



The Greater New Haven Community Loan Fund
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New Haven CT 06510-3111

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Partners in Building Strong Communities

The mission of the Greater New Haven Community Loan Fund, Inc. is to create and sustain vibrant neighborhoods. Through its lending and investment, the Loan Fund is the flexible source of alternative financing for affordable housing and community development in the Greater New Haven area.

Greater New Haven Community Loan Fund 2006 Annual Report



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 Mark Jenusaitis, Christopher Henry, TD Banknorth
 Brandon Perdelwicz, George Nurisso, Bank of America
 Calvin Vinal, Carol Gooden, Webster Bank

Karen Christian stands outside her new home, renovated by the Housing Rehabilitation Institute with the help of the GNHCLF. The home is part of the Whetstone Homes project in the Hill Neighborhood, renovating six two-family properties for affordable homeownership.

You can support the Loan Fund by investing or contributing today. Even a small investment in the Loan Fund leverages a large return in community development, neighborhood stabilization and the peace of mind that decent, safe, affordable housing offers to our communities.

The GNHCLF is a nonprofit organization certified as a Community Development Financial Institution by the US Department of the Treasury. We receive loans and contributions from other nonprofits, religious organizations, institutions, and individuals that recognize that community based lending is a financially and socially responsible alternative to more traditional investments, combining financial return and social benefit to support community development.

Invested funds create a low-interest pool of capital that is used by qualified community development organizations to create affordable housing. And investors receive quarterly interest payments.

The Loan Fund welcomes investments that are a minimum of \$1,000 at rates between 0% and the current market rate, negotiated on a case-by-case basis. The investor can choose the length of time for the loan, usually a period of one to 15 years. Longer term loans at lower interest rates give the Fund the greatest flexibility in offering affordable loans to housing developers and other community groups.

No Loan Fund investor has ever experienced a loss.

Every Loan Fund investor has experienced great satisfaction in knowing that his or her investment has had a positive impact on our community.

Invest

You may initiate your investment in person, via the telephone, in writing or electronically with the amount of money to be loaned, the length of time it will be available to the Loan Fund, the interest rate desired and any priorities or restrictions on use of the funds. Upon mutual satisfaction with the terms of the offer, the Loan Fund will draft a detailed loan agreement and promissory note for your review. The closing of the loan can be achieved either in person, or through the mail. Contact Director of Development Jackie Downing, 203-789-8690 for current rates and information.

Contribute

By the nature of the loans we make, the Loan Fund will never earn enough from fees and interest to sustain the operation of the organization. If we were to raise our rates, developers would be required to charge more to new homeowners or renters, reducing the "affordable" quality of the housing created. Therefore, we rely on contributions to keep our lending costs at a minimum.

Contributions of any size are much appreciated, and are tax deductible as provided by law. To contribute online from our secure website, go to www.gnhclf.org and click on "Support the Loan Fund." Mastercard, Visa or American Express are accepted. Cash or checks, payable to "GNHCLF" can be dropped off or mailed to: GNHCLF, 171 Orange Street, Third Floor, New Haven, CT 06510-3111.

Donors

Paul B. Bailey
 Pam & Eric Bauer
 Henry Berliner & Mickey Kavanagh
 Victor & Susan Bers
 Christopher Brown
 Susan J. Bryson & Laurence P. Nadel Fund of the
 Community Foundation for Greater New Haven
 Anne T. & the Honorable Guido Calabresi
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 James Comer
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 Arthur & Katherine Latimer
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 The Curran Foundation
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 Peggy Delinois Hamilton
 Lesley & John Higgins-Biddle
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 The Koizim Family Fund
 Dara Kovel & Robert Cox

Foundations and Corporations

Bank of America Foundation
 Citizens Bank Foundation
 Community Foundation for Greater New Haven
 Conn. Housing Finance Authority IOREBTA Funds
 NewAlliance Foundation
 People's United Bank
 Sovereign Bank Foundation
 The United Illuminating Company
 Wachovia Bank Foundation
 Webster Bank

Investors

Bank of America
 Bethesda Lutheran Church
 Calvert World Value Fund
 Citizens Bank
 Citizens Bank, Permanent Fund & Series One Fund
 Connecticut Housing Finance Authority
 Daughters of the Holy Spirit
 Dominican Sisters of Hope
 Episcopal Diocese of Connecticut
 First & Summerfield United Methodist Church
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 Elizabeth Hutchinson

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 Emily Mantilia
 Normand & Sandra Methot, In memory of
 Helen H. Yaggi and in honor of Len Schiraldi
 Sarah A. Morrill
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 Neubert, Pepe & Monteith, PC
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 Charles Pillsbury
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 The Wilbur Fund of the
 Community Foundation for Greater New Haven
 Marvin Zimmerman

Interfaith Cooperative Ministries
 Interfaith Volunteer Caregivers
 Junior League of Greater New Haven
 Marta Jo Lawrence Fund
 The late Martha Leonard
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 Julie Matthei Trust of Trillium Asset Management
 The Melville Charitable Trust
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 NH Monthly Meeting Religious Society of Friends
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 Wachovia Bank
 Webster Bank
 John Webster Fund, Charles Schwab
 The late Ruth Whittemore
 Woodlands Investment
 Yale Hunger & Homelessness Action Committee



The old adage ‘When you find a good thing, stick with it’ is a good way to describe 2006 at the Loan Fund. In a variety of ways, we identified some “good things” and worked with them to serve our mission of bringing stability to the community we share.

Beulah Land Development Corporation came back to us for Phase II of a development project in the Dixwell/Orchard Street area. Our work with them on Phase I was a “good thing,” and we were happy to stick with them to fund a new phase of housing rehabilitation for homeowners. We stuck with longtime borrowers Housing Rehabilitation Institute and Salem Turnpike Housing who regularly help us advance our mission of providing affordable housing by renovating blighted properties or creating new buildings to provide homes that people are both proud of and can afford.

We recognized the value of organizations like AIDS Project New Haven, and provided funds for cash flow and operations that helped keep their business running smoothly. The “good thing” about these organizations is how they provide crucial services to our community. We’re happy that through our lending we can serve a broad sense of community development that includes community stability.

Many of our borrowers serve the community by helping individuals and families find the stability that will be a “good thing” in their own lives. Organizations like Casa Familia, Continuum of Care and Fellowship Place provide safe places to live and support services to their residents. Many of our recent loans have been for supportive housing projects like these that provide the best hope of ending long-term chronic homelessness.

A “good thing” for the Fund is that our staff welcomed back Anne Conners as a Loan Officer for the Lead Abatement program in our Residential Loan Programs. These programs, offered through our longtime partnership with the City of New Haven, provide opportunities for families to acquire or maintain affordable homes.

We are fortunate to have a dedicated Board of Directors and Loan Pool Committee members who share their time and expertise as the watchdogs for both our lenders and our borrowers. Their continuity of service to our organization has been a “good thing” for our growth and success. Our ability to serve the community ultimately rests with the Loan Fund staff. We have assembled a cohesive team that provides a high level of professional service to investors and borrowers, and shares a passion for bettering out community, one affordable unit at a time.

Finally, we are grateful to our contributors and investors for sticking with us, and enabling us to continue to serve the greater New Haven community. We hope they are proud, as we are, of the many “good things” -- projects, programs and services - that we have provided in 2006 as outlined in this report. We couldn’t have done it without them.

John W. Rowland, President

Carla Weil, Executive Director

Community Pool and Bank Pool - Combined Lending 2006

New Loans Closed in 2006: 11
 Value of Loans Closed in 2006: \$4,307,000
 Units financed in 2006: 169 new

Historical Lending (88-12/05):
 186 loans 2,011 units \$36,647,698

Cumulative Total (thru 12/31/06)
 197 loans 2,180 units \$40,954,698

Community Pool - 2006

New Cash Flow Loans	3		\$ 832,000
Renewed Cash Flow Loans	3		
New Housing Loans	6	Units: 158	\$ 1,470,000
Renewed Housing Loans	1	Units: 4	
Total 2006 Closed	9	Units: 158	\$ 2,302,000
Historical Lending (88-12/05)	158	Units: 1209	\$12,434,100
Cumulative Total	167	Units: 1367	\$14,736,100

Affordable Housing Bank Pool

Total 2006 Closed	1	Units: 10	\$ 1,205,000
Historical Lending (88-12/05)	24	Units: 712	\$23,280,523
Cumulative Total	25	Units: 722	\$24,485,523

Bank of America Fund

New Housing Loans	1	Units: 15	\$ 800,000
Renewed Housing Loans	1	Units: 4	
Historical Lending (88-12/05)	4	Units: 157	\$ 933,075
Cumulative Total	5	Units: 172	\$ 1,733,075

Residential Loan Programs

Down Payment Assistance: 22 loans, \$237,797
 Urban Development Action Grants: 18 loans, \$460,867
 Elderly & Disabled Rehab: 2 loans, \$24,900
 Lead Hazard Control: 13 loans \$ 309,850
 Total 2006 Activity: 55 loans, \$1,033,414



\$6.85 million Affordable Housing Bank Pool

Established by eight area banks for short-term affordable housing development lending. Through this fund, Bank of America, Citizens Bank, NewAlliance Bank, People's United Bank, Sovereign Bank, TD Banknorth, Wachovia Bank and Webster Bank have financed more than 700 affordable housing units.

\$1.575 million CHFA/GNHCLF Affordable Housing Partnership

Short-term financing for affordable rental and homeownership housing; long-term financing for affordable rental/supportive housing, etc.; and predevelopment financing for affordable housing.

\$3.175 million Community Loan Pool

Established with the socially responsive investments of individuals and institutions, these funds may be used in short-term loans for acquisition, predevelopment, rehabilitation, construction and preconstruction of housing and community facilities, which benefit low-income residents and stabilize distressed communities. Loans are also available to nonprofit organizations serving low-income constituencies for short-term cash flow needs or for facility-based needs.

\$1.0 million Bank of America

Line of credit established by Bank of America for preconstruction and development lending for affordable housing. Loans are short-term and restricted to \$250,000 to \$500,000.

\$150,000 Hot Zone Loan Pool

This CDFI grant provides a mix of equity and debt financing to expand affordable housing opportunities in New Haven's most distressed neighborhoods. The Loan Fund partners to broaden the impact of this pool.

Residential Loan Programs

Through a contract with the City of New Haven, the GNHCLF originates forgivable loans from the City to individual homeowners for down payment and closing cost assistance, lead hazard abatement, elderly/handicapped home rehabilitation and Urban Development Action Grants for home purchases. During 2006, this program for New Haven's Livable City Initiative approved its 500th loan to a New Haven homeowner.

Citizens Homebuyer Financial Assistance Program

This program offers deferred loans of up to \$5,000 at 0% for down payment and closing cost assistance to low- and moderate-income homebuyers in the region whose first mortgage is with Citizens Mortgage Company.

2006 Good Egg Awards Celebration Honoring Eric Bauer, Sarah Caldwell and William Spruill

Good Egg Sponsors

Gold

- Bank of America
- Citibank
- Citizens Bank

Silver

- FannieMae Foundation
- R2D Corporation
- The United Illuminating Company
- Wachovia Bank

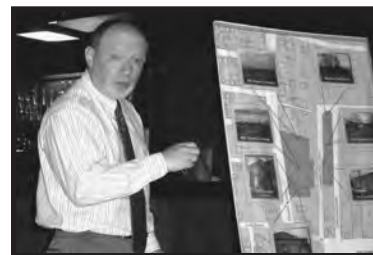
Bronze

- Community Foundation for Greater New Haven
- Connecticut Housing Finance Authority
- NewAlliance Bank



Community Breakfast Series sponsored by TD Banknorth

The eight breakfasts of the 2006 Series hosted more than 200 guests in discussions on mixed use development, design trends in affordable housing and the Gateway Downtown Development Project.



Investors' Reception sponsored by The Knights of Columbus

From the 22nd Floor, investors were treated to a bird's-eye view of the more than 2,000 properties their investments have contributed to developing as affordable homes.



Casa Otoñal

Loan Amount: \$160,000
 Total Project: \$7.1 million
 Number of Units: 104
 Type of Project: This loan enabled Casa Otoñal to access funding from HUD to lower their mortgage payments and make some necessary capital repairs to an aging building



"There would be no Casa Familia (a project of Casa Otoñal) without the Community Loan Fund. The Fund & its leadership shared our vision, long before it seemed practical, and did everything in its power to help us realize the dream of having a beautiful new building of affordable housing replace the dilapidated, crime-infested tenements that had been there for too many years. The Fund is dedicated to creating communities, not with words and fancy language but with the real commitment of money, belief its mission & trust in its partners. The Fund's role in building and making a better community is priceless and more valuable than any comment from me can express. It is truly a pleasure and a privilege to work with the Fund and its staff. If there were more organizations like it, the world would be a better place and I am not exaggerating when I say that."

*Patricia McCann Vissepó,
 Executive Director of Casa Otoñal*

New Haven Home Recovery

Loan Amount: \$1,205,000
 Total Project: \$2,166,637
 Number of Units: 10
 Type of Project: First Supportive Housing in Hamden



"When families are stably housed, they can take care of their basic needs - children are healthier, parents are less stressed and the entire family and community benefit. It's a win - win. We are happy that our association with the Loan Fund made it possible for us to provide supportive housing to families in need from Hamden."

*Kellyann Day, Executive Director
 New Haven Home Recovery*



STATEMENT OF ACTIVITIES

December 31, 2005 and December 31, 2006

	December 31, 2006				Dec. 31,
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	2005 Combined
REVENUES					
Contributions and Grants					
-Foundations	31,300			31,300	101,000
-Religious Organizations	4,575			4,575	7,750
-Banks	60,000			60,000	53,500
-Others	87,045	69,550		156,595	98,610
Total Contributions and Grants	182,920	69,550		252,470	260,860
Interest on Community Pool Loans	131,030			131,030	103,057
Interest on Bank Pool Loans	149,039			149,039	52,552
Loan Processing Fees	276,437			276,437	299,298
Interest on Cash Balances	58,149			58,149	41,671
Consulting Fees					3,800
Special Event	21,107			21,107	21,278
Net Assets Released from Restrictions	30,000	-30,000		-	-
Total Revenues	848,682	39,550	0	888,232	782,516
EXPENDITURES					
Salaries	413,491			413,491	386,137
Payroll Taxes	31,247			31,247	30,290
Employee Hlth & Retirement Benefits	55,534			55,534	75,884
Total Salaries & Benefits	500,272	0	0	500,272	492,311
Advertising	1,326			1,326	3,974
Bank Charges	1,958			1,958	2,103
Consultants	0			0	43,631
Contributions	325			325	500
Data Processing	1,133			1,133	1,462
Depreciation and Amortization	5,738			5,738	5,470
Development	7,634			7,634	5,039
Dues and Subscriptions	2,075			2,075	1,713
Equipment Repairs & Maintenance	3,630			3,630	2,415
Insurance	11,459			11,459	8,993
Interest-Community Pool Lenders	103,070			103,070	88,559
Interest and Fees - Bank Pool	109,876			109,876	20,705
Moving	0			0	1,591
Occupancy	29,519			29,519	25,440
Office Supplies and Expenses	11,163			11,163	10,673
Postage	3,288			3,288	3,295
Printing and Copying	5,110			5,110	9,907
Professional Fees	9,788			9,788	7,443
Provision for Loan Loss Reserve	4,012			4,012	8,375
Taxes - Property	1,015			1,015	507
Telephone	4,287			4,287	3,884
Travel, Conference & Staff Training	8,237			8,237	5,937
Total Expenditures	824,915	0	0	824,915	753,927
CHANGE IN NET ASSETS	23,767	39,550	0	63,317	28,589
NET ASSETS - Beginning of Year	569,632	10,000	362,463	942,095	913,506
NET ASSETS - End of Year	593,399	49,550	362,463	1,005,412	942,095

STATEMENT OF FINANCIAL POSITION

December 31, 2005 and December 31, 2006

	2006	2005
ASSETS		
Cash and Cash Equivalents	2,198,606	1,038,734
Accounts Receivable	81,516	97,200
Grants Receivable	89,050	75,000
Interest Receivable	28,775	16,436
Notes Receivable-Community Pool		
Less: Loan Loss Reserve of \$82,713 and \$81,713	2,005,311	3,355,471
Notes Receivable-Bank Pool		
Less: Loan Loss Reserve of \$40,058 and \$37,046	2,978,174	2,050,725
Marketable Securities	1,019	887
Prepaid Expenses	16,022	12,631
Property and Equipment-Net of Accumulated Depreciation and Amortization of \$27,327 and \$27,446	9,396	15,135
TOTAL ASSETS	7,407,869	6,662,219
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	12,736	15,667
Accrued Expenses	954	1,158
Deposit Held in Custody for Others	5,721	6,616
Note Payable-Line of Credit	192,465	437,488
Notes Payable-Community Pool Lenders	2,597,425	2,596,425
Notes Payable-Bank Pool	3,018,156	2,087,770
Notes Payable-Connecticut Housing Finance Authority	75,000	75,000
Citizens Bank/GNHCLF Partnership		
- Deferred Loan Fund	100,000	100,000
- Series 1 Fund	300,000	300,000
- Capital Certificate	100,000	100,000
Total Liabilities	6,402,457	5,720,124
NET ASSETS		
Unrestricted:		
For Current Operations	522,663	512,312
Designated for Lending	70,736	57,320
Total Unrestricted	593,399	569,632
Temporarily Restricted	49,550	10,000
Permanently Restricted	362,463	362,463
Total Net Assets	1,005,412	942,095
TOTAL LIABILITIES AND NET ASSETS	7,407,869	6,662,219