



justine PETERSEN
BUILDING ASSETS. CHANGING LIVES.

2015 ANNUAL REPORT

On behalf of our Justine PETERSEN Board of Directors, our JP Operations Team and our JP Clients, I thank you for being part of our Justine PETERSEN mission throughout 2015.

As any self-searching one approaching 20 years will do, we at Justine PETERSEN consider our place in the world, critique our sense of self, take stock of our values and — Eureka! — in the most fundamental ways we find ourselves much as we were in the beginning — same as we ever were. Securely tethered to Justine’s influences, her practical client centered model and her community change minded values, we continue “to believe in the strength of the people, ordinary people, each worth investing into” as Michael Sherraden wrote in eulogy of Justine some 20 years ago. Justine’s pioneering work infused finance, banking and community economic development with the humanity of social work to create enduring change for thousands of St. Louis families.

- » We are people and community focused
- » We are proactive and responsive to the needs of the community and the people we serve
- » We strive to develop and maintain strong partnerships to maximize impact and propel our mission

Throughout 2015, the values we espouse expressed themselves in our JP work to propel the Common Good, as they always have, through a cohort of individual and institutional collaborators investing their time, talent and treasure into our JP mission. We remain most grateful to each for trusting us just as we trust those whom we serve.

- » We are trustworthy stewards of the financial resources entrusted to our mission
- » We believe that our staff and the people we serve are trustworthy and will take personal responsibility for their actions

This year JP especially honors Eddie Davis, Nesa Joseph, Chris Reichert and Daniel Delehanty for their unique individual contributions, and Twain Financial, First Congregational Church, The Private Bank, the City of Springfield, Illinois and St. Louis Equal Housing and Community Reinvestment Alliance for their creative institutional collaborations.

These and so many others in our cohort in their special ways guided and motivated JP and its CDFI, Great Rivers Community Capital, to deploy nearly \$12MM to more than 1300 individuals, their families and their

businesses. With this cohort of colleagues collaborating with a mature, ambitious and very hard-working JP operations team, high impact and positive and practical outcomes cannot be denied.

» **We are outcome-oriented**

The year also offered us the opportunity to roll out and geographically expand JP's **Lending Led Credit Building Model** to markets across 14 states by way of a partnership with the Local Initiative Support Corporation (LISC). The model provides a catalyst for sustained customer engagement and offers a practical port of entry for mainstream financing. The LISC/JP partnership takes advantage of Justine PETERSEN's best practice **Credit Builder Training Method** which activates financial capability. We also expanded our product line to include our **Life Loan** which offers safe and affordable funding that is designed to compete with those heretofore unregulated predatory-like lenders. Our unique **Contractor Loan Fund** continues to grow and develop more customer and investor interest. JP remains grateful for the recognition from Focus St. Louis which honored our JP work with a "What's Right With The Region Award," and to Wells Fargo & Company, Prudential Financial, Inc., The Kresge Foundation, The John D. and Catherine T. MacArthur Foundation and Opportunity Finance Network for recognizing JP's work with a NEXT Seed Capital Award.

» **We are innovative and willing to take risks to improve the quality of life for the people we serve and the community**

We remain most grateful for our Justine PETERSEN Board Members who sustain and expand our innovative and entrepreneurial culture, and we thank you for your support as we do our part to create positive and enduring change.

– Rob Boyle, CEO & Founder





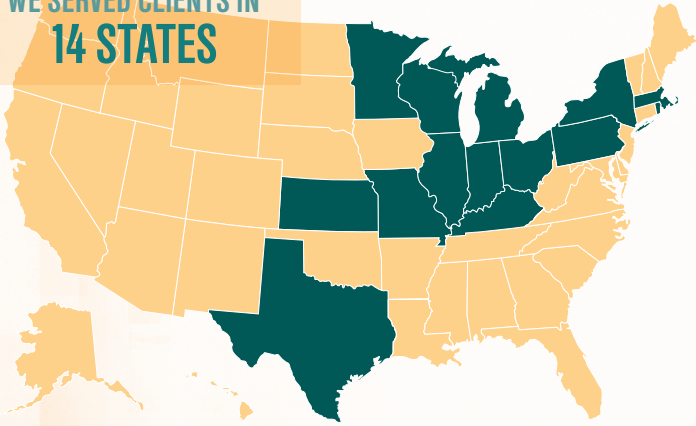
IMPACT in COMMUNITY



863
MICRO LOANS



WE SERVED CLIENTS IN
14 STATES



Each year, JP participates in the Aspen Institute's FIELD microTracker Program Performance and Client Outcomes Survey, and is consistently categorized as a top performer in performance and outcomes. The Aspen Institute FIELD 2014 outcomes study of JP clients showed:



96%

BUSINESS SURVIVAL RATE after almost two years



67%

of surviving businesses surveyed reported **INCREASED REVENUES**



2.7

JOBS SUPPORTED for every business assisted



12%

MOVED UP from the low-income bracket after receiving services

Justine PETERSEN embraces the philosophy that a good credit score is the most important asset, as it leads to greater access to affordable capital and reduced expenses.

Our Credit Building Counselors meet one-on-one with clients to assess income, debt, credit history and financial goals, and create a Credit Action Plan. We also offer a financial education marathon monthly. The courses are based on the FDIC's Money Smart curriculum and include Money Management, Consumer Rights & Responsibilities, Insurance Needs & Risk Management, and Credit Building Tips.

SUCCESS STORY

Nick and Eva McReynolds came to Justine PETERSEN in June 2014. They lived in a 1971 trailer with less than 800 sq. ft. in Nixa, MO. The McReynolds dreamed of purchasing their own home and moving their son to a better neighborhood with a yard he could play in. Both had unscored credit reports with a few medical collections and no active lines of credit. Justine PETERSEN worked with them to obtain secured credit cards and credit building loans. By October 2015, they moved into their first home! Simple credit building allowed them to get an FHA loan to purchase a home.

Eva states, "It was hard but worth every second. We are finally first-time homeowners and it feels amazing! We were surprised with a new addition to our family in the middle of the process and that made it even sweeter. We are so happy, thanks to Justine PETERSEN!! We LOVE our new home!"



Nick & Eva
McREYNOLDS

Justine PETERSEN meets the credit needs of micro-entrepreneurs that are unable to obtain financing through banks or relatives and who would otherwise turn to high interest credit cards or pay day lenders. We originate micro-loans and small business loans up to \$150,000, (average loan size \$7,500).

JP also provides potential and current borrowers individual counseling and business technical assistance, financial education, business plan development, business training, business mentoring, and post-loan technical assistance.

SUCCESS STORY

Tasha Smith has been a long-time client of Justine PETERSEN. After working with Justine PETERSEN to improve her credit score over the last few years, Tasha decided to work towards her goals of starting her own business. In January 2015, Tasha opened Burger 809, a Premium Catering company. Justine PETERSEN notified Tasha that, as a female business owner, she qualified for an interest rate reduction through the Elizabeth Street Capital program, which was created by the Tory Burch Foundation and Bank of America. This loan helped Tasha expand



Tasha SMITH

her business by purchasing additional catering equipment and supplies to take on larger scale events and amplify the Burger 809 customer experience. This loan also helped Tasha further improve her credit score and financial capability as a female business owner.

Justine PETERSEN provides pre-purchase counseling, homebuyer education, and foreclosure intervention services.

These services include: assisting prospective homebuyers to address credit, debt, and income barriers to accessing an affordable mortgage loan, teaching a homebuyer seminar to instruct potential purchasers on vital information, and assisting clients who struggle with mortgage loan repayment by reviewing options, negotiating with lenders, modifying loans, and in some cases, assisting with refinancing.

SUCCESS STORY

Darryl Lee, a service disabled veteran, came to Justine PETERSEN in November of 2013 for mortgage and credit counseling assistance. Lee had a contract for deed arrangement for his home, but the owner passed, leaving Lee with an obligation of \$107,000. Unfortunately, he was not in a position to seek traditional bank financing due to credit issues. Lee obtained a mortgage through JP's Community Development Financial Institution to finance the home. JP reported his mortgage payments to the credit bureau and counseled him on ways to improve his financial capability. JP assisted him to pay off collections and dispute fraudulent information on this credit report. In 2013, Lee's TransUnion score was 556 and with JP assistance, it grew over 50 points! In 2015, JP worked with First Collinsville Bank to refinance the loan to traditional bank financing.



Darryl LEE

Income

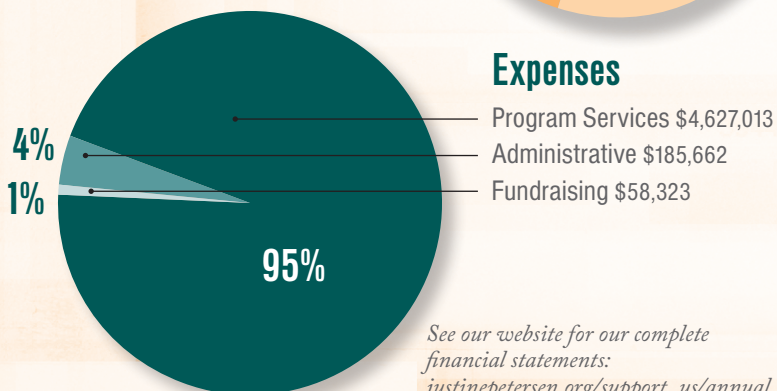
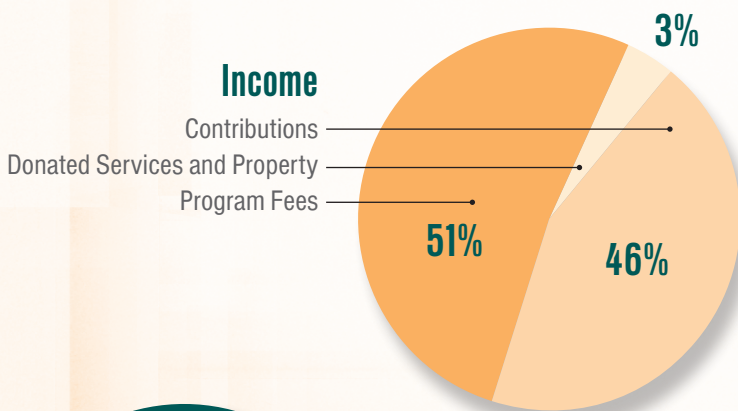
Contributions	\$ 2,342,195
Donated Services and Property	143,212
Program Fees	<u>2,607,474</u>
	\$ 5,092,881

Expenses

Housing	\$ 1,087,924
Economic Development	3,390,798
Savings (Credit Building)	148,291
Management and General	185,662
Fundraising	<u>58,323</u>
	\$ <u>4,870,998</u>

Net Income

\$ 221,883



See our website for our complete financial statements:
justinepetersen.org/support_us/annual_report

Loan Fund Partners

Bank of America
 TheBANK of Edwardsville
 The Business Bank of St. Louis
 Calvert Foundation
 Capital One
 Carrollton Bank
 Citizens National Bank
 Deaconess Foundation
 First Bank
 First Collinsville Bank
 First Congregational Church
 First County Bank
 First National Bank of Staunton
 Guaranty Bank
 Heartland Bank
 IFF
 Illinois National Bank
 Madison County Community
 Development
 Marine Bank
 Midland States Bank
 Midwest BankCentre
 Montgomery Bank
 Morgan Stanley New Markets LLC
 Morton Community Bank
 Opportunity Finance Network
 PNC Bank
 The Private Bank & Trust
 Regions Bank
 Reliance Bank
 Stifel Bank & Trust
 United Church of Christ
 U.S. Bank
 U.S. Dept of Agriculture
 U.S. Dept of Treasury - CDFI Fund
 U.S. Small Business Administration

Contributors

Government

City of Kansas City
 City of St. Louis
 City of Springfield IL
 Illinois Attorney General Office
 Illinois Housing Development
 Authority
 Madison County Community
 Development
 St. Louis County
 U.S. Dept of Health &
 Human Services
 U.S. Dept of Housing & Urban
 Development
 U.S. Dept of Treasury
 U.S. Small Business Administration

Foundation

Bank of America Charitable
 Foundation
 Tides Foundation
 Tory Burch Foundation
 U.S. Bank Foundation

Corporate

Affiliated Insurance Agencies
 Associated Bank
 TheBANK of Edwardsville
 Capital One
 Endswell Consulting
 Fifth Third Bank
 First Collinsville Bank
 Green Street JM Investors
 Local Initiatives Support
 Corporation
 Montgomery Bank
 Opportunity Finance Network
 PNC Bank
 Regions Bank
 Reliance Bank
 Wells Fargo Advisors



Individuals

Kimberly Adeyinka
 Elizabeth Anderson
 Claire Backstrom
 Rita and Greg
 Backstrom
 Stanley Barnes
 Rochelle Bea
 Celeste Berry
 Pat Berry
 Kayla Boss
 Margaret Boyle
 Jim Branneky
 Angela Burrage
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 Christopher Thomas
 Richard Torack
 Carl Trautman
 Lyndsey Watson
 Keith Willy
 Chelsea Zotta

JP Awards & Recognition

Opportunity Finance Network

NEXT Seed Capital Award \$100,000 Awardee

Justine PETERSEN received the prestigious \$100,000 **NEXT Seed Capital Award** to create opportunities for consumers to access affordable consumer credit and improve financial health by expanding two loan products—a credit building product and a small dollar loan product—into new geographies.

The Wells Fargo NEXT Awards is the nation's largest awards program for CDFIs and awards millions of dollars annually to high performing CDFIs to expand their coverage strategies.



2015 Justine M. Petersen Awards

Each year, Justine PETERSEN recognizes individuals, companies, and partners that truly live up to the legacy of *the* Justine M. Petersen, who was tirelessly dedicated to helping people build economic assets and transform their lives.

Lifetime Achievement Award

Eddie Davis is honored for his lifetime of community service, for founding and leading the Center for the Acceleration of African-American Business (CAAAB), and for his many years of dedicated service to the JP mission.

Social Impact Superhero of the Year

Daniel Delehanty has empowered communities nationwide through transformational and strategic social impact investments through his work at CapitalOne.

Faith-Based Investor of the Year

First Congregational Church of St. Louis (FCC) and six of its members established the FCC/JP Community Loan Fund.

Person of the Year

Nesa Joseph spearheaded pivotal investment opportunities on behalf of JP and community stakeholders.

Lending Partner of the Year

The Private Bank propelled JP's mission by investing \$1MM for small business lending.

Economic Inclusion Champion of the Year

Chris Reichert is honored for his leadership in establishing the Contractor Loan Fund.

Community Change Agent Award

St. Louis Equal Housing and Community Reinvestment Alliance (SLEHCRA) inspired the local banking community to increase investments into underserved communities.

Community Partner of the Year

The City of Springfield, IL, its **Mayor Jim Langfelder**, and its banking community established a \$1.5MM micro-loan fund.

Innovative Partner Award

Twain Financial Partners worked to bring the New Markets Tax Credit (NMTC) model to micro-business lending and to lead JP's current efforts to seek an NMTC allocation.

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