BOLD. TENACIOUS. FLEXIBLE.

CHALLENGING EXPECTATIONS, CHANGING WHAT’S POSSIBLE.

20 YEARS | 1991-2011
For the last 20 years, CCLF has challenged expectations about what is possible in community development. We’ve rolled up our sleeves to serve customers who often don’t fit the traditional mold. We resist giving up on our customers, even when they encounter seemingly insurmountable hurdles.

We invest in some of the most challenged neighborhoods—all with an eye toward creating communities where people thrive.
Dear friends,

You may not be familiar with the great civil rights leader, Fannie Lou Hamer, who died in 1977 after a lifetime of activism. However, her legacy serves as inspiration for the work that we do here at the Chicago Community Loan Fund (CCLF). Hamer was a fearless fighter for human rights, women’s rights and voters’ rights. Her courage led her to boldly challenge the political establishment for the dignity of disenfranchised Americans. She was tenacious in her advocacy for racial equality. Her belief that all people should be treated as first class citizens drove her to employ a variety of tactics to achieve justice. Her philosophy that all movements should have an entire roster of interchangeable leaders, instead of just one, reflected her understanding of the importance of flexibility to overcome difficult challenges.

As Fannie Lou Hamer challenged expectations about what it meant to be a leader, so too does CCLF challenge expectations about what is possible in community development. Since our inception, we have rolled up our sleeves and conducted old-fashioned underwriting to provide loans to community developers that do not fit the traditional mold—whether they are small or new, their loan is too small, their project is too novel or untested, or they need financing at a point in the development process that other lenders consider too risky.

This boldness requires us to be tenacious. We resist giving up on our customers, even when they encounter seemingly insurmountable hurdles. Over and over again, we invest in communities and people that are the most challenged; we find resources for our customers to help them succeed.

CCLF’s unique brand of flexibility is what makes it possible to remain patient and tenacious, to help ensure our bold investments succeed. It enables us to underwrite loans with rigor as well as creativity and empowers us to provide acrobatic (convertible) capital such as predevelopment loans that can morph into construction loans, and even minipermanent loans. This same flexibility enables us to help one group build affordable housing while helping another expand an urban farm.

We thank Fannie Lou Hamer for inspiring us to meet our customers where they are.

We hope that you will enjoy this look back at 20 years of CCLF history. Our 240 loans, totaling more than $63 million, have helped to leverage over $900 million in additional public and private sector financing in 58 communities across our region. Going forward, we are challenging ourselves to not only keep current economic headwinds from pushing back decades of real economic progress in lower wealth communities, but to work with all of our partners to ensure that our communities come back stronger and with an even better quality of life.

Thank you for your partnership in 20 years of helping create communities where people thrive!

John L. Tuohy
Chairman

Calvin L. Holmes
President
CHALLENGING EXPECTATIONS
What makes CCLF unique is our approach to lending: be bold, take calculated risks and then remain tenacious and flexible throughout the life of the loan.
WHERE OTHER LENDERS SEE RISK, CCLF SEES OPPORTUNITY.
CCLF has always been in the business of taking risks. After 20 years of experience, we’re good at it. We don’t succeed every time and we don’t finance every project that comes through the pipeline, but CCLF believes in giving dreams a chance.

CCLF was created in 1991 by a group of community development visionaries who saw the need for a nimble financing entity that would bridge gaps as they arose in Chicago’s regional community development marketplace. In practice, that translates into financing projects that might not fit the traditional mold. Perhaps the customer is too new, the loan amount is too small, the project too novel, or our customer needs financing at a point in the development process that's considered too risky.

After conducting rigorous but creative underwriting, we often choose to approve financing even when some aspects of a project may not yet be fully developed at the time of our commitment. This is especially true for projects with high social impact, and those that incorporate good design and have the potential to attract significant additional investment from other sources. We also give consideration to organizations that are led by intrepid, visionary individuals who possess the energy, tenacity and sound strategic plan to bring their ideas to fruition.

As a community development lender, making bold choices can take several forms: whether it is financing emerging organizations with untested but innovative ideas, or stepping into the breach to provide the first dollars while patiently waiting for additional financing to come on board later. We do all this with an eye on our end goal to create opportunities for people to live and work in healthy neighborhoods.
Financing novel and innovative ideas

Woodlawn Development Associates (WDA), a small, neighborhood-based organization, sought to develop affordable residential buildings guided by the principles of a little-known concept called “co-housing.” Co-housing residents are intentionally committed to living as a community. The architectural design aesthetic includes traditional private living spaces along with shared spaces that encourage social interaction between neighbors, such as common rooms, courtyards or other open spaces. In 1996, CCLF took a chance on WDA’s innovative vision and closed a $75,000 predevelopment loan. This financing helped create a successful mix of 29 owned and rental units that incorporated elements of sustainable design long before it was fashionably mainstream.
Championing untested potential

Geneva Foundation’s founding executive director, Lisa Boone, came to CCLF in 1999 with an innovative plan to develop a therapeutic, transitional living program that helps neglected and abused teen boys develop into mature, caring, independent men with a sense of purpose. Lisa brought to the table a well-developed business plan and impeccable social service credentials, but no formal organizational track record or real estate experience. She had her eye on a particular building in Humboldt Park, but under pressure from the seller, she needed to secure financing quickly. That’s when Geneva Foundation found itself tied up in a giant loop of red tape: as a new agency, they didn’t yet have a facility. Without a facility, they couldn’t get a state license. Without a state license, they couldn’t enter into a contract with DCFS. And without a DCFS contract, they couldn’t secure financing. However, CCLF saw in Lisa an intrepid and visionary individual who was highly qualified to get the job done. So we waived the precertification requirement and closed the loan in record time. September 19, 2000 marked the grand opening of Geneva Foundation’s original facility. Since then, Geneva has been able to expand its services to include a second site, doubling its capacity to serve and support Illinois teens.

Providing the first project dollars

Many lenders don’t provide predevelopment financing because it’s considered too risky, especially for a large project that must secure multiple layers of additional financing. The $110 million Pacesetter/Whistler Crossing development in south suburban Riverdale was just such a project. With more than a dozen layers of financing, only one was committed when Holsten Real Estate Development Corporation approached CCLF in 2005 for $1 million in predevelopment and gap financing. In order to move forward, they needed to quickly acquire 20 properties in the aging Pacesetter subdivision before the prices of those homes rose as news of the eight-year redevelopment plan spread. CCLF took a chance on this much-needed project, considered by some at the time to be the lynchpin in Riverdale’s redevelopment plan to attract more retail, commercial and industrial business to this long-blighted section of the community. Six years later, having won the Richard H. Driehaus Foundation Preservation Award for Rehabilitation, this project has transformed 130 neglected units into quality affordable housing for low-income residents.
WE BRING OPTIMISM, PRAGMATISM AND DEDICATION TO SOME OF THE TOUGHEST, MOST COMPLEX PROJECTS—AND WE’LL GO THE EXTRA MILE TO HELP THEM SUCCEED.
CCLF’s willingness to make bold investments, to challenge expectations—all while keeping loan losses low—requires us to be patient and tenacious. We bring optimism, pragmatism and dedication to some of the toughest, most complex projects. We resist giving up on our customers, even when their hurdles seem insurmountable.

One of the key elements of CCLF’s success is that we support our high-touch lending with technical assistance. With many of our projects, we start by helping customers test their assumptions about the development process; then if needed, provide support throughout the life of the loan. We remain patiently committed to borrowers as they work their way through lengthy approvals and assemble multiple layers of private and public financing. This pragmatic approach often makes the critical difference between whether a project stagnates or moves forward toward lasting success.

We are resolute in our search for resources that help our customers navigate challenges, and to help their projects succeed. CCLF does not use “cookie-cutter” solutions or strategies; rather, we customize strategies depending on the particular needs of each borrower. 
High-touch lending and technical assistance

CCLF typically builds strong rapport with customers during the underwriting and closing processes, especially because we provide encouragement and technical assistance. These personal bonds open the lines of communication when the going gets tough. Such was the case with Arab American Family Services (AAFS), a suburban Bridgeview agency that helps connect Arab American and other immigrants with social services and language resources to ease their adjustment to life in the United States. AAFS grew weary of being bounced among several different rental office spaces and sought financing to acquire their own facility. Initially they approached a traditional bank, but could not get a loan approval. AAFS lost time in applying for the bank loan, and the building was in jeopardy of being sold to another party. Fortunately, they were referred to CCLF. Our loan officers picked up the ball and offered guidance on budgeting and financials during the underwriting process. Despite a high loan-to-value ratio and the borrower’s relative inexperience with real estate, CCLF approved a $380,000 loan because we felt AAFS was strong and worthy. When delayed state funding put AAFS’s budget under pressure, CCLF remained dedicated, crafting an unorthodox repayment schedule to help keep the agency on track.

TENACIOUS

May 2000
Expanded customer base to serve small, for-profit developers

March 2001
Re-launched housing cooperative loan product for small self-managed co-ops

September 2001
Celebrated 10th anniversary at Chicago Cultural Center

December 2001
Published first edition of A Guide to Sustainability; surpassed $8 million in total assets under management

October 2002
Awarded a Wachovia Financial Excellence Award from Opportunity Finance Network

December 2002
Provided first predevelopment loan as part of the CHA’s Plan for Transformation
Patient loan workouts

No lender likes to talk about loan workouts, but the reality is that projects do sometimes falter. Indeed, one of CCLF’s strengths is its willingness to participate in lengthy and sometimes complicated workout scenarios with customers. For example, one of CCLF’s customers borrowed predevelopment funds to build scores of affordable new homes in a challenged Chicago neighborhood. Unfortunately, due to a variety of circumstances, the project’s construction financing fell through. CCLF extended the loan several times and worked with the customer to restructure the loan to make it more economical. In the meantime, CCLF has been working with this borrower for several years to devise alternative development scenarios. Should a feasible one emerge from this process, CCLF hopes to partner with this developer to move this project forward.
OUR WORK REQUIRES PATIENCE, AND WHAT MAKES PATIENCE POSSIBLE IS THE ABILITY TO REMAIN FLEXIBLE.
CCLF’s work requires patience, and what makes it possible is our ability to remain flexible. Like many unregulated nonprofit community development financial institutions (CDFIs), CCLF provides an essential source of patient, compassionate capital. Even compared to other CDFIs, however, CCLF is particularly nimble. We can bend without breaking, adapting to a customer’s needs and changing circumstances.

CCLF’s creative and flexible approach to underwriting is firmly rooted in two decades of real-world experience. Our process is replete with careful due diligence. One key to CCLF’s success is our expertise in assessing the value of nontraditional elements in a loan request. For example, CCLF will often accept alternative forms of collateral as well as give serious consideration to less tangible merits such as high social impact, sustainable/good design and especially the strengths of a customer’s business plan and projected cash flow.

In addition, our capital is acrobatic because we can work with our customers to transform one type of loan into another, even after closing. We can change a short-term loan to a long-term loan, or convert predevelopment financing into a construction loan, and then into a minipermanent mortgage.

By providing loan capital that is rigorously underwritten and supported by technical assistance, CCLF can afford to make bold investments, using creative and flexible criteria to evaluate feasibility. This elastic and patient approach helps borrowers weather development challenges and economic hardships in the short term, and sustain their community assets through the long term.

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<tbody>
<tr>
<td>Secured a $1 million CDFI Fund grant, our largest such award at the time</td>
<td>Closed record-high predevelopment loan: $1 million for Whistler Crossing in Riverdale</td>
<td>Surpassed $17 million total assets under management</td>
<td>Calvin Holmes received leadership/service awards from Woodstock Institute and Genesis Housing Development Corporation</td>
</tr>
</tbody>
</table>

FLEXIBLE
Alternative/nontraditional collateral

In 2009, I-GO Alternative Transportation struggled to secure upfront capital to expand its fleet of cars. As a small, mission-based enterprise in a new industry, I-GO ran into roadblocks because they possessed no traditional collateral and shared the Chicago marketplace with a much larger, nationally-known competitor. CCLF greenlit a $500,000 equipment/working capital loan after evaluating the project based on the merits of its business plan: the promise of federal grant reimbursement, a credit enhancement from the Center for Neighborhood Technology, and the palpable energy, tenacity and qualifications of I-GO's CEO, Sharon Feigon. Particularly compelling to CCLF was I-GO's commitment to placing cars in low-wealth neighborhoods where people need them most, including many of the same communities we serve. Over the past two years, I-GO has enjoyed tremendous growth, expanding its fleet from 10 cars and 250 customers to 500 cars and upwards of 15,000 customers.
Cooperative/nontraditional organizational structures

A few lenders in Chicago provide financing to larger or market-rate housing cooperatives run by professional management companies. However, until CCLF came along, small limited-equity housing cooperatives that sought to acquire and manage their own buildings were basically out of luck. CCLF’s experience has shown that when the group dynamics are cohesive and functional, they lend extraordinary strength and stability to these organizations. Over the years, CCLF has developed particular expertise in working with these borrowers. We understand the merits of their nontraditional organizational structure, patiently answer their questions, and help them implement best management practices. As a result, these small housing cooperatives remain one of the most stable and high-performing segments of CCLF’s portfolio. More importantly, CCLF co-op residents have a well-earned reputation for being good neighbors. Perhaps the real promise of such limited-equity cooperatives, however, is that they represent a viable, long-term solution to affordable housing without subsidy.

Acrobatic loan products

In 2003, Five Points Economic Development Corporation was a very small organization motivated to rejuvenate suburban North Chicago’s downtown area. CCLF’s $409,400 loan started out as predevelopment financing, morphed into a junior construction loan, and finally converted into a minipermanent mortgage. This creative adaptability helped bring Grant Place, a mixed-use office/retail complex, into existence. Grant Place attracted a new North Chicago Community Bank branch and spurred façade restorations along the rest of the tiny retail corridor. In addition, Five Points Economic Development Corporation successfully repaid its loan.
CHANGING WHAT’S POSSIBLE

By supporting many of our borrowers’ projects when no one else would, and facilitating opportunities and possibilities that did not exist before, CCLF has helped to change the landscape of neighborhoods and communities across the Chicago region.

Over the last 20 years, CCLF’s financing has helped create or preserve upwards of 6,400 affordable or mixed-income housing units, more than 1,300 jobs and more than 2.1 million square feet of office, nonprofit facility and retail space.
PORTFOLIO

PORTFOLIO BY LOAN PRODUCT*
12/31/10

CONSTRUCTION LOANS - NONPROFIT
Chicago Metropolitan Housing Development Corporation
Mixed-income rental properties
Loan amount: $250,000
Location: Washington Heights, Ashburn, Chicago Lawn and Albany Park

Mount Vernon Missionary Baptist Church
Community center
Loan amount: $50,000
Location: North Lawndale

EQUIPMENT/WORKING CAPITAL LOANS
Neighborscapes NFP
Summer youth employment program
Loan amount: $128,000
Location: South Suburban Cook County

Resource Center
Citywide recycling program
Loan amount: $30,000
Location: Riverdale

Salsedo Press, Inc.
Print shop equipment
Loan amount: $184,198
Location: East Garfield Park and Humboldt Park

Keeler-Roosevelt Road, LP
Letter of credit
Loan amount: $30,000
Location: North Lawndale

HOUSING COOPERATIVE LOANS
Freedom Road Cooperative
Cooperative housing
Loan amount: $619,468
Location: Uptown

Good News Partners
(The Bosworth)
Cooperative housing
Loan amount: $354,000
Location: Rogers Park

Good News Partners
(The Phoenix) 1
Cooperative housing
Loan amount: $350,000
Location: Rogers Park

Good News Partners
(The Phoenix) 2
Cooperative housing
Loan amount: $176,000
Location: Rogers Park

Hesed House Cooperative
Cooperative housing
Loan amount: $250,000
Location: Little Village

HUB Housing Cooperative
Cooperative housing
Loan amount: $615,000
Location: Little Village

Logan Square Cooperative
Cooperative housing
Loan amount: $512,000
Location: Logan Square

NASCO Properties, Inc.
Student cooperative housing
Loan amount: $1,022,495
Location: Hyde Park

Racine Courts Cooperative
Cooperative housing
Loan amount: $400,000
Location: Morgan Park

*Social Enterprise financing is included in Predevelopment, Construction, and Minipermanent Mortgage

LENDING ACTIVITY
2000-2010

$10 million
$7.5 million
$5 million
$2.5 million
$0

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010

Enterprise
Facilities
Housing

PREDEVELOPMENT
$5,381,356
28.6%

CONSTRUCTION
$689,593
3.7%

HOUSING COOPERATIVES
$3,318,846
17.8%

MINIPERMANENT MORTGAGE
$5,927,440
31.5%

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)
$3,489,684
18.6%

PREDEVELOPMENT
3.7%

CONSTRUCTION
3.7%

HOUSING COOPERATIVES
17.8%

MINIPERMANENT MORTGAGE
31.5%

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)
18.6%

LENDING ACTIVITY
2000-2010

$10 million
$7.5 million
$5 million
$2.5 million
$0

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010

Enterprise
Facilities
Housing
Spaulding Collective Partnership  
Cooperative housing  
Loan amount: $185,000  
Location: Logan Square

Stone Soup Cooperative 1  
Cooperative housing  
Loan amount: $355,000  
Location: Uptown

Stone Soup Cooperative 2  
Cooperative housing  
Loan amount: $165,000  
Location: McKinley Park

MINIPERMANENT MORTGAGE LOANS

Geneva Foundation  
Therapeutic home for teen boys  
Loan amount: $410,000  
Location: West Humboldt Park

Growing Home, Inc.  
Facility space at a year-round urban farm  
Loan amount: $250,000  
Location: Englewood

Mustard Seed of Chicago, Inc.  
Social service program facility  
Loan amount: $349,500  
Location: Near North Side

The Resurrection Project  
Affordable rental housing  
Loan amount: $54,086  
Location: Pilsen

Rimland Services 1  
Housing for adults with disabilities  
Loan amount: $252,938  
Location: Evanston, IL

Rimland Services 2  
Housing for adults with disabilities  
Loan amount: $125,400  
Location: Maywood, IL

Rimland Services 3  
Housing for adults with disabilities  
Loan amount: $180,000  
Location: Evanston, IL

Rimland Services 4  
Housing for adults with disabilities  
Loan amount: $117,000  
Location: North Cook County

Southside Preservation Portfolio, LLC  
Affordable rental housing  
Loan amount: $1,000,000  
Location: Auburn Gresham, Chatham, Roseland and South Shore

Tri-Fund Development  
Participation loan for increased nonprofit ownership of shopping center  
Loan amount: $600,000  
Location: North Kenwood

Latin United Community Housing Association (LUCHA)  
Preservation of affordable rental housing  
Loan amount: $225,000  
Location: West Town

New Pisgah Missionary Baptist Church  
Affordable senior housing  
Loan amount: $100,000  
Location: Auburn Gresham

People’s Community Development Association of Chicago  
Affordable for-sale homes  
Loan amount: $250,000  
Location: East Garfield Park

Voice of the People in Uptown, Inc.  
Preservation of affordable rental housing  
Loan amount: $250,000  
Location: Uptown

Wisdom Bridge Arts Project  
Community arts center and housing  
Loan amount: $429,000  
Location: Rogers Park

PREDEVELOPMENT AND CONSTRUCTION LOANS – CHA TRANSFORMATION

Arches Retail Development LLC  
Commercial office and medical center  
Loan amount: $400,000  
Location: Oakland

Granite Partners for Oakwood Boulevard Phase 2, LLC  
Affordable senior rental housing  
Loan amount: $500,000  
Predevelopment loan for CHA  
Location: North Kenwood/Oakland

Oakwood Shores Senior Apartments LP  
Affordable senior rental housing  
Loan amount: $500,000  
Location: North Kenwood/Oakland
Oakwood Shores Terrace Associates LP  
**Affordable rental housing**  
Loan amount: $200,000  
Location: Oakland

Parkside Nine Phase II, L.P. (Holsten Real Estate Development Corp.)  
**Mixed-income rental housing**  
Loan amount: $250,000  
Location: Near North

Quad Communities Arts & Recreation Center, LLC  
**Community arts center**  
Loan amount: $500,000  
Location: North Kenwood/Oakland

**PREDEVELOPMENT – FOR-PROFIT**

300 East 51st Street LLC (Urban Juncture)  
**Commercial development project**  
Loan amount: $400,000  
Location: Bronzeville

Alliance Property Group of Illinois II, LLC  
**Mixed-use and affordable senior housing**  
Loan amount: $875,000  
Location: North Kenwood/Oakland

Bronzeville Emporium LLC  
**Mixed-use commercial rehabilitation**  
Loan amount: $450,000  
Location: Bronzeville/Grand Boulevard

King Legacy LLC  
**Affordable rental housing**  
Loan amount: $85,000  
Location: North Lawndale

Preservation of Affordable Housing  
**Affordable rental housing**  
Loan amount: $750,000  
Location: Woodlawn

Sixteen Hundred Investment Group  
**Affordable senior housing**  
Loan amount: $50,000  
Location: Roseland

**CONSTRUCTION LOAN – FOR-PROFIT**

Englewood Housing Group II, LP  
**Affordable rental housing**  
Loan amount: $375,000  
Location: Englewood

Keeler-Roosevelt Road LP  
**Affordable mixed-use**  
Loan amount: $500,000  
Location: North Lawndale

Lawndale Douglas LLC  
**Rental housing rehabilitation as part of the Lawndale Restoration program**  
Loan amount: $300,000  
Location: North Lawndale

Murray Development One, LLC (Logan Square Kitchen)  
**Kitchen incubator and event space**  
Loan amount: $250,000  
Location: Logan Square

**CITY OF CHICAGO NEIGHBORHOOD STABILIZATION PROGRAM (NSP)**

Anchor Group LTD of Illinois  
**Rehabilitation of three properties**  
Loan amount: $233,000, $264,000 and $357,000  
Location: Humboldt Park

Avalon Investment Solutions Company  
**Rehabilitation of one property**  
Loan amount: $290,000  
Location: Austin

BreakingGround, Inc.  
**Rehabilitation of five properties**  
Loan amount: $249,000, $254,000, $100,000, $235,000 and $286,600  
Location: North Lawndale

Chicago Neighborhood Initiatives, Inc.  
**Rehabilitation of three properties**  
Loan amount: $357,500, $246,500 and $246,000  
Location: Pullman

Community Male Empowerment Project  
**Rehabilitation of three properties**  
Loan amount: $240,000, $222,500 and $305,000  
Location: East Garfield Park

Genesis Housing Development Corporation  
**Rehabilitation of two properties**  
Loan amount: $356,000 and $239,000  
Location: South Shore

Karry L. Young Development LLC  
**Rehabilitation of five properties**  
Loan amount: $875,000 and $146,000  
Location: West Englewood

KMA Holdings III LLC  
**Rehabilitation of two properties**  
Loan amount: $294,000 and $415,000  
Location: Austin

Latin United Community Housing Association  
**Rehabilitation of two properties**  
Loan amount: $233,500 and $254,200  
Location: Humboldt Park

New Homes By New Pisgah, NFP  
**Rehabilitation of two properties**  
Loan amount: $268,000, $252,500 and $138,000  
Location: Auburn Gresham

Revere Properties Development LLC  
**Rehabilitation of two properties**  
Loan amount: $146,500 and $227,000  
Location: South Shore and Greater Grand Crossing
CCLF expanded in a year in which many institutions retrenched, which allowed us to meet more of the needs of the low- to moderate-income communities we serve. Loan pool capital grew 6%, from $17.8 million to $18.9 million. Short-term debt decreased by 51%, and alternately long-term debt increased by 37%. This contributed to a current ratio of 5.32, up from 2.24 in 2009.

This added capital and our lending focus on rehabilitating foreclosed units through the City of Chicago Neighborhood Stabilization Program (NSP) resulted in more loans to developers in hard-hit areas. An increase of 19% in gross loans outstanding was achieved in 2010 over 2009, with a like increase in interest earned, adding to CCLF’s self sufficiency. The record-breaking 36 loans closed was an increase of 100% over 2009. Still, due to the prevailing economic landscape, CCLF increased its Reserve for Loan Loss from 9.5% of outstanding loans to 13.2%. The concentration of NSP lending increased the short term Notes Receivable by 183% ($7.5 million in 2010 from $2.7 million in 2009) while reducing long term by only 25%. This also contributed to the gain in the current ratio.

Desmond & Ahern, Ltd., Certified Public Accountants, audited the financial statements for the fiscal year ended December 31, 2010 in accordance with generally accepted accounting principles and expressed an unqualified opinion. The audit was approved by the CCLF Board of Directors and is available upon request (email invest@cclfchicago.org).
# Statement of Financial Position

*As of December 31, 2010 (with comparative totals for 2009)*

## Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Operating</th>
<th>Lending Capital</th>
<th>2010 Total All Funds</th>
<th>2009 Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,871,434</td>
<td>619,092</td>
<td>2,490,526</td>
<td>2,802,111</td>
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<tr>
<td>Investments</td>
<td>0</td>
<td>8,458,395</td>
<td>8,458,395</td>
<td>8,652,508</td>
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<tr>
<td>Notes receivables (net)</td>
<td>0</td>
<td>7,510,494</td>
<td>7,510,494</td>
<td>2,656,237</td>
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<tr>
<td>Grants and contributions, interest and others receivable</td>
<td>192,044</td>
<td>106,638</td>
<td>298,682</td>
<td>178,014</td>
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<tr>
<td>Property held for sale</td>
<td></td>
<td>90,001</td>
<td>90,001</td>
<td>120,001</td>
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<tr>
<td>Prepaids, deposits and other assets</td>
<td>15,967</td>
<td>0</td>
<td>15,967</td>
<td>20,212</td>
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<tr>
<td>Interfund transactions</td>
<td>777,729</td>
<td>(777,729)</td>
<td>0</td>
<td>0</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>2,857,174</td>
<td>16,006,891</td>
<td>18,864,065</td>
<td>14,429,083</td>
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</tbody>
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| **Long-Term Assets**                                                     |           |                 |                      |                      |
| Notes receivable (net)                                                  | 0         | 8,813,267       | 8,813,267            | 11,673,975           |
| Fixed assets and other assets                                           | 45,806    | 0               | 45,806               | 86,770               |
| **Total long-term assets**                                              | 45,806    | 8,813,267       | 8,859,073            | 11,760,745           |
| **Total Assets**                                                        | 2,902,980 | 24,820,158      | 27,723,138           | 26,189,828           |

## Liabilities

<table>
<thead>
<tr>
<th>Category</th>
<th>Operating</th>
<th>Lending Capital</th>
<th>2010 Total All Funds</th>
<th>2009 Total All Funds</th>
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<tr>
<td><strong>Current Liabilities</strong></td>
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<tr>
<td>Accounts payable and accruals</td>
<td>167,199</td>
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<td>167,199</td>
<td>197,504</td>
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<tr>
<td>Notes and loans payable</td>
<td>0</td>
<td>3,375,383</td>
<td>3,375,383</td>
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<tr>
<td><strong>Total current liabilities</strong></td>
<td>167,199</td>
<td>3,375,383</td>
<td>3,542,582</td>
<td>6,442,640</td>
</tr>
<tr>
<td>Long-term notes and loans payable</td>
<td>0</td>
<td>15,871,463</td>
<td>15,871,463</td>
<td>11,555,300</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>167,199</td>
<td>19,246,846</td>
<td>19,414,045</td>
<td>17,997,940</td>
</tr>
</tbody>
</table>

## Net Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Operating</th>
<th>Lending Capital</th>
<th>2010 Total All Funds</th>
<th>2009 Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>2,518,626</td>
<td>3,784,769</td>
<td>6,303,395</td>
<td>6,273,384</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>217,155</td>
<td>38,225</td>
<td>255,380</td>
<td>193,186</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>0</td>
<td>1,750,318</td>
<td>1,750,318</td>
<td>1,725,318</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>2,735,781</td>
<td>5,573,312</td>
<td>8,309,093</td>
<td>8,191,888</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>2,902,980</td>
<td>24,820,158</td>
<td>27,723,138</td>
<td>26,189,828</td>
</tr>
</tbody>
</table>

Notes:
1. Loan loss reserve allowance was $2,486,857 and $1,506,450 in 2010 and 2009, respectively.
2. Statement of financial position is condensed for presentation purposes only.
3. Financial statements were audited by Desmond & Ahern Ltd.
## STATEMENT OF ACTIVITIES

*For the Year Ended December 31, 2010 (with comparative totals for 2009)*

### OPERATING

<table>
<thead>
<tr>
<th></th>
<th>Lending Operations</th>
<th>Technical Assistance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Temporarily Restricted</td>
<td>Unrestricted</td>
</tr>
<tr>
<td><strong>Grants and Contributions</strong></td>
<td>336,558</td>
<td>236,250</td>
<td>34,259</td>
</tr>
<tr>
<td></td>
<td>627,067</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td><strong>Contracted services and workshop</strong></td>
<td>0</td>
<td>17,000</td>
<td>3,895</td>
</tr>
<tr>
<td><strong>Donated Services</strong></td>
<td>83,539</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Notes Receivable interest income</strong></td>
<td>989,502</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Loan Closing Fees</strong></td>
<td>307,004</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Investment Income</strong></td>
<td>358,855</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Unrealized/realized gain (loss) on investments</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Loss on disposal of fixed assets</strong></td>
<td>(37,632)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>0</td>
<td>0</td>
<td>2,908</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions – satisfaction of program restrictions</strong></td>
<td>209,071</td>
<td>(200,784)</td>
<td>3,352</td>
</tr>
<tr>
<td><strong>Total Public Support and Revenue</strong></td>
<td>2,246,897</td>
<td>52,466</td>
<td>44,414</td>
</tr>
</tbody>
</table>

### LENDING CAPITAL

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2010 Total</th>
<th>2009 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants and Contributions</strong></td>
<td>236,250</td>
<td>34,259</td>
<td>20,000</td>
<td>1,402,067</td>
<td>1,014,788</td>
</tr>
<tr>
<td><strong>Contracted services and workshop</strong></td>
<td>17,000</td>
<td>3,895</td>
<td>0</td>
<td>2,985</td>
<td></td>
</tr>
<tr>
<td><strong>Donated Services</strong></td>
<td>83,539</td>
<td>0</td>
<td>0</td>
<td>300,093</td>
<td></td>
</tr>
<tr>
<td><strong>Notes Receivable interest income</strong></td>
<td>989,502</td>
<td>0</td>
<td>0</td>
<td>831,315</td>
<td></td>
</tr>
<tr>
<td><strong>Loan Closing Fees</strong></td>
<td>307,004</td>
<td>0</td>
<td>0</td>
<td>52,222</td>
<td></td>
</tr>
<tr>
<td><strong>Investment Income</strong></td>
<td>358,855</td>
<td>0</td>
<td>0</td>
<td>394,583</td>
<td></td>
</tr>
<tr>
<td><strong>Unrealized/realized gain (loss) on investments</strong></td>
<td>0</td>
<td>0</td>
<td>(61,480)</td>
<td>0</td>
<td>(101,904)</td>
</tr>
<tr>
<td><strong>Loss on disposal of fixed assets</strong></td>
<td>(37,632)</td>
<td>0</td>
<td>0</td>
<td>(37,632)</td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>0</td>
<td>0</td>
<td>2,908</td>
<td>0</td>
<td>2,908</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions – satisfaction of program restrictions</strong></td>
<td>209,071</td>
<td>(200,784)</td>
<td>3,352</td>
<td>(3,352)</td>
<td>8,287</td>
</tr>
<tr>
<td><strong>Total Public Support and Revenue</strong></td>
<td>2,246,897</td>
<td>52,466</td>
<td>44,414</td>
<td>16,648</td>
<td>2,360,425</td>
</tr>
</tbody>
</table>

### EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2010 Total</th>
<th>2009 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program</strong></td>
<td>1,147,141</td>
<td>1,058,555</td>
</tr>
<tr>
<td><strong>Administrative</strong></td>
<td>462,983</td>
<td>462,983</td>
</tr>
<tr>
<td><strong>Fundraising</strong></td>
<td>75,749</td>
<td>75,749</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,685,873</td>
<td>1,058,555</td>
</tr>
</tbody>
</table>

### Change in Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2010 Total</th>
<th>2009 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td>2,174,578</td>
<td>4,156,171</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>2,735,602</td>
<td>3,784,769</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2010 Total</th>
<th>2009 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td>2,174,578</td>
<td>8,191,888</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>2,735,602</td>
<td>8,309,093</td>
</tr>
</tbody>
</table>

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PARTNERS 2010/2011

PLATINUM INVESTORS
$3 MILLION +

Bank of America

GOLD INVESTORS
$2 MILLION +

Charter One
BMO Harris Bank
PNC Bank

SILVER INVESTORS
$1 MILLION +

The John D. and Catherine T. MacArthur Foundation
The Northern Trust Company
JPMorgan Chase & Co

CORPORATE INVESTORS

Amalgamated Bank of Chicago
Cole Taylor Bank
Federal Home Loan Bank of Chicago
First Personal Bank
First Midwest Bank
First Savings Bank of Hegewisch
First Security Trust & Savings Bank
HSBC - North America
Lake Forest Bank & Trust
Marquette Bank
Northbrook Bank & Trust
The PrivateBank
Ron Freund & Associates, Inc.
Seaway Bank & Trust Company
US Bancorp Community Development Corp.

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Calvert Social Investment Foundation
The Mayer & Morris Kaplan Family Foundation
Orange County Community Foundation/Knapp Van Ness Legacy Foundation Fund
Wieboldt Foundation
Threshold Foundation
Communities at Work Fund

RELIGIOUS INVESTORS

Adrian Dominican Sisters
Basilian Fathers of Toronto
Catholic Health Initiatives
Congregation of the Passion
Congregation of the Sisters of Charity of the Incarnate Word
Congregation of Sisters of St. Agnes
Domestic & Foreign Missionary Society of the Protestant Episcopal Church
Episcopal Dioceses of Iowa
Evangelical Lutheran Church in America
First United Church of Oak Park
Our Lady of Victory Missionary Sisters
Passionist Fathers
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School Sisters of St. Francis
Sinsinawa Dominicans Inc.
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Sisters of the Presentation of the Blessed Virgin Mary
Sisters of St. Benedict
Sisters of St. Dominic
SSM International Finance, Inc.
Trinity Health
Wheaton Franciscan Sisters Corp.

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Opportunity Finance Network
U.S. Department of the Treasury
CDFI Fund

INDIVIDUAL INVESTORS

At the end of 2010, CCLF managed capital from 29 individual investors. Taken as a whole, their capital represented approximately 2.0% of funds in the lending pool.

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Bank Leumi USA
Charter One Foundation
Chicago Community Trust
Citi Foundation
ComEd
First Midwest Bank
HSBC – North America
JPMorgan Chase Foundation
Marquette Bank
MB Financial Bank
MetLife Foundation
PNC Foundation
Polk Bros. Foundation
Searle Funds at The Chicago Community Trust
ShoreBank
Taproot Foundation
The John D. and Catherine T. MacArthur Foundation
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The PrivateBank
The Richard H. Driehaus Foundation
US Bancorp Foundation

20TH ANNIVERSARY SPONSORS

Visionaries ($25,000)
Chase
Citibank
Innovators ($15,000)
BMO Harris Bank
Northern Trust
Leaders ($10,000)
US Bank
Advocates ($5,000)
Bank of America
ComEd
PNC Bank

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Kate McInerney
Lending Program Assistant

Lincoln Stannard
Program Assistant

Anuraag Bhadana
Finance and Administration Assistant

Kallie Rollenhagan
Program Assistant

WRITER
Cat Dean

EDITORIAL
Cat Dean
Calvin Holmes
Kate McInerney

DESIGN/CONSULTANT
Wedgeworth Business Communications

PRINTER
Cushing

PHOTOGRAPHY
Steve Becker, SB Media Inc.
Kay Berkson
Mark Gilson
Tony V. Martin, TVM Photography
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Mark Tomaras Photography

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