# Board of Directors

**Officers:**
- Marie Mascherin
- Dudley Benoit
- Patrick Kelly
- Randolph Hanks

**Directors:**
- Susan Bredehoft
- Vicki Cervino-Henn
- Patricia Holland
- Carol Kasabach

**Directors:**
- Steven Leder
- Carl Malmstrom
- Daniel Santopietro
- Donna Scarano

# Staff Members

**Financial Products & Services**
- Robert C. Graham, Vice President, Financial Products & Services
- Brian M. Keenan, Vice President, Financial Products & Services
- Milton L. Keenan, Vice President, Financial Products & Services
- William V. Radlinsky, Vice President, Portfolio Management & Compliance

**Community Consulting Group**
- Amanda Blagman, Managing Director
- Nan Frankel, Director, Technical Assistance
- Jennifer M. Bredehoft, Research Analyst

**Fiscal & Risk Management**
- Candace A. Faunce, Chief Financial Officer
- Jacqueline M. Baranowski, Financial Officer
- Doris E. Harris, Associate, Investor Relations
- Juanita Y. Marshall, Associate, Financial Reporting & Analysis
- Jane Shoemaker, Executive Coordinator

**Princeton University**
- **Community Based Learning Initiative Interns**
  - Ryan Davies
  - Felix Huang
  - Timothy Ruse

**Wachovia/DCA Housing Scholar & HUD Scholar**
- Laura Wollin-Wood
The mission statement of New Jersey Community Capital provides us with a lens by which to view the activities of 2004.

The past year produced some exhilarating highlights, best demonstrated by the impact our work had on individuals. Affordable housing development encouraged community improvements, promoted independent living and enhanced wealth creation for New Jersey’s residents. Improved management and sustainability of early care and education programs and development of high-quality educational experiences provided some of the state’s most at-risk youngsters with prospects for success. Quality employment opportunities made living wages and job training available in some of New Jersey’s underserved communities.

The generosity of New Jersey Community Capital’s stakeholders produced financing and consulting services that had a direct impact on individuals. New Jersey Community Capital provided not only a financial return on investments made in this organization, but a social return as well. The importance of socially responsible investing is clearly displayed on the following pages. We are proud to demonstrate the multitude of ways in which your contributions have been leveraged.

Thank you for your ongoing support and your commitment to New Jersey’s communities. We look forward to continuing these valuable partnerships.

To Our Partners

Facilitating the flow of money and knowledge in order to create wealth and well-being in communities.

New Jersey Community Capital’s Mission Statement

Marie C. Mascherin
Chair

David M. Scheck
Executive Director
HOMECorp, Montclair

Homes Of Montclair Ecumenical Corporation ("HOMECorp") was formed in 1988 by concerned residents and religious institutions in Montclair to address the lack of affordable housing within the municipality and provide the area with affordable, clean, safe, decent housing and a sense of community and neighborhood. Since its inception, HOMECorp has successfully restored and renovated over 60 homes and apartments. The revitalization of these homes made the difference in the community by helping to prevent further deterioration of its housing stock by attracting new residents with a commitment to improving their block and community. All of the properties HOMECorp has developed have not only provided the area with much needed affordable housing, but have returned the properties to prominence. During Fiscal 2004, New Jersey Community Capital was able to provide financing for the acquisition of three Montclair apartment buildings that maintain affordable rental rates.
“There have been a lot of changes for the better in this community the past few years. I’ve lived in this apartment since 1981, and without HOMECorp’s affordable housing, I wouldn’t be able to stay in Montclair.”

--Mary Wheeler,
A long-time tenant of a rental property recently acquired by HOMECorp.
Greater Brunswick Charter School (“GBCS”), established in 1997, is an innovative school that is part of a national and statewide educational reform movement. The school serves all of Middlesex County, and seventy percent of its student body resides in the City of New Brunswick, a predominantly low-income community. GBCS moved four times during its first five years of operation, and was determined to find a permanent, high-quality facility to house its students. GBCS sought funds from New Jersey Community Capital to purchase and renovate a former warehouse to serve its current 150 students, and expand the number of students served to 306 over the next several years. New Jersey Community Capital was able to partner with the Community Reinvestment Fund to help GBCS, and, through the Community Reinvestment Fund’s New Markets Tax Credit program, was able to provide GBCS with the necessary financing at a payment rate that made purchasing and renovating the building affordable. GBCS was able to move into its permanent home during the 2004-2005 school year.

“It is no exaggeration to say that the Greater Brunswick Charter School exists today because of the support—both tangible and intangible—provided by New Jersey Community Capital. They recognized the value of Greater Brunswick and provided not only financing, but encouragement, enthusiasm, and expertise to enable us to purchase our facility and continue to serve our students.”

--Rick Pressler
GBCS Executive Director
TruStone America is a manufacturer of a lumber-alternative masonry building material, and has recently completed construction of a factory in the City of Vineland with financing provided by a consortium of lenders including New Jersey Community Capital, New Jersey Economic Development Agency, Cumberland Empowerment Zone and the Vineland/Millville Enterprise Zone Development Authority. Vineland is located in Cumberland County, which currently has one of the highest county unemployment rates in New Jersey. Once a city whose commercial activity centered on agriculture, textiles and glass manufacturing, Vineland has suffered a decline in manufacturing jobs as plants and factories move to less expensive locations.

TruStone’s 43,000 square foot facility will directly create 35 new living wage jobs within the factory for area residents, and has indirectly created a number of other outside jobs, including jobs that support the manufacturing process, such as excavation and transportation of raw materials to the factory, and transportation of the finished product to retailers.

“Before working for TruStone, I worked a lot of different jobs through a temp agency. Now, I’m not only getting great pay and benefits at a stable job, but I’m learning new skills and working towards being a supervisor someday.”

--Barry Surrency, Sr., Cumberland TruStone employee
Jane Addams Day Care Center, Inc. (“JADCC”) has provided quality early care services to predominantly low-income children since 1976. JADCC, one of the few providers available to area residents, serves 140 children ranging from infants to school-age at its two Toms River locations. During Fiscal 2004, New Jersey Community Capital provided financing to JADCC to purchase its North Bay Avenue site, which serves over 80 children. JADCC, a graduate of New Jersey Community Capital’s Building Stronger Centers training and technical assistance program, continues to receive comprehensive technical assistance from New Jersey Community Capital’s Community Consulting Group in conjunction with the financing. The technical assistance services provided by the Community Consulting Group are designed to enhance the center’s operational capacity and sustainability by helping to improve such areas as strategic planning, marketing and facilities development.
“Working with New Jersey Community Capital has given me a new perspective on how to run this business and keep Jane Addams Day Care Center alive. New Jersey Community Capital’s knowledgeable staff offers reliable support, and the technical assistance we receive is moving the center in a positive direction.”

--Carmen LoVerde, Director, JADCC
FISCAL & RISK MANAGEMENT

- Increased amount of capital under management to $54 million:
  
  Community Loan Fund $ 31.4 million
  Managed Assets $ 2.9 million
  Lending Partners $ 4.6 million
  Equity Partners $ 15.0 million

- Secured a $1 million Financial Assistance Award from the CDFI Fund to create and preserve housing in low- and moderate-income communities.

- Acquired University Ventures, Inc., an SBA-licensed specialized small business investment company specifically targeting the needs of entrepreneurs who have been denied the opportunity to own and operate a business because of social or economic disadvantage.

FINANCIAL PRODUCTS & SERVICES

- Committed 46 loans totaling $18.5 million, resulting in the creation or preservation of 665 units of affordable housing, 190 early care slots, 670 education slots, 70 jobs and 270,000 square feet of community facilities and commercial real estate.

- Committed its first New Markets Tax Credit financing utilizing $3.5 million of its allocation that will ultimately benefit North Star Academy Charter School of Newark, one of New Jersey’s oldest and most successful charter schools.

- Committed nine loans totaling approximately $2.6 million in the community services and housing sectors with funds from its Lending Partners affiliate.

COMMUNITY CONSULTING GROUP

Technical Assistance

- Worked diligently with 9 borrowers and 82 clients via contractual relationships to strengthen their business plans, refine real estate strategies and ensure the viability of their community development activities.

- Commenced 4th year of Newark Lighthouse Initiative– a multi-year project designed to transform three early care and education programs located in the City of Newark into models of excellence.

Research & Development

- Identified quality indicators to measure the impact of New Jersey Community Capital's financing activities to enable the development of appropriate products and services for the organization's constituent communities.

- Launched its new website, www.newjerseycommunitycapital.org, which provides information about the organization’s history and products and services, in order to continue raising and maintaining awareness of its new brand.
### Business

- **Commercial Real Estate**
  - Cumberland TruStone, LP
  - Economic Development Corporation for Trenton, Inc.

- **Economic Development**
  - A&J Sheaker
  - Sonny’s Southern Cuisine
  - University Ventures, Inc.

- **Social Enterprise**
  - Community Enterprise Corporation
  - Invention Factory Science Center
  - University Ventures, Inc.

### Community Services

- **Child Care**
  - Jane Addams Day Care Center, Inc.
  - Keystone Enterprises, LLC
  - The Yolca Corporation

- **Cultural & Arts**
  - Greater Trenton Symphony Orchestra

- **Education**
  - Jersey City Community Charter School
  - North Star QALICB, LLC

- **Facilities**
  - Don Pedro Housing Corporation
  - El Centro Comunal Boricano Day Care, Inc.
  - Junta de Acción Puertorriqueña, Inc.
  - Keystone Enterprises, LLC
  - Lincoln Park/Coast Cultural District, Inc.

### Housing

- **Home Ownership**
  - Dekbon Housing Development Corp.
  - Episcopal Community Development Corp.
  - Fairview Village Urban Renewal Associates
  - Housing and Neighborhood Development Services, Inc.

- **Rental**
  - Homes of Montclair Ecumenical Corp.
  - Community Outreach Team
  - NORWESCAP, Inc.
  - Unified Vailsburg Services Organization
  - Whitlock Mills, LP

- **Transitional**
  - Apostles’ House

### Totals by County:

<table>
<thead>
<tr>
<th>County</th>
<th>Amount</th>
<th>County</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>$267,000</td>
<td>Mercer</td>
<td>$1,012,050</td>
</tr>
<tr>
<td>Camden</td>
<td>$1,350,000</td>
<td>Middlesex</td>
<td>$1,408,412</td>
</tr>
<tr>
<td>Cumberland</td>
<td>$800,000</td>
<td>Monmouth</td>
<td>$100,000</td>
</tr>
<tr>
<td>Essex</td>
<td>$10,359,300</td>
<td>Morris</td>
<td>$270,000</td>
</tr>
<tr>
<td>Hudson</td>
<td>$1,200,000</td>
<td>Ocean</td>
<td>$800,000</td>
</tr>
<tr>
<td>Hunterdon</td>
<td>$82,000</td>
<td>Union</td>
<td>$775,000</td>
</tr>
</tbody>
</table>
Grantors

PROJECT SUPPORT

Building Stronger Centers
The F.B. Heron Foundation

Newark Lighthouse Initiative
Barnes & Noble
Geraldine R. Dodge Foundation
Lucent Technologies
Prudential Financial
Sagner Family Foundation
The Schumann Fund for New Jersey

OPERATING SUPPORT

Individuals
Dudley Benoit
Susan U. & Joseph M. Bredehoft
Randolph Hanks
Carol & Haig Kasabach
Marie C. Mascherin & Ernie Ceno, Jr.
Patricia B. Masi
Lori A. Perkins
Donna Scarano
David M. Scheck

Financial Institutions
Amboy National Bank
Atlantic Stewardship Bank
Bank of America
Cenlar Federal Savings Bank
Chase Manhattan Bank
Citigroup Foundation
City National Bank
Clifton Savings Bank
Greater Community Bank
Hilltop Community Bank
JPMorgan Chase Foundation
Lakeland Bank
MetLife Foundation
Peapack Gladstone Bank
PNC Bank Foundation
Rahway Savings Institution
Roselle Savings Bank
Somerset Savings Bank
Sovereign Bank
Susquehanna Patriot Bank
The Valley Foundation
United Roosevelt Savings Bank
United Trust Bank
Washington Mutual Bank
Yardville National Bank

Foundations
Geraldine R. Dodge Foundation
Mary Owen Borden Memorial Foundation
The F.B. Heron Foundation
The Fund for New Jersey

National Intermediary
National Community Capital Association

Corporations
McMaster-Carr Supply Company
New Jersey Association of Realtors
Housing Opportunity Foundation, Inc.

Government Entities
New Jersey Department of Community Affairs-Wachovia/DCA Housing Scholars
Graduate Program
**Investors**

**Community Based Organizations**
Interfaith Neighbors, Inc.
NewBridge Services, Inc.

**Financial Institutions**
Amboy National Bank
Atlantic Stewardship Bank
Bank of America
Bergen Commercial Bank
Cenlar Federal Savings Bank
City National Bank of New Jersey
Clifton Savings Bank
Commerce Bank, N.A.
Commerce Bank North
Community Bank of Bergen County
First Constitution Bank
First Fidelity Urban Investment Corporation
First Savings Bank
First Washington State Bank
Greater Community Bank
Hudson City Savings Bank
Hudson United Bank
JPMorgan Chase
Lakeland Bank
MBNA America Bank
Merrill Lynch Community Development Company, L.L.C.
MetLife Bank, National Association
New York Community Bank
NJM Bank
NorCrown Bank
PNC Bank, N.A.
Rahway Savings Institution
Roselle Savings Bank
Schuyler Savings Bank
SI Bank & Trust
Somerset Savings Bank
Sovereign Bank
Sterling Bank
Sun National Bank
Susquehanna Patriot Bank
TD Waterhouse Bank
The Bank
U.S. Trust Company of New York
United Roosevelt Savings Bank
Unity Bank
Valley National Bank
Wachovia Regional Community Development Corporation
Yardville National Bank

**Foundations**
Calvert Social Investment Foundation
Mary Owen Borden Foundation
The F.B. Heron Foundation

**Government Entities**
Community Development Financial Institutions (CDFI) Fund
New Jersey Economic Development Authority
New Jersey Housing & Mortgage Finance Agency

**Individuals**
Anonymous (Woodlands Investment Management Account)
Jacqueline M. & David M. Baranowski
Amanda P. Blagman
Susan U. & Joseph M. Bredeloff
Candace A. & James B. Faunce
Margaret K. & Robert C. Graham
Edward J. Gracely
Susanne C. Hand
Randolph Hanks
Patricia Holland
Susan E. Hyleen & Ted A. Smith, Jr.
Carol & Haig Kasabach
Lisa D. & Brian M. Keenan
Patrick J. Kelly
Carla & Paul Lerman
Anne S. Li & Edward Muldoon
Alan Mallach
Carl H. Malmstrom
Patricia B. Masi
Katherine E. Merck
Lori A. Perkins
Doris Rados
Susan Repko
Donna Scarano
David M. Scheck
Carl V. Van Osdall
Marshall Wolf

**National Intermediary**
National Community Capital Association

**Religious**
Catholic Health Initiatives
Domestic & Foreign Missionary Society of the Protestant Episcopal Church in the USA
Eisenhart Fund
Episcopal Diocese of New Jersey
Episcopal Diocese of Newark
First Baptist Church Fellowship Fund
First Presbyterian Church
M’Kor Shalom Congregation
Princeton Monthly Meeting
Sinsinawa Dominicans, Inc.
Sisters of Charity of St. Elizabeth
Sisters of the Sorrowful Mother
International Finance, Inc.
St. Andrew’s Episcopal Church
St. George’s by the River Episcopal Church
St. Paul’s Episcopal Church
Synod of Mid-Atlantics
(Reformed Church in America)
Unitarian Church in Summit
Endowment Fund
Financial Information

Fiscal Year End September 30, 2004

### KEY FINANCIAL INFORMATION

#### FINANCIAL PRODUCTS AND SERVICES

<table>
<thead>
<tr>
<th></th>
<th>Community Loan Fund</th>
<th>Managed Assets</th>
<th>Lending Partners</th>
<th>Equity Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CAPITAL UNDER MANAGEMENT</strong></td>
<td>$31,387,921</td>
<td>$2,994,781</td>
<td>$4,557,772</td>
<td>$15,032,012</td>
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</tbody>
</table>

#### BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th>Community Loan Fund</th>
<th>Managed Assets</th>
<th>Lending Partners</th>
<th>Equity Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loans (Including Off Balance Sheet &amp; Originated for Sale)</strong></td>
<td>$15,663,372</td>
<td>$1,133,809</td>
<td>$1,722,427</td>
<td>$1,360,000</td>
</tr>
<tr>
<td><strong>Community Development Investments</strong></td>
<td>$1,998,030</td>
<td>0</td>
<td>0</td>
<td>2,470</td>
</tr>
<tr>
<td><strong>Financing Commitments</strong></td>
<td>$4,368,233</td>
<td>$229,850</td>
<td>$2,050,038</td>
<td>$3,125,000</td>
</tr>
<tr>
<td><strong>Community Development Notes</strong></td>
<td>$19,178,516</td>
<td>$409,903</td>
<td>$1,649,139</td>
<td>0</td>
</tr>
<tr>
<td><strong>Equity Equivalent Investments</strong></td>
<td>$1,500,000</td>
<td>0</td>
<td>500,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>$4,621,421</td>
<td>$2,007,767</td>
<td>57,772</td>
<td>$32,012</td>
</tr>
</tbody>
</table>

#### INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>Community Loan Fund</th>
<th>Managed Assets</th>
<th>Lending Partners</th>
<th>Equity Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Interest Income</strong></td>
<td>$506,867</td>
<td>$58,230</td>
<td>11,895</td>
<td>0</td>
</tr>
<tr>
<td><strong>Program Service Fees and Other Income</strong></td>
<td>$387,425</td>
<td>$66,836</td>
<td>21,396</td>
<td>0</td>
</tr>
<tr>
<td><strong>Contributions and Grants</strong></td>
<td>$256,084</td>
<td>$97,252</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>$(55,437)</td>
<td>212,318</td>
<td>10,206</td>
<td>$(10,488)</td>
</tr>
</tbody>
</table>

#### RATIOS

<table>
<thead>
<tr>
<th></th>
<th>Community Loan Fund</th>
<th>Managed Assets</th>
<th>Lending Partners</th>
<th>Equity Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loan Loss Reserve/Loans</strong></td>
<td>7.3%</td>
<td>0%</td>
<td>1.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Write Offs (Recoveries)/Loans</strong></td>
<td>(1.5%)</td>
<td>(5.6%)</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Capital Adequacy</strong></td>
<td>31.2%</td>
<td>459.6%</td>
<td>33.3%</td>
<td>N/M</td>
</tr>
<tr>
<td><strong>Self Sufficiency</strong></td>
<td>74.2%</td>
<td>1250.7%</td>
<td>144.2%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

#### OUTPUTS AND OUTCOMES

**Closed Loans and Community Development Investments:**

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Dollar</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number</strong></td>
<td>24</td>
<td>12,994,012</td>
</tr>
<tr>
<td><strong>Dollar</strong></td>
<td>5</td>
<td>278,300</td>
</tr>
<tr>
<td><strong>Housing Units</strong></td>
<td>3</td>
<td>597</td>
</tr>
<tr>
<td><strong>Education and Early Care Slots</strong></td>
<td>0</td>
<td>522</td>
</tr>
<tr>
<td><strong>Square Feet of Community Facilities and Commercial Real Estate</strong></td>
<td>41,000</td>
<td>96,000</td>
</tr>
</tbody>
</table>

**Committed Loans and Community Development Investments:**

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Dollar</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number</strong></td>
<td>29</td>
<td>11,829,762</td>
</tr>
<tr>
<td><strong>Dollar</strong></td>
<td>6</td>
<td>328,300</td>
</tr>
<tr>
<td><strong>Housing Units</strong></td>
<td>5</td>
<td>1,100</td>
</tr>
<tr>
<td><strong>Education and Early Care Slots</strong></td>
<td>0</td>
<td>582</td>
</tr>
<tr>
<td><strong>Square Feet of Community Facilities and Commercial Real Estate</strong></td>
<td>40,000</td>
<td>186,800</td>
</tr>
</tbody>
</table>
Financial Information

Capital Under Management

- Community Loan Fund
- Managed Assets
- Lending Partners
- Equity Partners


Asset Growth Over Years: 1988 to 2004

- Initial $10,000,000 in 1988
- Significant Growth by 2004
Special Thanks

Bank of America, Sponsor
Mark Murphy, Speaker
2004 Annual Gathering

Association for Children of New Jersey
Cynthia Rice & Cecilia Zalkind
Newark Lighthouse Initiative

Child Care Connection
Cecilia Aerstín, Beth Ann Gardiner, Nancy Thomson
Children’s Futures

Community Reinvestment Fund
Drinker, Biddle, & Reath, Florham Park, NJ
Diane M. Flynn, Jim Freis, Lisa Wren

Elite Group Consulting, Inc.
Richard M. Frank

Gibbons, Del Deo, Dolan, Griffinger, & Vecchione, Newark, NJ
Michael J. Lubben & Paul St. Onge

Housing and Community Development Network of New Jersey
Diane Sterner

Lambrides, Lamos, Moulthrop, LLC
Bill Arnold & Paul Becker

Lighthouse Executive Committee Members
Newark Lighthouse Initiative

Local Initiatives Support Corporation
Multi-City Program
Greater Newark & Jersey City

National Community Capital Association
Kathy Stearns, Ellen Chen, Karen Seabury
CDFI Assessment Rating System

New Jersey Citizen Action
Phyllis Salówe-Kaye

New Jersey Department of Community Affairs
Janis Ginsburg
Wachovia/DCA Housing Scholars Graduate Program

New Jersey State Office of GIS, New Jersey Department of Environmental Protection & Environmental Systems Research Institute (ESRI)
NGO ArcView Software Grant Program

Carla Lerman, Connie Pascale, Preston Pinkett
Outgoing Board Members

Princeton University
Pace Center for Community Service
Tricia Thorme & Lisa Ratmanský
Community Based Learning Initiative

ProBono Partnership, Newark, NJ
Jennifer Chandler Hauge, Jeffrey Clott, Roy Shulman
Volunteer Attorneys

Verdi Productions

Wrobel & Associates, LLC
Audrey D. Wrobel

Credits
COPY
Jennifer M. Bredehoft
LAYOUT & DESIGN
ANCA Studios, Inc.
PHOTOGRAPHY
Ross Stout, Taylor Photo
We first contacted New Jersey Community Capital when we were searching for a way to secure financing for our housing project. In addition to receiving a loan, we realized an opportunity to be one of their financial supporters as well. New Jersey Community Capital’s strong public mission of working toward the ‘greater good’ and meeting the needs of the community matches our own, making it a perfect partnership. If all nonprofit organizations invested 1% of their cash or reserves in the community through organizations like New Jersey Community Capital, the resources that would be leveraged would produce extraordinary social and financial returns. NewBridge Services is proud to be one of New Jersey Community Capital’s first nonprofit investors, and hopes that its investment encourages other nonprofits to consider following its lead.

--Robert L. Parker  
Executive Director, NewBridge Services, Inc.