

*TOOLS of the TRADE*



**CHICAGO COMMUNITY LOAN FUND**

*2004/05 Annual Report*

The Chicago Community Loan Fund's impact is amplified by whom we work with, how we work with them, and the very nature of the financing and services we provide.

*Merely counting housing units, jobs created, square footage, and other project outcomes underestimates the impact of CCLF's lending work.*





Dear Friends:

The Chicago Community Loan Fund finds and finances opportunities that others overlook. We take a more innovative and responsive approach to lending than do many larger financial institutions, including other community finance providers. CCLF believes that, with the right tools in hand, new or emerging developers and unconventional projects can become catalysts for far-reaching positive change.

Looking back at 2004/05, we can see that merely counting project outcomes underestimates CCLF's impact. Though CCLF is only a mid-sized fund (now capitalized at more than \$15 million) in the local community finance market, the largely untapped or emerging markets in which CCLF specializes amplify the impact of our lending work. In other words, CCLF's impact is amplified by whom we work with, how we work with them, and very nature of the financing and services we provide.

One of CCLF's market niches is financing unique or innovative projects, such as affordable artist condos, cooperative/cohousing arrangements, and cooperatively owned businesses. These undertakings require lenders with a certain level of vision and commitment—and a great deal of patience—since the projects are frequently structured in a way that does not fit traditional underwriting models.

Another key niche involves taking a chance on new or inexperienced developers: nurturing them by providing customized technical assistance delivered with care and attention. By financing their first development project, and doing everything in our power to help make it successful, CCLF helps new developers to emerge with a successful track record.

CCLF often provides the first money in a project, dollars that attract additional financing and assistance.

In 2004, our pioneering lending dollars leveraged nearly \$200 million in additional investment—more than ever before. Without CCLF participation, many development projects simply would not be realized. Essentially, CCLF facilitates social impact—housing units, jobs, commercial/retail space and nonprofit facilities—and wealth-creation that would never have existed without our commitment.

Our unique “hightouch” lending model delivers results that speak for themselves. A recent analysis of CCLF projects revealed that they produce positive outcomes about 90% of the time, despite the fact that 60% of borrowers faced organizational or financial capacity challenges at the time of loan closing. This record is impressive, especially given that our cumulative loan losses total only one-third of one percent.

Although there are *many* CCLF borrower success stories, in this report we have chosen to highlight our client, Breaking Ground, as an example. Our relationship with this North Lawndale community organization demonstrates how CCLF amplifies its impact through its strategic approach: lending suffused with creativity, vision, commitment, and customized technical assistance.

By helping to launch new or untested developers on a path toward future projects, CCLF leverages additional development and community reinvestment. In this way, CCLF helps cultivate future drivers of the local and regional economy!

Calvin L. Holmes  
Executive Director

Chicago Community Loan Fund invests in *untapped and emerging markets*. We recognize the value of financing and nurturing *innovative projects*, even those spearheaded by new and upcoming developers.



### Untapped Opportunities

Chicago Community Loan Fund invests in largely untapped and emerging niches within the community development marketplace. We specialize in working with emerging, small, and mid-sized community developers, and unique customers with innovative projects. Our clients often possess little or no development track record and frequently face financial or organizational capacity challenges.

Any of these factors—inexperience, lack of capacity, or just an untested project concept—can make potential borrowers less attractive to other lenders, even other local community finance providers. CCLF, on the other hand, is in the business of taking (calculated) risks, and our appetite is fairly high.

Because we recognize great potential when we see it, CCLF has spent 15 years honing a hightouch approach to lending that accommodates small or emerging developers. With their dynamic, innovative ideas and great commitment to their projects, these customers inspire CCLF to work patiently and creatively—and if need be, to step into the breach where others do not tread.

CCLF often makes the critical difference by providing “first in” financing, which helps attract additional monies to the project. Particularly in co-lending situations, CCLF’s loan dollars may be designated “last out” as well, meaning that the bank (or other lender) will get repaid first. In any case, CCLF’s participation often increases the other lenders’ comfort in funding projects spearheaded by promising, yet untested, developers.

CCLF is also uniquely amenable to providing financing for projects with great potential, even when some aspects of the borrower organization or project may not be fully developed. (This is especially true for predevelopment loans.) CCLF believes in going the extra mile: providing as much free (or low-cost) technical assistance as possible throughout the life of the loan to produce a successful and sustainable project.

More importantly, we have found that our hightouch lending approach works very well. According to a recent analysis of the loan fund’s historical social impact: **Approximately 90% of CCLF-financed projects produced positive outcomes—despite the fact that about 60% of borrowers faced organizational or financial capacity issues when the loan was made.**

CCLF revels in its ability to “break ground” in largely uncharted community development territory. We do it well. Since 1991, CCLF has disbursed \$19.2 million in loans—leveraging \$413 million in additional public- and private financing—for 113 projects in over 50 different Chicago metropolitan communities. Cumulatively, our loan losses total less than one-third of one percent.

In the meantime, CCLF has leveraged the creation or retention of more than 2,100 housing units, nearly 4,400 jobs, and close to 4.9 million square feet of commercial/retail, industrial, and nonprofit facility/office space.

Much of this might never have come to pass, if not for CCLF’s willingness and ability to help emerging community developers get their start.



### Breaking Ground

**Breaking Ground (headed by executive director, Jeff Dennis) was an emerging, faith-based community developer, with an abiding commitment to the North Lawndale neighborhood. The plan was to build 10 large, high-quality, extremely affordable single-family homes—and to do it fast. Jeff built the model home as a showcase for neighbors and moved in his own family. Breaking Ground lined up buyers for the ten houses, most of them longtime neighborhood residents. While Jeff himself had 15 years of construction experience, the organization had never built a project of this scale.**

**In addition to some critical technical assistance needs, Breaking Ground faced a funding quandary. The organization had secured a number of public subsidies as well as private grants to keep the homes extremely affordable—with sale prices as low as \$78,000. JP Morgan Chase (formerly Bank One) had agreed to provide a construction loan, but the bank’s underwriting standards would not allow its loan to cover the pending public subsidies. CCLF was called in to fill this financing gap.**

Throughout the life of the loan, CCLF takes the time — employing its *resources, tools, and expertise* — to help borrowers *overcome capacity challenges* and move projects past *roadblocks*.



### *Lending our Expertise*

**CCLF is willing, and often uniquely able, to spend the time and resources to help our borrowers map a path toward project success and organizational sustainability. Because we frequently work with new or inexperienced developers, who need a fair amount of help along the way, CCLF has developed a hightouch approach to our work, including a variety of lending and technical assistance resources—our “tools of the trade”—to assist our customers.**

#### *Flexible and innovative loan products*

CCLF offers creative loan products that can be tailored to meet the needs of a variety of constituencies, especially for innovative or unconventional projects. For instance, predevelopment/construction financing can be converted into minipermanent mortgages or simply used to landbank for future development. Currently, CCLF is one of few local providers of affordable mortgage financing for limited-equity housing cooperatives. CCLF also co-lends (or provides critical gap financing) with other lenders and offers a customized product for small for-profit developers.

#### *Responsive underwriting criteria*

Although CCLF rigorously underwrites all our loans, we use more generous underwriting criteria than do most other lenders. These can include flexible equity requirements; few, if any, fees; and more generous loan-to-value ratios.

#### *Informal Technical Assistance (TA)*

CCLF provides a variety of informal TA throughout the loan process: from fine-tuning the initial application to reworking project budgets and negotiating the logistics of draw requests.

CCLF also tries to facilitate relationships with other public and private lenders to finance a project’s next stage when necessary. We advocate for our borrowers with other public agencies, state and local governments, even in building court. We regularly help broker relationships with other technical assistance providers, as well as with banks and foundations to garner additional funding support for the projects to which we are committed.

#### *Patient capital*

CCLF suffuses its loan process with a significant measure of patience throughout the life of the loan, especially with predevelopment loans. In fact, a significant number of CCLF loans “outlive” their first maturity date. Particularly with unconventional projects, CCLF is willing to stay in for the long haul.

#### *Workshops, referrals and consulting*

CCLF also offers a formal TA program, including telephone referrals; comprehensive development assessments; and Project Readiness Workshops. The cornerstone of our TA program, these workshops are an introductory primer to the development process.

#### *Superior customer service*

Our most recent customer satisfaction survey evidenced that over 90% of our borrowers cited customer service as one of the great benefits of working with CCLF.



### *How CCLF Helped*

**Breaking Ground came to CCLF with a realistic, well-thought-out plan. Unlike many of our borrowers, this organization did have some real estate development experience, but still needed technical assistance and financing flexibility. CCLF was able to help expedite the project in several ways. For example:**

- CCLF helped increase the bank’s comfort enough to accept Breaking Ground as the general contractor on its own project.
- CCLF consented to an unorthodox combination of collateral. First, CCLF accepted an unrelated building owned by Breaking Ground as collateral to secure its loan. Second, CCLF persuaded Steans Family Foundation to provide a letter of credit for additional security.
- A CCLF loan committee member helped Breaking Ground to negotiate the New Homes for Chicago program.
- CCLF tried to link Breaking Ground with banks that provide homebuyer mortgages.
- CCLF staff coached Breaking Ground on the loan disbursement process.

Emerging community developers  
 – having *gained experience* with  
 CCLF – move on to *initiate future  
 projects*. Those, in turn, attract *more  
 investment*, housing development,  
 retail, jobs, and wealth-creation.



*Multiplying Effect*

CCLF-financed projects—such as **Breaking Ground’s 10 single-family homes**—may seem like just “a drop in the bucket.” Based on our experience, however, we have learned that **successful and sustainable projects attract more development**. In turn, this further stimulates the neighborhood economy. This concept is known as the “multiplier effect.”

As an example of how the “multiplier effect” works, let’s examine the impact of Breaking Ground’s first CCLF-financed project. Its benefits continue to reverberate through North Lawndale’s neighborhood economy.

- Breaking Ground completed the project, placing 10 high-quality new homes on the market at extremely affordable prices.
- Ten families, many of whom have lived on the block for years, have the opportunity to become homeowners. The personal and emotional benefits of achieving “the American Dream” aside, because these homes are worth much more than the new owners could ever have afforded to pay, they accumulated (on average) \$71,000 in instant home equity.
- Building equity in their homes opens up a wealth of other advantages and benefits, including tax savings and access to future credit that could, for instance, help pay for a child’s education.
- When residents have more money to spend and save, additional commercial/retail development is likely to follow.

- Successful CCLF projects often add long-delinquent or vacant properties to city property tax rolls. This increases revenue for the public school system specifically, and the entire municipality in general.

Many emerging community developers—having gained experience and built track records with CCLF—move on to spearhead future projects. Those, in turn, attract further investment that yields more affordable housing, commercial/retail development, and job creation.

Many CCLF borrowers—nearly one-third historically—have returned to CCLF for more financing. Repeat borrowers go on to develop additional affordable housing units and mixed-use commercial space, as well as bring nonprofit facilities “online.”

For example, in addition to Breaking Ground’s second project with CCLF (see sidebar), the faith-based organization has allied itself with several other key neighborhood players to work on a much larger-scale initiative. Dubbed the John Egan Development, the project will build 75 affordable new homes in North Lawndale over the next five years. And that’s only the beginning.

CCLF played a critical role in getting Breaking Ground’s first new-construction project off the ground. In doing so, CCLF helped to leverage subsequent development. Whether future developments are financed by CCLF or not, the ensuing benefits and economic repercussions serve to amplify CCLF’s original impact in North Lawndale.



*Breaking Ground...Again*

Even though Breaking Ground might have had other options, it chose to return to CCLF to finance a new mixed-use facility. Breaking Ground acquired and is rehabilitating a dilapidated two-flat next door to their APL Teaching Factory.

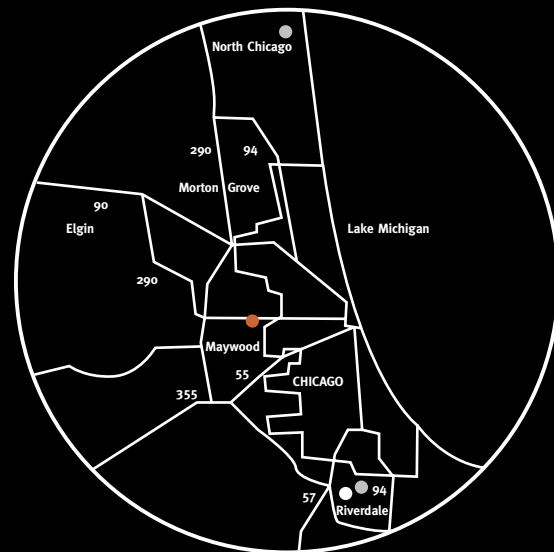
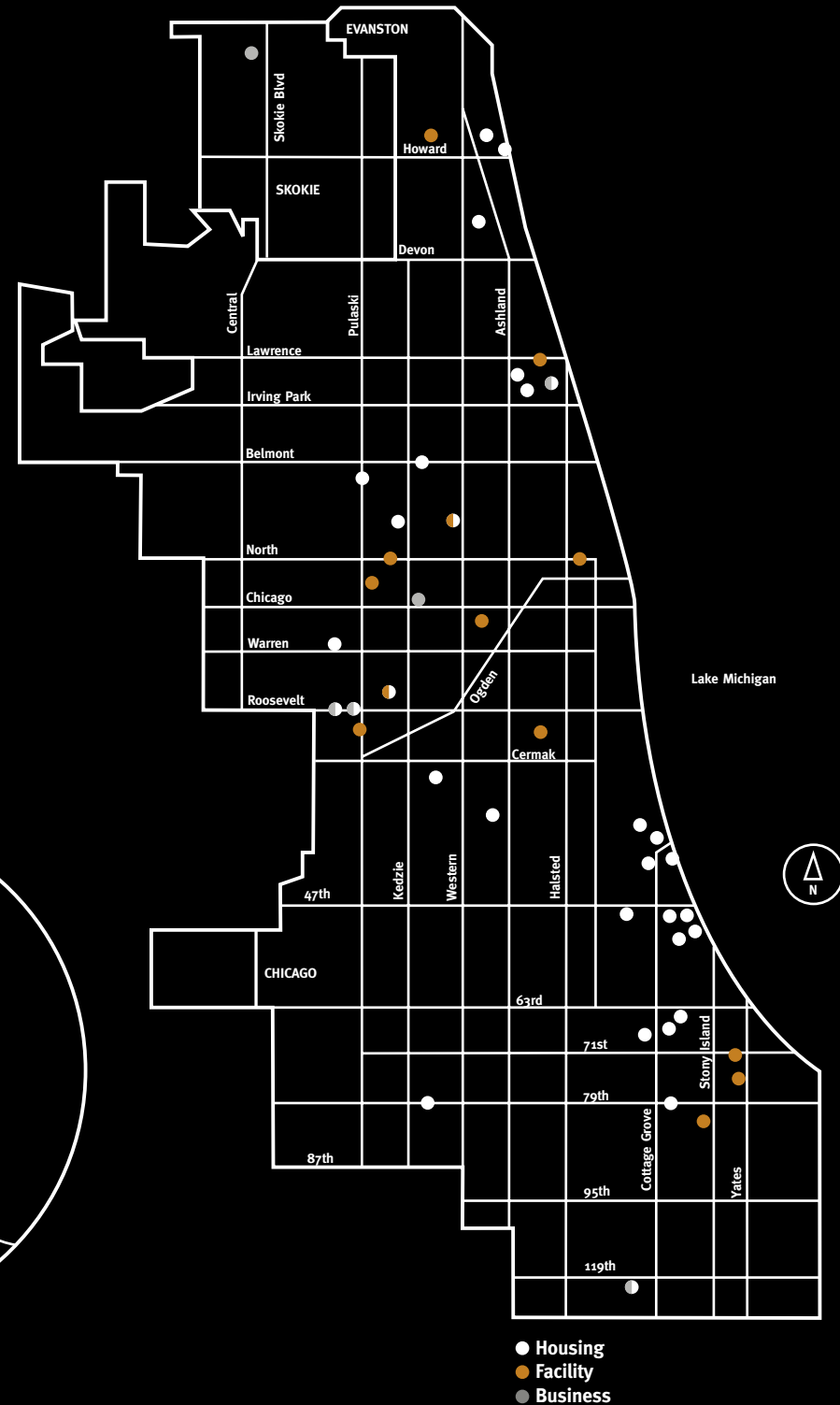
The first floor will house office space needed for Fish Window Cleaning of Chicago (Breaking Ground’s social enterprise), since the APL facility will soon be at capacity with the addition of a Manufacturing Credentialing Center. The second floor will be dorm-style, interim housing for ex-offenders re-entering society.

Breaking Ground’s APL Teaching Factory provides job placement services, job readiness training, basic education and counseling. Over 90% of participants are ex-offenders.

A case in point: Joseph (pictured), a grateful APL graduate, was hired by Breaking Ground to paint the interior of the new facility. With new skills and an established employment history, Joseph has a new lease on life.

# Project Portfolio

Approximately 90% of CCLF projects produced positive outcomes — despite the fact that about 60% of borrowers faced capacity issues.



Chicago Suburbs

- Housing
- Facility
- Business

## Construction Loan

**Latin United Community Housing Assn. (LUCHA)**  
Construction loan for building facade rehabilitation  
Loan amount: \$25,000  
Location: West Humboldt Park

**Low End Adventures**  
Line of credit to acquire/rehabilitate HUD homes  
Loan amount: \$250,000  
Location: Marquette Park

**OK Share & LakeShore New Homes LLC**  
Construction financing for new, for-sale housing (New Homes for Chicago)  
Loan amount: \$300,000  
Location: North Oakland

**WECAN 4++**  
Gap construction financing for affordable rent-to-own housing  
Loan amount: \$25,000  
Location: Woodlawn

## Equipment/Working-Capital Loan

**Ahadi Early Learning Center\*\***  
Equipment/working-capital loan for childcare center  
Loan amount: \$30,000  
Location: South Shore

**Marketplace: Handwork of India**  
Working-capital line of credit  
Loan amount: \$50,000  
Location: Skokie, IL

**Salsedo Press 4++**  
Printshop equipment purchase  
Loan amount: \$90,000  
Location: East Garfield Park

**Salsedo Press 5++**  
Printshop equipment purchase  
Loan amount: \$184,198  
Location: East Garfield Park

**WECAN 5\*\*\*++**  
Equipment/working-capital loan  
Loan amount: \$35,000  
Location: Woodlawn

## Housing Cooperative Loan

**Ellis Cooperative**  
Gap financing  
Loan amount: \$350,000  
Location: Oakland

**Freedom Road Cooperative**  
Acquisition/minipermanent mortgage for cooperative housing  
Loan amount: \$619,468  
Location: Uptown

**Good News Partners 1++**  
Acquisition/minipermanent mortgage for cooperative housing (The Bosworth)  
Loan amount: \$354,000  
Location: Rogers Park

**Good News Partners 2\*\*\*++**  
Minipermanent mortgage for cooperative housing (The Phoenix)  
Loan amount: \$350,000  
Location: Rogers Park

**Hub Housing Cooperative\*\***  
Minipermanent mortgage for cooperative housing  
Loan amount: \$493,000  
Location: Little Village

**Logan Square Cooperative 1A/1B++**  
Minipermanent mortgage for cooperative housing  
Loan amount: \$512,000  
Location: Logan Square/Avondale

**Lots in Common\*\*\*++ (spinoff of NASCO)**  
Acquisition/minipermanent mortgage for student cooperative housing  
Loan amount: \$300,000  
Location: Hyde Park

**Spaulding Collective Partnership\*\***  
Minipermanent mortgage for cooperative housing  
Loan amount: \$185,000  
Location: Logan Square

**Stone Soup Cooperative 1++**  
Acquisition/minipermanent mortgage for cooperative housing  
Loan amount: \$355,000  
Location: Uptown

**Stone Soup Cooperative 2++**  
Acquisition/minipermanent mortgage for cooperative housing  
Loan amount: \$165,000  
Location: McKinley Park

## Minipermanent Mortgage Loan

**Becker House**  
Acquisition of supportive-living facility for women  
Loan amount: \$135,000  
Location: Rogers Park

**Breaking Ground 2\*\*\*++**  
Acquisition/rehabilitation of mixed-use property (nonprofit offices and interim housing)  
Loan amount: \$250,000  
Location: North Lawndale

**Chicago Mutual Housing Network 2++**  
Acquisition/build-out of program/office space  
Loan amount: \$125,000  
Location: Logan Square/East Humboldt Park

**Community TV Network**  
Acquisition/build-out of program/office space  
Loan amount: \$150,000  
Location: Logan Square/East Humboldt Park

**Creative Assistance Development, Inc.**  
Acquisition/rehabilitation of residential group home  
Loan amount: \$200,000  
Location: Elgin, IL

**El Hogar del Niño**  
Acquisition of longtime childcare facility  
Loan amount: \$320,000  
Location: Pilsen

**Faith Tabernacle Baptist Church**  
Landbanking for future community center  
Loan amount: \$234,000  
Location: Stony Island Park

**Geneva Foundation**  
Acquisition/rehabilitation of group home for troubled youths  
Loan amount: \$281,000  
Location: West Humboldt Park

### Ignatia House

Acquisition/renovation of supportive-living facility  
Loan amount: \$144,000  
Location: Avondale

### Kinzie Industrial Development Corporation (ICNC 2)++

Refinance of industrial incubator facility  
Loan amount: \$250,000  
Location: West Town

### Mustard Seed of Chicago

Acquisition of social service program facility  
Loan amount: \$349,500  
Location: Near North

### Near Northwest Arts Council 1B\*\*++

Acquisition/rehabilitation of bed and breakfast enterprise  
Loan amount: \$42,995  
Location: Logan Square/East Humboldt Park

### Resource Center

Acquisition of buyback recycling site  
Loan amount: \$55,000  
Location: Uptown

### Rimland Services 1\*\*++

Acquisition/rehabilitation of a group home for women with autism  
Loan amount: \$252,938  
Location: Evanston, IL

### Rimland Services 2\*\*++

Acquisition/rehabilitation of a group home for women with autism  
Loan amount: \$125,400  
Location: Maywood, IL

### St. John's Community Outreach Organization

Acquisition/rehabilitation of supportive rental housing  
Loan amount: \$600,000  
Location: Grand Boulevard

## Predevelopment Loan

### Chicago Victory Church

Predevelopment loan for affordable rental housing  
Loan amount: \$50,000  
Location: West Garfield Park

### Featherfist Development Corp.

Predevelopment loan for social service agency's new administrative facility  
Loan amount: \$193,000  
Location: South Shore

### Five Points Economic Development Corp.

Predevelopment loan for mixed-use office/retail complex  
Loan amount: \$409,400  
Location: North Chicago, IL

### Genesis Housing Development Corp.\*

Predevelopment loan for new construction of single-family and two-flat homes  
Loan amount: \$125,000  
Location: Washington Park

### Greater Riverdale Industrial Partnership (GRIP)\*

Predevelopment loan for revitalization of industrial corridor  
Loan amount: \$265,000  
Location: Riverdale, IL

### Mission Metamorphosis, Inc.

Predevelopment expenses for supportive-housing facility serving homeless teen mothers and their children  
Loan amount: \$75,000  
Location: North Lawndale

### Predevelopment/Construction Loan: CHA Transformation

### Granite Partners for Oakwood Boulevard, LLC (Madden Wells 2)++

Predevelopment loan for mixed-income homeownership units  
Loan amount: \$350,000  
Location: Kenwood

### Jazz on the Boulevard 1A/1B++

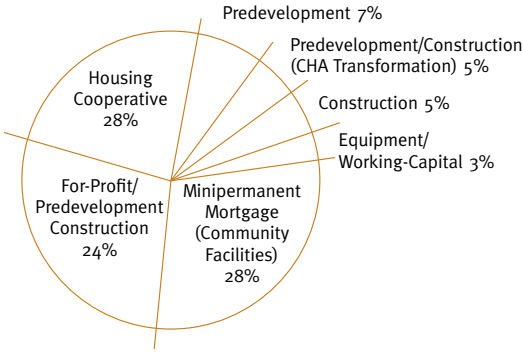
Construction loan for mixed-income homeownership, rental, and public housing units  
Loan amount: \$310,000  
Location: Kenwood

### For-Profit Predevelopment/Construction Loan

### AA Holdings, LP/UAS Development Group\*

Predevelopment loan for rehabilitation of mixed-use housing/commercial property  
Loan amount: \$450,000  
Location: Woodlawn

## Portfolio by Product



### Greenline Development\*\*

Construction loan for new, affordable condominium construction  
Loan amount: \$450,000  
Location: Woodlawn

### Holsten Real Estate Development Corp. \*++

Predevelopment loan for acquisition/rehabilitation of mixed-income housing  
Loan amount: \$1,000,000  
Location: Riverdale, IL

### Safeway Kolin Inc.\*\*++

Construction loan for mixed-use housing and commercial property  
Loan amount: \$18,400  
Location: North Lawndale

### Safeway Keeler Inc.++

Predevelopment loan for mixed-use property (housing and commercial space)  
Loan amount: \$300,000  
Location: North Lawndale

### Urban Equities, Inc.

Predevelopment/construction line of credit for new single-family homes  
Loan amount: \$75,000  
Location: Grand Crossing/Avalon Park

### Wilson Yard Development 1, LLC\*\*

Predevelopment loan for mixed-use housing and commercial development  
Loan amount: \$500,000  
Location: Uptown

\*\* New loan in 2004

\* New loan in 2005

++ Repeat borrower

# Financials

## Financial Highlights

Chicago Community Loan Fund witnessed strong growth during 2004, as demonstrated by increases in our loan portfolio, net asset, and total asset balances. Specifically, CCLF realized a greater than 45% increase in net assets and a 25% increase for both our loan portfolio and our total asset base. Furthermore, the fund has increased its equity and equity-equivalent (EQ2) position: net assets represent nearly one-third of our total capital in 2004, while equity and equity-equivalents together represent close to 60% of our total capital structure.

As CCLF remains committed to making a larger impact for the many borrowers and communities we serve, we are focused on continuing to build a stronger platform that will allow us to better leverage all of our tools and expand our reach.

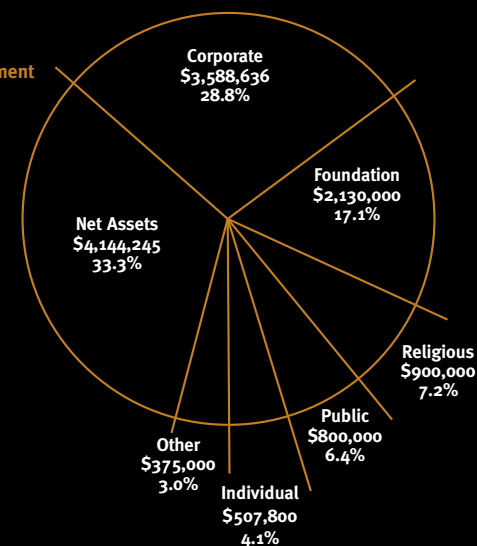
In concert with strengthening our financial position, CCLF has improved our lending policies and procedures to better serve our customers and stakeholders.

## CCLF Capitalization

As of December 31, 2004

Total Capital under Management  
\$13.2 million

Lending Pool Capital  
\$12.4 million



## Key Policies

Chicago Community Loan Fund bases its lending and portfolio management policies on the standards of the National Community Capital Association (NCCA), along with industry best practices from many public and private institutions, ensuring that CCLF is held accountable to high standards of excellence.

CCLF carefully reviews each loan, evaluating community benefit, project feasibility, organizational/management capacity, collateral encumbered, and the borrower's ability to repay its loan. To limit our risk, CCLF sets a maximum loan size for any single borrower and any one project.

For additional financial cushion, we maintain permanent capital thresholds for our lending pool that provide further protection for our investors. CCLF also maintains both loan loss and operating reserves to bolster the financial security of our lending portfolio and operating fund, respectively.

Further information is available in the prospectus, as well as in the notes to the audited financial statements. To receive a copy of either document, contact CCLF at 312.252.0440, ext. 204.

## Statement of Financial Position

As of December 31, 2004 (with comparative totals for 2003)

ASSETS	OPERATING			Lending Capital	2004 Total All Funds	2003 Total All Funds
	General	Technical Assistance	Total			
<b>Current Assets:</b>						
Cash and cash equivalents	\$630,860	\$ -	\$630,860	\$492,391	1,123,251	\$274,374
Certificates of deposit	-	-	-	-	-	101,000
Investments	-	-	-	2,802,759	2,802,759	3,368,861
Interest receivable	74,446	-	74,446	-	74,446	85,292
Grants and other receivables	1,750	1,000	2,750	1,025,000	1,027,750	13,735
Notes receivable net of allowance of \$126,806	-	-	-	2,375,422	2,375,422	2,383,626
Prepays	7,669	-	7,669	-	7,669	7,025
Interfund transactions	(47,172)	-	(47,172)	47,172	-	-
Total current assets	667,553	1,000	668,553	6,742,744	7,411,297	6,233,913
<b>Long-Term Assets:</b>						
Notes receivable, net of allowance of \$310,455	-	-	-	5,702,937	5,702,937	4,098,374
Office equipment, net of accumulated depreciation of \$31,420 and \$21,818, respectively	20,358	-	20,358	-	20,358	27,075
Leasehold improvements, net of accumulated amortization of \$27,148 and \$18,098, respectively	63,344	-	63,344	-	63,344	72,394
Deposit	1,898	-	1,898	-	1,898	1,898
Total long-term assets	85,600	-	85,600	5,702,937	5,788,537	4,199,741
<b>TOTAL ASSETS</b>	<b>\$753,153</b>	<b>\$1,000</b>	<b>\$754,153</b>	<b>\$12,445,681</b>	<b>\$13,199,834</b>	<b>\$10,433,654</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Current Liabilities:</b>						
Accounts payable	\$23,258	\$ -	\$23,258	\$ -	\$23,258	\$29,259
Accrued payroll	27,442	-	27,442	-	27,442	8,017
Senior loans payable – current	-	-	-	1,493,436	1,493,436	1,034,636
Subordinated loans payable – current	-	-	-	125,000	125,000	-
Note payable – current	8,558	-	8,558	-	8,558	8,042
Total current liabilities	59,258	-	59,258	1,618,436	1,677,694	1,079,954
<b>Long-Term Liabilities:</b>						
Senior loans payable, less current portion	-	-	-	3,833,000	3,833,000	4,123,300
Subordinated loans payable, less current portion	-	-	-	2,850,000	2,850,000	1,879,500
Note payable, less current portion	57,642	-	57,642	-	57,642	66,174
Total long-term liabilities	57,642	-	57,642	6,683,000	6,740,642	6,068,974
Total Liabilities	116,900	-	116,900	8,301,436	8,418,336	7,148,928
<b>Net Assets:</b>						
Unrestricted:						
Undesignated	357,666	-	357,666	-	357,666	289,680
Board designated	258,587	-	258,587	1,593,927	1,852,514	1,561,693
Total unrestricted net assets	616,253	-	616,253	1,593,927	2,210,180	1,851,373
Temporarily restricted	20,000	1,000	21,000	1,000,000	1,021,000	7,735
Permanently restricted	-	-	-	1,550,318	1,550,318	1,425,618
Total Net Assets	636,253	1,000	637,253	4,144,245	4,781,498	3,284,726
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$753,153</b>	<b>\$1,000</b>	<b>\$754,153</b>	<b>\$12,445,681</b>	<b>\$13,199,834</b>	<b>\$10,433,654</b>

## Statement of Activities

As of December 31, 2004 (with comparative totals for 2003)

	OPERATING				LENDING CAPITAL				2004 Total All Funds	2003 Total All Funds
	Lending Operations		Technical Assistance		Total Operating	Unrestricted	Temporarily Restricted	Permanently Restricted		
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted						
<b>REVENUE AND SUPPORT</b>										
Grants and contributions	\$146,800	\$149,895	\$ -	\$38,000	\$334,695	\$409,500	\$1,025,000	\$124,700	\$1,893,895	\$289,224
Contribution allocation to TA support	(18,322)	-	18,322	-	-	-	-	-	-	-
Donated services	133,600	-	-	-	133,600	-	-	-	133,600	123,200
Notes receivable interest income	470,345	-	-	-	470,345	-	-	-	470,345	448,751
Loan closing fees	37,066	-	-	-	37,066	-	-	-	37,066	20,572
Investment income	139,525	-	-	-	139,525	-	-	-	139,525	122,595
Unrealized/realized gain (loss) on investments	-	-	-	-	-	(2,402)	-	-	(2,402)	16,631
Other	4,583	-	3,830	-	8,413	-	-	-	8,413	10,817
Net assets released from restrictions - satisfaction of program restrictions	137,630	(137,630)	37,000	(37,000)	-	25,000	(25,000)	-	-	-
Total Public Support and Revenue	1,051,227	12,265	59,152	1,000	1,123,644	432,098	1,000,000	124,700	2,680,442	1,031,790
<b>EXPENSES</b>										
Program	696,478	-	49,404	-	745,882	149,322	-	-	895,204	769,625
Administrative	222,644	-	-	-	222,644	-	-	-	222,644	187,058
Fundraising	65,822	-	-	-	65,822	-	-	-	65,822	45,485
Total Expenses	984,944	-	49,404	-	1,034,348	149,322	-	-	1,183,670	1,002,168
<b>Change in Net Assets</b>	66,283	12,265	9,748	1,000	89,296	282,776	1,000,000	124,700	1,496,772	29,622
<b>Net Assets, Beginning of Year</b>	549,970	7,735	(9,748)	-	547,957	1,311,151	-	1,425,618	3,284,726	3,255,104
<b>NET ASSETS, END OF YEAR</b>	<b>\$616,253</b>	<b>\$20,000</b>	<b>\$ -</b>	<b>\$1,000</b>	<b>\$637,253</b>	<b>\$1,593,927</b>	<b>\$1,000,000</b>	<b>\$1,550,318</b>	<b>\$4,781,498</b>	<b>\$3,284,726</b>

CCLF's 2004 financial statements were audited by Desmond & Ahern, Ltd.  
A copy of that audit is available upon request.

# CCLF Partners

## Platinum Investors

\$3 million+  
Charter One Bank

## Gold Investors

\$1.5 million+  
Washington Mutual

## Corporate Investors

Amalgamated Bank of Chicago  
Builders Bank  
Cole Taylor Bank  
Federal Home Loan Bank  
Fifth Third Bank  
First Midwest Bank  
First Personal Bank  
First Security Trust & Savings Bank  
Household Bank  
JP Morgan Chase/Bank One  
LaSalle Community Development Corporation  
M&I Community Development Corporation  
Marquette Bank  
MB Financial Bank  
The Northern Trust Company  
The Private Bank & Trust Company  
Pullman Bank  
Ron Freund & Associates, Inc.  
US Bancorp Community Development Corporation

## Foundation Investors

Calvert Social Investment Foundation  
Fannie Mae Foundation  
The F.B. Heron Foundation  
Grand Victoria Foundation  
Harris Bank Foundation  
The Mayer & Morris Kaplan Family Foundation  
The John D. and Catherine T. MacArthur Foundation  
Threshold Foundation  
The Walter and Mary Tuohy Foundation  
Wieboldt Foundation

## Religious Investors

Catholic Health Initiatives  
Congregation of the Sisters of Charity of the Incarnate Word  
Episcopal Diocese of Iowa  
Evangelical Lutheran Church in America  
First United Church of Oak Park  
Passionist Fathers  
School Sisters of St. Francis  
Sinsinawa Dominicans  
Sisters of Charity  
Sisters of Charity of Saint Elizabeth  
Sisters of Mercy of the Americas  
Sisters of the Presentation of the Blessed Virgin Mary  
Sisters of St. Agnes  
SSM International Finance  
Wheaton Franciscan Sisters Corporation  
Wisconsin Episcopal Community Investment Fund

## Other Investors

Illinois Housing Development Authority  
National Community Capital Association  
U.S. Dept. of Treasury CDFI Fund

## Individual Investors

*In 2004/05, CCLF managed capital from 38 individual investors.*

*Taken as a whole, their capital represented approximately 4% of all funds under management.*

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Bank of America Foundation  
Bank Leumi USA  
Builders Bank  
Charter One Bank  
The Chicago Community Foundation  
Citigroup CSIP  
Citigroup Foundation  
Fannie Mae Foundation  
First Bank/Illinois

First Midwest Bank  
Lloyd A. Fry Foundation  
Funding Exchange  
Grand Victoria Foundation  
Harris Bank Foundation  
The F.B. Heron Foundation  
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JP Morgan Chase/Bank One Foundation  
The Mayer & Morris Kaplan Foundation  
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