**Board of Directors**

**Officers**
- Susan Bredehoft | Chair
- Dudley Benoit | Vice Chair
- Patrick Kelly | Secretary
- Carl Malmstrom | Treasurer

**Directors**
- Brian Keenan
- Marie Mascherin
- Wayne Meyer
- Richard Polton
- Julia Rubin
- Donna Scarano
- David M. Scheck

**Staff Members**

**Financial Products & Services**
- Robert C. Graham | Vice President
- Milton L. Keenan | Vice President
- Joseph V. Palazzolo | Associate
- William V. Radlinsky | Vice President

**Communications & Investor Relations**
- Jennifer M. Bredehoft | Associate
- Doris E. Harris | Associate

**Fiscal & Risk Management**
- Candace A. Faunce | Chief Financial Officer
- Jacqueline M. Baranowski | Financial Officer
- Juanita Y. Marshall | Financial Reporting & Analysis Associate
- Jane Shoemaker | Executive Coordinator

**Princeton University Community Based Learning Initiative Intern**
- Lauren Barnett
- Benjamin Tagoe

**Wachovia/DCA Housing Scholar**
- Leah Apgar
As New Jersey Community Capital enters its 20th year, one theme remains constant: confidence in its clients and in the communities they serve. New Jersey Community Capital’s investors and partners have confidence in the organization’s knowledge of the community development sector and entrust it with their resources. By extending credit to customers that often do not meet traditional mainstream lending criteria, New Jersey Community Capital demonstrates confidence in the ability of those organizations to create positive change in New Jersey.

It is this confidence that drives New Jersey Community Capital to work with quality partners to fulfill its mission of facilitating the flow of money and knowledge to create wealth and well being in underserved communities. New Jersey Community Capital shares similar goals and values with its borrowers, funders, and financing partners, allowing it to develop lasting relationships with high impact organizations. As New Jersey Community Capital grows its capital under management and expands the products and services it offers, it is able to further develop these relationships as its partners increase their capacity and impact.

New Jersey Community Capital also continues to see the value in increasing its own capacity and impact. During 2006, the organization examined its strategic direction, reaffirmed its commitment to its mission, and expressed confidence in its relevance. Creativity, innovation, and value-added services will continue to be hallmarks of New Jersey Community Capital as it advances through the next decade, committed to meeting the needs of New Jersey’s underserved communities.

As always, New Jersey Community Capital’s commitment to its constituent communities remains unchanged. The organization strives to fill the specialized needs of its customers by providing and arranging capital for projects that have the potential to fundamentally change lives, some of which are highlighted in this year’s annual report.

New Jersey Community Capital looks forward to continued impact and success as it embarks on another 20 years.

“It is courage based on confidence…and it is confidence based on experience,”

– Dr. Jonas Salk
TEAM Academy is a charter middle school located in Newark, New Jersey. It opened in September 2002 with 80 fifth grade students, and is now providing quality educational services to 360 students in grades five through eight. In May 2006, innovative financing from New Jersey Community Capital allowed TEAM to purchase and renovate an additional facility for its second middle school, Rise Academy. Rise Academy currently serves 65 fifth grade students in its new facility, which opened for summer school in August 2006.

According to Drew Martin, Rise Academy Principal, the school is a safe, quiet, and spacious sanctuary for Rise’s students, who appreciate the large classrooms and renovated gym. Rise students come from all over Newark. Approximately 70% are low income, and the average student was two years below grade level when they entered. After their first year of hard work, the students are making gains by leaps and bounds, having progressed from remedial basic math to early algebra. If they continue to follow successfully in the path of their sister school, TEAM Academy, they should be in the top 10% of the nation in math and the top third in reading by their eighth grade year, and well on their way to great high schools and colleges.

“I love our school – the teachers, the building, the students – coming to Rise every morning, I know I am getting a great education in a safe and welcoming place.”

– DYZZ, RISE ACADEMY FIFTH GRADER
Founded in 1969 by community residents, Ironbound Community Corporation’s first program, the Ironbound Children’s Center, was created in response to the growing childcare needs of community parents. ICC operates an Abbott program with an enrollment of 90 children in their current facility. ICC was also one of the participants of New Jersey Community Capital’s Newark Lighthouse Initiative, which provided three early care centers in Newark with technical assistance and funding over five years to achieve changes that would raise their quality level and serve as a model program for centers in New Jersey and across the nation.

Because of the Newark Lighthouse Initiative’s emphasis on quality childcare facilities, ICC sought a new site to expand its program and provide an improved learning environment for its young students. During 2006, New Jersey Community Capital and the Community Reinvestment Fund closed financing that has allowed ICC to purchase and renovate a new location that will ultimately house 120 students, increasing their program size.

“With the additional resources and guidance provided through the Lighthouse Initiative, children in the participating centers enjoyed a higher-quality pre-k experience. In all of the assessments, overall gains were made in the Lighthouse centers.”

– Building Model Preschools: The Newark Lighthouse Initiative
Dekbon Community Development Corporation, a nonprofit corporation, was founded in 1992 for the purpose of building and selling affordable housing to prospective low and moderate income homeowners and to provide the support services needed for these families to succeed as homeowners. Dekbon is primarily a volunteer organization that receives the majority of their income from the proceeds of the houses that they build and sell. However, Dekbon’s projects are becoming larger as they increase their capacity to develop multiple-unit projects.

Since 1999, Dekbon has renovated and built twelve units of housing, of which five were new construction and seven were rehabilitations. Dekbon has worked closely with the municipalities of Pleasantville and Egg Harbor Township to improve and reverse the decline of selected neighborhoods. Dekbon is now working with Atlantic City to create affordable housing and has completed two homes. In addition to the sale of affordable housing, Dekbon offers programs that help low and moderate income homebuyers acquire and maintain housing.

“Without New Jersey Community Capital, there would be no Dekbon. New Jersey Community Capital has believed in Dekbon for almost ten years, and we wouldn’t dream of working with anyone else.’’

– Kim White, Executive Director, Dekbon Community Development Corporation
“Since 1994, New Jersey Community Capital has provided HANDS with financing that has met a wide variety of needs. New Jersey Community Capital provided the initial funding for the Berg Building as part of a tremendous New Markets Tax Credit deal, which financed three of HANDS’s pivotal neighborhood building projects and ignited the Valley redevelopment.”

– PATRICK MORRISSEY, EXECUTIVE DIRECTOR, HANDS, INC.

Housing and Neighborhood Development Services, Inc., is a non-profit organization committed to the revitalization of neighborhoods in Orange and East Orange, New Jersey. HANDS has been in existence since 1986, and has developed over 125 units of housing, as well as redeveloping several key area properties.

HANDS is in the process of developing affordable and market-rate housing and retail space in the historic Berg Building, as well as redeveloping three vacant buildings on Freeman Street in the Valley neighborhood of Orange. Known as the Brass Company, this mixed-use facility will include arts-related workshops, retail, and residential apartments. This critical redevelopment is possible because of creative New Markets Tax Credit financing from New Jersey Community Capital, providing HANDS with access to long-term, affordable capital for the properties and much needed equity capital to continue its visionary and innovative work. HANDS will be able to offer its tenants below market cost leases thereby further stimulating the redevelopment plans they designed for those neighborhoods.
2006 Highlights

- Increased amount of capital under management to more than $60 million:
  
  - Community Loan Fund $32 million
  - Managed Assets $3.5 million
  - Lending Partners $10 million
  - Equity Partners $15 million

- Received notice it will be awarded an $8.15 million grant under the U.S. Department of Education’s Credit Enhancement for Charter Schools Facilities Grant program, and will use it to provide credit enhancement for predevelopment, acquisition, renovation, construction, and permanent financing of charter schools in New Jersey, and for permanent financing of charter schools operating throughout the United States;

- Committed over 50 loans and investments totaling approximately $38 million, resulting in the creation or preservation of affordable housing, quality early care, education, and health care slots, living-wage jobs, and the construction or adaptive reuse of community facilities and commercial real estate;

- Closed two New Markets Tax Credit financings utilizing $4.6 million of its allocation:
  - $2.1 million will ultimately enable an affiliate of Housing and Neighborhood Development Services, Inc., to develop real estate in Orange, New Jersey;
  - $2.5 million will ultimately benefit Rise Academy Charter School, a second middle school facility for the high-performing TEAM Academy Charter School, located in Newark;

- Closed six loans totaling approximately $3.6 million in the housing, business, and community services sectors with funds from its Lending Partners affiliate in 2006, its third year of operation;

- Provided technical assistance and trainings to 94 clients and borrowers to strengthen their business plans, refine real estate strategies and ensure the viability of their community development activities;

- Concluded the Newark Lighthouse Initiative and published its final report, Building Model Preschools: The Newark Lighthouse Initiative, demonstrating that money is not enough to create model pre-school programs. Finding the balance among adequate funding, a wide-ranging assessment process, thoughtful planning, and unwavering leadership is key to developing and sustaining quality early childhood programs.
Fiscal Year 2006

BUSINESS
Commercial Real Estate
CityWorks West Lake, LLC
GINU Development, LLC
Isles, Inc.
King Plaza
Morning Star Community Development Corporation
Orange Future Vision, Inc.

Economic Development
GINU Development, LLC
King Plaza
Solettes Shoe Salon, Inc.

COMMUNITY SERVICES
Child Care
Ironbound Community Corporation
Little People at Work
Unified Vailsburg Services Organization
Education
Ashland Street Development Corporation
Jersey City Community Charter School
Facilities
Ujima Ministries, Inc.

Human & Social Services
Southern New Jersey Regional Early Intervention Collaborative

HOUSING
Home Ownership
Baker Center Development, LLC
Broad Street Commons, LLC
Broadway Arts Center

Dekbon Housing Development Corporation
Episcopal Community Development Corporation
Homeownership Developers, LLC
Home Team, Inc.
Homes for All, Inc.
Homes of Montclair Ecumenical Corporation
Isles, Inc.
JRP Investments, LLC

Lincoln Park/Coast Cultural District, LLC
Lincoln Park Redevelopment, LLC
Titus Housing, LLC

Rental
Buena Senior Housing, LLC
Lincoln Park Lofts, LLC
Storms Avenue Elderly Apartments, LP

Supportive
The Rose House, Inc.
Triple C Housing, Inc.

Median Household Income

- $0 - $20,000
- $20,001 - $50,000
- $50,001 - $80,000
- $80,001 - $110,000
- $110,001 and greater

Committed Financings
GRANTORS

Individuals
Jennifer M. Bredehoft
Susan U. and Joseph M. Bredehoft
Candace and James Faunce
Edward J. Gracely
Randolph Hanks
Carol and Haig Kasabach
Steven Leder
Paul and Carla Lerman
Carl H. and Catherine B. Malmstrom
Patricia B. Masi
Marie C. Mascherin
Connie M. Pascale
Preston D. Pinkett III
William V. and Lisa M. Radlinsky
Donna Scarano
David M. Scheck
Michael Torrens and Claudia Radel
John G. and Fain M. Webb

Financial Institutions
Amboy National Bank
Atlantic Stewardship Bank
Bank of America
Citigroup Foundation
Clifton Savings Bank, SLA
First Washington State Bank
Greater Community Bank
HillTop Community Bank
Hudson City Savings Bank
JPMorganChase Foundation
Merrill Lynch
Community Development Company, L.L.C.
NJM Bank
North Fork Foundation, Inc.
Peapack Gladstone Bank
PNC Bank Foundation
Roselle Savings Bank
RSI Bank
Somerset Savings Bank
Sovereign Bank
Susquehanna Patriot Bank
TD Bank USA
The Bank of New York
The Valley Foundation, Inc.
United Roosevelt Savings Bank
Unity Bank
Wachovia Regional Foundation
Washington Mutual Bank
Wells Fargo Foundation
Yardville National Bank

Foundations
Geraldine R. Dodge Foundation, Inc.
The F.B. Heron Foundation
E.J. Grassmann Trust
The Annie E. Casey Foundation
The Hyde and Watson Foundation

Corporations
Community Investment Strategies
McMaster-Carr Supply Company
Isles, Inc.

Religious Institutions
Grace Lutheran Church
First Presbyterian Church of Haddon Heights

INVESTORS

Community Loan Fund of New Jersey, Inc.
Amboy National Bank
Atlantic Stewardship Bank
Bank of America
Banc of America Community Development Corporation
Jacqueline M. and David M. Baranowski
Bergen Commercial Bank
Amanda P. Blagman
Jennifer M. Bredehoft
Susan U. and Joseph M. Bredehoft
Calvert Social Investment Foundation
Catholic Health Initiatives
Cenlar Federal Savings Bank
Clifton Savings Bank
Commerce Bank, N.A.
Commerce Bank North, N.A.
Community Development Financial Institutions Funds (CDFI)
Domestic & Foreign Missionary Society of the Protestant Episcopal Church in the USA
Eisenhart Fund, (Episcopal Diocese of NJ)
Episcopal Diocese of New Jersey
Episcopal Diocese of Newark
The F. B. Heron Foundation
Candace A. and James B. Faunce
First Baptist Church
Fellowship Fund
First Constitution Bank
First Presbyterian Church, Haddon Heights
First Washington State Bank
Grace Lutheran Church
Edward J. Gracely
Robert C. and Margaret K. Graham
Greater Community Bank
Susanne C. Hand
Randolph Hanks
Vicki and Michael Henn
Patricia Holland
Hudson City Savings Bank
Interfaith Neighbors, Inc.
JP Morgan Chase
Haig F. and Carol Kasabach
Lisa D. and Brian M. Keenan
Milton L. and Dorothy C. Keenan
Patrick J. Kelly
Paul and Carla Lerman
Anne S. Li and Edward Muldoon
Alan Mallach
Carl H. Malmstrom
Mary Owen Borden
Memorial Foundation
Patricia B. Masi
Lori Matheus
Katharine E. Merck
Merrill Lynch Community Development Company, L.L.C.
MetLife Bank, National Association
M’Kor Shalom Congregation
NewBridge Fund, Inc.
NJ Economic Development Authority
NJ Housing & Mortgage Finance Agency
NJM Bank
NJ Synod of the Evangelical Lutheran Church in America
New York Community Bank
North Fork Bank
Opportunity Finance Network
Preston D. Pinkett III
PNC Bank, NA
PNC Community Partners
Princeton Monthly Meeting
Provident Bank
The Prudential Insurance Company of America
Doris Rados
Susan Repko
Roselle Savings Bank
RSI Bank
Donna Scarano
David M. Scheck
Schuyler Savings Bank
Jane M. and Louis E. Shoemaker
Sinsinawa Dominicans, Inc
Sisters of Charity of St. Elizabeth
Sisters of Mercy/Mercy Investment Program, Inc.
Sisters of the Sorrowful Mother/SSM International Finance, Inc.
Somerset Hills Bank
Somerset Savings Bank
Sovereign Bank
St. Andrew’s Episcopal Church, New Providence
St. Paul’s Episcopal Church
Sterling Bank
Sun National Bank
Synod of Mid-Atlantics (RCA)
TD Bank North
TD Bank USA
The Bank
U.S. Trust Company of New York

Unitarian Church in Summit/Endowment Fund
United Roosevelt Savings Bank
Valley National Bank
Carl V. VanOsdall
Wachovia Regional Foundation
Wachovia Urban Investment Corporation
Walden Asset Management
Washington Mutual
Marshall Wolf
Yardville National Bank

Lending Partners
Amboy National Bank
Community Loan Fund of New Jersey, Inc.
Merrill Lynch Community Development Company, L.L.C.
PNC Bank, National Association
Sovereign Bank
New Markets Tax Credit Fund
Commerce Bank North, N.A.
PNC Community Partners, Inc.
Prudential Insurance Company of America
## Financial Information

**Fiscal Year 2006**

### Capital Available for Financing Activities

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Community Loan Fund and Managed Assets</th>
<th>Lending Partners</th>
<th>NMTC Funds</th>
<th>University Ventures</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPITAL AVAILABLE FOR FINANCING ACTIVITIES</td>
<td>$32,846,716</td>
<td>$10,000,000</td>
<td>$15,000,000</td>
<td>$1,941,293</td>
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</tbody>
</table>

### Financing Activities

- **Loans (Including Off Balance Sheet & Originated for Sale)**
  - Community Loan Fund and Managed Assets: $21,970,849
  - Lending Partners: $3,371,614
  - NMTC Funds: $6,716,588
  - University Ventures: $0

- **Community Investments**
  - Community Loan Fund and Managed Assets: $2,089,504
  - Lending Partners: $0
  - NMTC Funds: $738,412
  - University Ventures: $200,000

- **Financing Commitments**
  - Community Loan Fund and Managed Assets: $11,467,923
  - Lending Partners: $2,191,822
  - NMTC Funds: $2,962,500
  - University Ventures: $0

### Deployment Ratio with Commitments

- Community Loan Fund and Managed Assets: 108%
- Lending Partners: 56%
- NMTC Funds: 69%
- University Ventures: 10%

### Outputs and Outcomes

#### Closed Loans and Community Investments

<table>
<thead>
<tr>
<th>Category</th>
<th>Community Loan Fund and Managed Assets</th>
<th>Lending Partners</th>
<th>NMTC Funds</th>
<th>University Ventures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>32</td>
<td>6</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Dollar</td>
<td>$14,648,750</td>
<td>$3,575,000</td>
<td>$4,225,000</td>
<td>$200,000</td>
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<tr>
<td>Housing Units</td>
<td>1026</td>
<td>110</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Education and Early Care Slots</td>
<td>391</td>
<td>150</td>
<td>425</td>
<td>0</td>
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<tr>
<td>Square Feet of Community Facilities and Commercial Real Estate</td>
<td>384,500</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
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<tr>
<td>Jobs Created/Maintained</td>
<td>4</td>
<td>8</td>
<td>0</td>
<td>96</td>
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</tbody>
</table>

#### Committed Loans and Community Development Investments

<table>
<thead>
<tr>
<th>Category</th>
<th>Community Loan Fund and Managed Assets</th>
<th>Lending Partners</th>
<th>NMTC Funds</th>
<th>University Ventures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>39</td>
<td>6</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Dollar</td>
<td>$23,420,750</td>
<td>$4,484,254</td>
<td>$4,225,000</td>
<td>$250,000</td>
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<tr>
<td>Housing Units</td>
<td>1,580</td>
<td>114</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Education and Early Care Slots</td>
<td>1324</td>
<td>150</td>
<td>425</td>
<td>501</td>
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<tr>
<td>Square Feet of Community Facilities and Commercial Real Estate</td>
<td>425,900</td>
<td>4,320</td>
<td>20,000</td>
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<tr>
<td>Jobs Created/Maintained</td>
<td>182</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Financial Information</td>
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</tbody>
</table>

Capital Under Management

**CAPITAL UNDER MANAGEMENT**

- **Community Loan Fund**
- **Managed Assets**
- **Lending Partners**
- **NMTC Fund**
- **University Ventures**
The Annie E. Casey Foundation
The Arc of Mercer County
Asbury Park Urban Enterprise Zone
Association for Children of New Jersey
Amanda Blagman | Cynthia Rice | Cecilia Zalkind
Newark Lighthouse Initiative
Babylon Family Services, Inc.
Children’s Futures
CDFI Fund
Commerce Bank
Victor Brown | Tom Arasz
Community Reinvestment Fund
Frank Altman | Mary Tingergth | Kevin Riba | Lynne Rudolph | John Suek
Dekbon Community Development Corporation
Kim White
Dickson, Ashenfelter, Slous, Tanner & Trevenen, LLP
Donohue, Gironda & Doria
Rich Jacobsen
Drinker, Biddle & Reath, LLP
Diane M. Flynn | James H. Freis | Stephen Hamilton
Elite Group Consulting, Inc.
Gibbons P.C.
Michael J. Lubben | Paul St. Ong
Housing and Community Development Network of New Jersey
Diane Sterner | Paige Carlson-Heim
Housing and Neighborhood Development Services, Inc.
Pat Morrissey | Wayne Meyer
Ironbound Community Corporation
Joseph DellaFave | Grace Blanco
Stuart B. Klepesch, Esq.
Lighthouse Executive Committee Members
Newark Lighthouse Initiative
Local Initiatives Support Corporation
Greater Newark & Jersey City
McCarter & English, LLP
New Jersey Association of Realtors
Teresa Tilton
New Jersey Charter Public Schools Association
Jessam Gordon
New Jersey Charter School Resource Center
Heather Ngoma
New Jersey Citizen Action
Phyllis Salowe-Kaye
New Jersey Department of Community Affairs
Darryl Johnson,
Wachovia/DCA Housing Scholars Program
New Jersey Department of Education
Rochelle Hendricks
New Jersey Economic Development Authority
New Jersey Institute of Technology
Rosalind Newton
Opportunity Finance Network
Outgoing Board Members
Alfonso Castillo | Vicki Cervino-Henn | Jill Edwards
PNC Community Partners
David Gibson
Princeton University Pace Center for Community Service
Tricia Thorne | Community Based Learning Initiative
The Prudential Foundation
Prudential Social Investments
John Kinghorn | Connie Max | Cindy Hu
Real Estate Advisory and Development Services
Brian M. Keenan
The Roper Group
Richard Roper
Smith Barney
Stephen Hadley
TEAM/Rise Academy
Ryan Hill | Hannah Richman | Drew Martin
US Small Business Administration
Cecilia Hoppenjans | Robert Laurino
US Department of Education
Jim Houser | AnnMargaret Galiatsos
University Ventures Board Members
Brenda Hopper | Preston D. Pinkett III
Wall Street Without Walls
Greg Stanton | Charles Tansey | John Nelson
Withum Smith + Brown
Lee Hessberger | Marie Del Cristo | Len Cohen | Tony Chapman | Josie Moore
Wrobel & Associates, LLC
Audrey D. Wrobel
The generosity of individuals, corporations, foundations, religious institutions, and units of government provides the means by which New Jersey Community Capital is able to serve distressed areas throughout the state. There are two ways in which you can help New Jersey Community Capital fulfill its mission to create wealth and well being in underserved communities:

**Charitable Contributions**

New Jersey Community Capital is the trade name utilized by Community Loan Fund of New Jersey, Inc., and its affiliates for its financial and consulting products and services. New Jersey Community Capital has several 501(c)(3) organizations, including Community Loan Fund of New Jersey, Inc., that accept gifts that are deductible for federal income tax purposes to the extent permitted by law.

**Investments**

New Jersey Community Capital’s family of funds provides a variety of options which can be tailored to fit many investing needs. Investments in Community Loan Fund of New Jersey, Inc., beginning at $1000, offer rates from 0% to 4% and terms as short as one year. Although investments are not guaranteed, New Jersey Community Capital has a 100% repayment history. New Jersey Community Capital’s other funds offer additional investment options.

Contact us for more information about New Jersey Community Capital

www.newjerseycommunitycapital.org | (609)989-7766