC’s loan funds range in terms and in interest rates in order to meet the goals of its investors. NJCC has a 100 percent rate of repayment on investments it has received.

To learn more about investing in NJCC, contact Earl Plante, NJCC’s Director of Resource Development, at 732-640-2061 x401 or eplante@njclf.com. Or visit our new website at newjerseycommunitycapital.org.

INVESTORS

Community Loan Fund of New Jersey, Inc.

Anonymous
Amboy National Bank
Annie E. Casey Foundation
Atlantic Stewardship Bank
Bank of America
Jacqueline & David M. Baranowski
Amanda P. Blagman
David & Marsha Bloomberg
Jennifer T. Bredhoff
Calvert Social Investment Foundation
Capital One Bank
Catholic Health Initiatives
Canstar Federal Savings Bank
City National Bank
Clifton Savings Bank
Communities at Work Fund, L.P.
Community Development Financial Institutions Fund
Bruce H. Davidson
Paul T. Dermody
Dignity Health
Eisenhart Fund (Episcopal Diocese of New Jersey)
Episcopal Diocese of New Jersey
Episcopal Diocese of Newark
Candace A. & James B. Faunce
1st Constitution Bank
First Choice Bank
First Presbyterian Church of Haddon Heights
Lenore Goldberg
Grace Lutheran Church
Grand Bank
Edward J. Gracely
Robert C. & Margret K. Graham
Steven M. Hadley
Susanne C. Hand
Vicki Cervino-Henn
Patricia Holland
Hudson City Savings Bank
Investors Bank
Marion Jackson
JP Morgan Chase
Juniper Creek Partners LLC
Haig F. & Carol Kasabach
Lakeland Bank
Lisa D. & Brian M. Keenan
Mitton L. & Dorothy C. Keenan
Patrick J. Kelly
Paul & Carla Lerman
Anne S. Li & Edward Muldoon
Carl H. Malmstrom
Mary O. Bordon Foundation
Patricia B. Masi
Norman & Jane Melofsky
Katharine E. Merck
Mercy Investment Services, Inc.
MetLife Bank, National Association
Morgan Stanley Bank, N.A.
NCIF New Markets Capital Fund I CDE LLC
New Jersey Economic Development Authority
New Jersey Housing & Mortgage Finance Agency
NJ Synod of the Evangelical Lutheran Church in America
NJM Bank
Opportunity Finance Network
PNC Bank, N.A.
Joseph V. Palazzolo
Preston D. Pinkett III
Princeton Monthly Meeting, Quakers
Provident Bank
Prudential Insurance Company of America
Suzan Repko
Roselle Savings Bank
RSM Bank
Marta A. Santiago
Donna Scarano
Peter J. Schaeffing
Schuyler Savings Bank
Jane M. & Louis E. Shoemaker
Katharine A. Sinko
St. Paul’s Episcopal Church
Sinsinawa Dominicans, Inc
Sisters of Charity of St. Elizabeth
Somerset Savings Bank
Sisters of the Sorrowful Mother International Finance Inc.
Sun National Bank
Synod of the Mid-Atlantic Foundations,
Reformed Church in America, Inc.
The Bank

GRANTORS

Individuals

Dudley Benoit
Ellen Brown
Mary Ann & Joseph S. Buga
Henry A. Coleman
M. Pillar Hogan Closkey
Candace A. & James B. Faunce
Edward J. Gracely
Steven M. Hadley
Vicki Cervino-Henn
Haig F. & Carol Kasabach
Brian M. Keenan
Carl H. & Catherine Malmstrom
Maria Mascherin
Patricia B. Masi
Katharine E. Merck
Wayne T. Meyer

The Bank of Princeton
TD Bank USA, N.A.
TD Bank, N.A.
Union Center National Bank
United Roosevelt Savings Bank
Valley National Bank
Margaret N. Weitzmann
Wells Fargo Bank, N.A.
Wells Fargo Regional Community Corporation

Community Lending Partners of New Jersey, Inc.

Amboy Bank
Bank of America
Community Loan Fund of New Jersey, Inc.
HSBC Bank USA, N.A.
PNC Bank, N.A.
Santander Bank
Metropolitan Life Insurance Company

Community Asset Preservation Corporation

Community Housing Capital, Inc.

Annie E. Casey Foundation
Communities at Work Fund
Cornerstone Partnership
Ford Foundation

NMTC Fund

PNC Community Partners, Inc.
Prudential Insurance Company of America
TD Bank, N.A.
JP Morgan Chase
Goldman Sachs
Wells Fargo Bank

Camden Power Program

City of Camden
County of Camden
United States Department of Energy
Economic Recovery Board of Camden
New Jersey Community Capital
2013 BORROWERS
109 Port Jersey Boulevard, LLC
329 Park Avenue Tenant Association, Inc.
Acelero, Inc.
Affordable Housing Alliance, Inc.
AMD Pinks and Greens Corporation
AP Restaurant IV, LLC
Babyland Family Services, Inc.
Build N Blaze, LLC
Cathleen Engels, LLC
Community Asset Preservation Alliance of Jersey City
Community Asset Preservation Corporation
Declarations, Inc.
DekBon Housing Development Corporation
Diamond Visions, Inc.
DJ’s Delight, LLC
Don Pedro Development Corporation, Inc.
Done LT, LLC
Dynamic Investments, LLC
Eventure, Inc.
Fitness Lifestyles, Inc.
Friends of Academy Charter High School
Friends of Hoboken Charter School, Inc.
Garden State Episcopal Community Development Corporation
Grove Street Bicycles, Inc.
Historic Argus Mills, LLC
Hobbo Lobbi Marine
HANDS, Inc.
Internal Medicine Institute of New Jersey, LLC
Intersect Fund Corporation
Italian American Club of Little Egg Harbor
Jersey City Global Charter School
Junta de Acción Puertorriquenha Inc.
Kanibal Home, LLC
Lighthouse Enterprises, LTD
Market West I, LLC
Market West II, LLC
MerchWorks, LLC
Morning Star Community Development Urban Renewal
NCC Holdings, LLC
New Jersey Community Capital Fund #1, LLC
Parlor Gallery, LLC
Precious Delights, LLC
Salt & Light Company, Inc., The
Sam’s Transmissions, LLC
Seaside lumber Company, Inc.
South Jersey Real Estate Co., LLC
Tackle U.S., Inc.
The Cheese Store
Trpí, Evelyn
Unified Vailsburg Services Organization
Valley Renaissance Urban Renewal Entity, LLC
ValleyArts, Inc.
Water Works’ Lauradomert, LLC
Wheelchair Park Apartments
Young Men’s Christian Association of Princeton

We would like to express our sincere gratitude and appreciation to former staff members McCaela Daffarn, Oswald Fonblum, and Julie Gorf for their invaluable contributions to NJCC in 2013.

CREDIT COMMITTEE
Luke Apicello | Potential
Dudley Benoit, Chair | JPMorgan Chase
Norman Burroughs, Jr. | Sovereign Bank
Henry Coleman | Rutgers, The State University of New Jersey
Etta Dank | Bank of America
Becky Koch | HSBC Bank USA
Wayne Meyer | New Jersey Community Capital
Diede Meyers | Retired-Federal Reserve Bank of Philadelphia
Winda Spaight | Opportunity Finance Network

 Patrick Morrissy & Jean Campbell
 Presto D. Pinkett III
 Susan Repeko
 Jacqueline D. Robinson
 Julia Sass Rubin, Raisa Rubin-Stankiewicz & Gregory Stankiewicz
 Donna Scarano
 Alexander H. & Monica Williams

Financial Institutions
Bank of America
Capital One Bank
ChinaTrust Bank
Clifton Savings Bank, SLA
Goldman Sachs Charitable Gift Fund
HSBC Bank USA, N.A.
JPMorgan Chase
PNC Bank, N.A.
Roselle Savings Bank
Santander Bank
Wells Fargo Bank, N.A.
Woori America Bank

Government
Community Development Financial Institutions Fund
Foundations
The Amboy Foundation
Anne E. Casey Foundation
The Bank of America Charitable Foundation, Inc.
Capital One Foundation
Citi Foundation
Community Foundation of New Jersey
JPMorgan Chase Foundation
MetLife Foundation
Robin Hood Foundation
PNC Bank Foundation
TD Charitable Foundation
The Hyde and Watson Foundation
Victoria Foundation
Wells Fargo Foundation

Nonprofit Organizations
Northern California Community Loan Fund

Religious Institutions
First Presbyterian Church of Haddon Heights
Grace Lutheran Church
New Jersey Synod of Evangelical Lutheran Church in America

Corporations
Barclays Corporation
McMaster-Carr Supply Company
NeighborWorks® America
New Jersey Natural Gas

Opportunity Finance Network

PROFESSIONAL SERVICES DONATED
Duane Morris, LLP | Legal counsel
Gibbons, P.C. | Legal counsel
Fragomen, Del Rey, Bernsen & Loewy, LLP | Legal counsel
Lowenstein Sandler P.C. | Legal counsel
SureTech.com | Information Technology Provider

BOARD OF DIRECTORS
Dudley Benoit, Chair | JPMorgan Chase
Kenneth Zimmerman, Vice Chair | Open Sesame Foundations
Carl Malmstrom, Treasurer | Venture Investment Associates
Allia Ries, Secretary | La Casa de Don Pedro
Ellen Brown | The Dist Loft
Pilar Hogan Closkey | Saint Joseph’s Carpenter Society
Henry Coleman | Rutgers, The State University of New Jersey
Patrick Keilly | Bank of America
Wayne T. Meyer | New Jersey Community Capital
Patrick Morrissy | HANDS, Inc.

STAFF
Wayne T. Meyer | President
Gregory Stankiewicz | Chief Operating Officer
Mark Muniyai | Chief Investment Officer
Marie Mascherin | Chief Lending Officer
Jacqueline Robinson | Chief Financial Officer
David Bloomberg | Vice President, Portfolio Management and Compliance
Peter Gorf | Deputy to the President
Earl Plante | Director of Resource Development
Jennifer Murphy | Director of Housing Programs
Jeffrey Crum | Director of Real Estate, CAP
Leah Aggar | Leading Team Leader, Housing and Healthy Communities
Daniel Arndt | Lending Officer
Jacqueline Baranowski | Loan Servicing Officer
Kathy Catanazaro | Executive Assistant to the President
Kailly GH/Raal | Lead Closing Officer
Chris Glaimetta | Director of Construction, CAP

We would also like to thank our 2013 Fellows: John Manien, Katie Vai, Merisa Gilman, Daiana Moran, Chelsea Gumbs, Bryan Duarte, Sean Ananelli, and Alex Ward.
## FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>SEPTEMBER 30, 2013</th>
<th>SEPTEMBER 30, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$9,346,477</td>
<td>$12,128,186</td>
</tr>
<tr>
<td>Investments</td>
<td>26,151,208</td>
<td>20,584,122</td>
</tr>
<tr>
<td>Loans Receivable, Net</td>
<td>37,698,040</td>
<td>36,838,172</td>
</tr>
<tr>
<td>Property and Equipment, Net</td>
<td>14,633,369</td>
<td>11,146,923</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>371,761</td>
<td>294,800</td>
</tr>
<tr>
<td>Grants Receivable</td>
<td>1,497,000</td>
<td>1,453,806</td>
</tr>
<tr>
<td>Other assets</td>
<td>2,538,062</td>
<td>3,425,057</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$92,235,917</td>
<td>$85,871,066</td>
</tr>
</tbody>
</table>

| **LIABILITIES AND NET ASSETS** |                     |                     |
| Interest and Other Payables | $1,056,670          | $1,079,466          |
| Funds Held in Trust        | 8,312,100           | 5,411,079           |
| Notes Payable              | 49,293,135          | 49,028,733          |
| EQ2 Investments            | 2,000,000           | 2,500,000           |
| Mortgage payable           | 3,098,935           | 3,150,184           |
| Net Assets                 | 28,475,077          | 24,701,040          |
| **TOTAL LIABILITIES AND NET ASSETS** | $92,235,917         | $85,871,066         |

### STATEMENT OF ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>SEPTEMBER 30, 2013</th>
<th>SEPTEMBER 30, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income — Loans</td>
<td>$2,849,423</td>
<td>$2,723,256</td>
</tr>
<tr>
<td>Investment income</td>
<td>271,518</td>
<td>279,282</td>
</tr>
<tr>
<td>Grants</td>
<td>4,471,404</td>
<td>7,712,573</td>
</tr>
<tr>
<td>Fees</td>
<td>1,466,902</td>
<td>865,494</td>
</tr>
<tr>
<td>Gain from insurance recoveries</td>
<td>810,367</td>
<td>0</td>
</tr>
<tr>
<td>Other Income</td>
<td>865,835</td>
<td>981,373</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$10,735,449</td>
<td>$12,561,978</td>
</tr>
</tbody>
</table>

| **EXPENSES**           |                     |                     |
| Interest Expense       | $1,776,209          | $1,885,180          |
| Program Services       | 3,656,148           | 3,068,025           |
| Management and General | 506,017             | 444,555             |
| Fundraising            | 307,986             | 240,881             |
| Provision for Loan Loss| 715,616             | 1,237,841           |
| **TOTAL EXPENSES**     | $6,961,976          | $6,876,482          |

| **INCREASE IN NET ASSETS** |                     |                     |
|                          | $3,773,473          | $5,685,496          |