

justine PETERSEN
2018 ANNUAL REPORT



LETTER FROM THE CEO

Justine PETERSEN (JP) has a proud and robust history of serving restaurants and catering businesses throughout the Midwest...

For over twenty years, we have partnered with numerous restaurateurs to provide them with capital, business assistance, and credit building services to ensure their success and sustainability. JP heartily supports all kinds of food businesses, such as **Doggie Macs** – a local food truck that specializes in hot dogs, but also serves up the best mac ‘n cheese this side of the Mississippi and **Yapi’s** – which offers Bosnian and Mediterranean cuisine on South Hampton. Yapi’s Greek-style Gyros are always a big hit with JP staff.

In 2018, we expanded our work in the food industry to begin with growing the produce that will eventually become the delicious plate of food that is served to you at a family-owned restaurant. With the support of the DHHS Community Economic Development program, Missouri Foundation for Health and William A. Kerr Foundation, Justine PETERSEN converted a vacant warehouse on the St. Louis Riverfront into the **JP Greencubator**, a 25,000 sq ft small business incubator that is purposely designed to address personal and community barriers that would prevent would-be food entrepreneurs from taking the leap from idea to reality.

One of our first Greencubator tenants is **Good Life Growing** (GLG), a social entrepreneurship that has brought a fresh wave of sustainable agricultural methods to St. Louis City through the contributions of its knowledgeable, civic minded staff. At the JP Greencubator, GLG staff run an indoor farm and routinely provide educational opportunities for historically underserved farmers to learn about indoor vertical growing.

Freddie Lee's American Gourmet Sauces also made the JP Greencubator its home to bottle sauces that can be used for everything from topping scrupulous ribs to bloody Mary mix, salsas, and sloppy joes. Bringing the bottling aspect of the business in-house will save over a 60% overhead and propel Freddie Lee's to next stage growth.

Without the support of our capital partners, our impact on small businesses would not be possible. For this we recognize the **U.S. Small Business Administration** (SBA), specifically **Valerie Ross** with our Lifetime Achievement award for her most dynamic career, where she shepherded both small business and resource partners such as JP and **Maureen Brinkley** with our Person of the Year award, for her unprecedented tenure with the SBA, where she continues to pioneer efforts that influence not only small businesses, but resource partners.

We also recognize **Peoples National Bank** as our Lending Partner of the Year and **U.S. Bancorp CDC** as our Innovative Partner of the Year for their roles in leveraging New Markets Tax Credits to super-size a \$5.7MM investment into an \$8MM loan fund. **United Fund Advisors** and **Twain Financial** were also tremendous partners in making this happen for JP small businesses.

JP is humbled and proud to know these companies and individuals and have the honor of partnering with them to benefit our community. It is because of these people, along with countless others, that JP is able to make a difference in the lives of the people that we serve. Additionally, we always remain grateful to our Justine PETERSEN and Great Rivers Community Capital board members. Without their guidance, resources, and counsel, our mission of Building Assets, Changing Lives would not thrive.

CREDIT BUILDING

ABOUT OUR CREDIT BUILDING PROGRAM

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 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 monthly financial capability series which covers topics such as student loans, asset development, budgeting and college savings accounts for kids. The sessions link clients with expertise, products and programs, and provide hands-on activities and take-aways for participants.



Derek Petty (Left) and Franchot Cunningham (Right)

Derek Petty

ASPIRE PROGRAM GRADUATE

When **Derek Petty** attended a local job fair, credit really was not at the forefront of his mind. He was looking for employment, and came across Justine PETERSEN. Our Asset Building Counselor, Franchot, explained what JP can do for a person and how credit building can affect all aspects of your life. When Mr. Petty first came to Justine PETERSEN, his credit score was zero. After working with Franchot to establish a “Credit Matters” account, which is a small loan through the Saint Louis Community Credit Union, and also took out a Justine PETERSEN consumer loan, and opened a secured credit card, Derek had created three different lines of trade. Within less than a year, Derek’s credit score soared to a 626. His hard work at the employment fair paid off too, and he is currently employed as a forklift driver in St. Louis. Derek’s work with JP has not only allowed his credit to grow, but his opportunities in life grow too.

MICRO-ENTERPRISE AND SMALL BUSINESS LOANS

Fiddlehead Fern Café

NEW BUSINESS START-UP

Darcy Heine, owner of Fiddlehead Fern Café, is a 4th generation lifelong resident of the Shaw Neighborhood. Her passion for the community is what the Café has been built upon. In 2012, after finishing her BFA and managing a small neighborhood café in Lafayette Square, she realized how important it is for a neighborhood to have a place for the community to gather.

Traditional banks and lenders don't typically lend to start-up businesses, and Darcy was looking for funds to use for a build out of her restaurant, equipment and furniture, and working capital. After getting rejected by traditional funding sources, Darcy found Justine PETERSEN. Her small business loan allowed them to create the space she had always envisioned.



*Darcy Heine, Owner of Fiddlehead Fern (left)
and Keisha Miller, Executive Chef (right)*

What was once an empty corner in the middle of a residential neighborhood is now a welcoming and lively place for people to gather. Whether working, studying, visiting with friends and family, meeting neighbors, or enjoying live music, there is a place for all at Fiddlehead Fern Café. Justine PETERSEN is proud to have helped to put such a strong pillar in this community and can't wait to watch them continue to succeed.

ABOUT OUR MICRO-ENTERPRISE & SMALL BUSINESS LOANS

Justine PETERSEN meets the credit needs of micro-entrepreneurs who 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.

HOME OWNERSHIP

ABOUT OUR HOMEBUYERS PROGRAM

Justine PETERSEN provides pre-purchase counseling, home buyer education and foreclosure intervention services. Justine PETERSEN renovates donated foreclosed properties and sells them to low-income families at affordable prices.

These services include assisting prospective home buyers to address credit, debt, and income barriers to accessing an affordable mortgage loan, teaching a home buyer 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.



Charles McLean standing in front of his house that was saved from foreclosure by HHF (Hardest Hit Fund)

Charles McLean HARDEST HIT FUND

In 2016, **Charles McLean** decided to return to school to get a degree. In order to attend classes, he had to request a shift change at Trans States Airlines, where he was a heavy aircraft inspector for over 30 years. The only way to accommodate his schedule was to transfer him to another section, which resulted in a pay cut. By 2018, Mr. McLean was approximately \$26,000 behind on his mortgage. Then, he heard about the Illinois Hardest Hit Fund, which provides financial assistance to eligible homeowners struggling to avoid foreclosure. This program and Justine PETERSEN's assistance gave him hope. Through the HHF program, he was able to completely catch up on delinquent mortgage payments and was also provided with monthly mortgage assistance. He graduated with a Bachelor of Science in Aviation Management, and is currently completing his Master's program for Aviation Management.

IMPACT IN OUR COMMUNITY

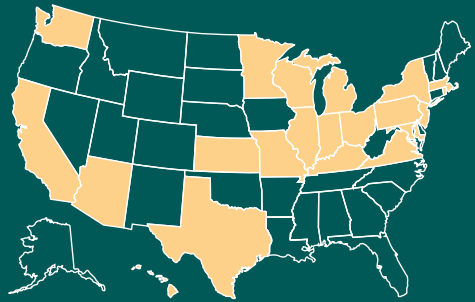
\$19,311,471
TOTAL AMOUNT LOANED

1,315
TOTAL # OF LOANS

NOW SERVING 21 STATES

Justine PETERSEN has expanded its credit building work to serve the following 21 states:

Arizona, California, Hawaii, Illinois, Indiana, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Texas, Virginia, Washington, and Wisconsin



GREENCUBATOR

The Justine PETERSEN (JP) Greencubator has been purposely designed to address the personal and community barriers that prevent would-be food and green entrepreneurs from taking the leap from idea to reality. The project establishes a 25,000-square-foot small business incubator in the heart of the Near North Side and house food-related and green startups and provide a host of training, technical assistance and other support. The project builds upon current, broad-scale efforts to redevelop the Near North Side and increase access to economic opportunity and eliminate barriers to entrepreneurship among low-income persons.



Co-Packing Facility



Grow Room



Event Venue

2018 FINANCIALS

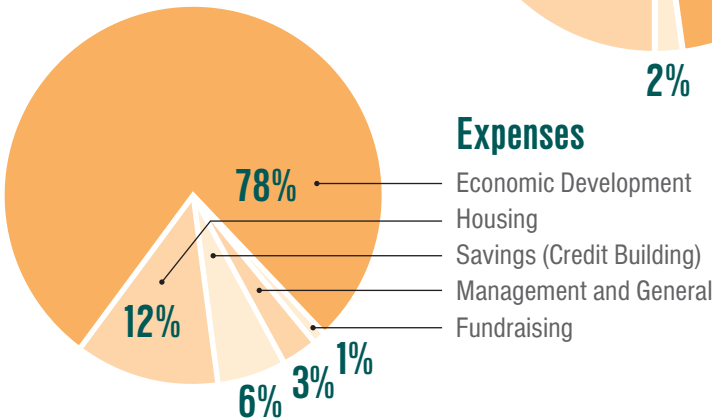
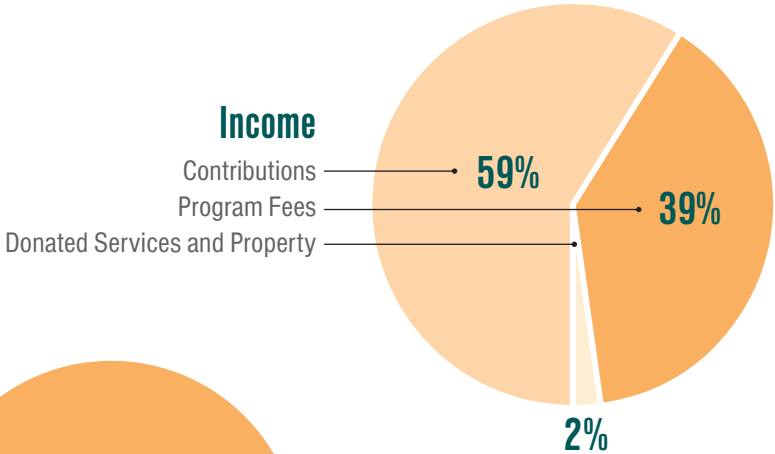
Income

Contributions	\$	5,051,399
Program Fees	\$	3,346,258
Donated Services and Property	\$	140,884
	\$	8,538,541

Expenses

Economic Development	\$	6,417,522
Housing	\$	1,025,782
Savings (Credit Building)	\$	504,585
Management and General	\$	211,428
Fundraising	\$	85,379
	\$	8,244,696

NET INCOME	\$	186,969
ENDING NET ASSETS	\$	10,519,018



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

Loan Fund Partners

INSTITUTIONAL

Bank of America
Capital One
Carrollton Bank
CDFI Community Investment Fund I LLC
CDFI Fund
CIBC (formerly Private Bank & Trust)
Citizens National Bank
Deaconess Foundation
Dieterich Bank
FCB Banks
First Bank
First Collinsville Bank
First Congregational Church
First County Bank
First National Bank of Staunton
Heartland Bank
IFF
Illinois National Bank
Lindell Bank
Madison County Community Development
Marine Bank
Mercy Investment Services
Midland States Bank
Midwest Bankcentre
Montgomery Bank
Morgan Stanley New Markets LLC
Morton Community Bank
Opportunity Finance Network
PeopleFund
PNC Bank
Regions Bank
Reliance Bank
Stifel Bank & Trust
The Business Bank of St. Louis

TheBANK of Edwardsville
United Community Bank (formerly Liberty Bank)
Woodforest National Bank

INDIVIDUAL

James and Diane Balough
Shirley Bild
Kathleen Danker
Marypat Ehlmann
Robert L. and Janet Fitzpatrick
James and Virginia Hartley
James and Mary Kriegshauser
Shirley Lamb
Brenda and David Light
Jeffery Lindgren and Kenda Nolde
James and Linda Morice
Joseph Rezy
Nancy Sachs
William D. Seaman
Allan Shickman and Bonnie Mae Lenz
Timothy Walther

Contributors

GOVERNMENT

City of Kansas City
City of Springfield IL
City of St. Louis
Illinois Housing Development Authority
NeighborWorks America
Madison County Community Development
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
JPMorgan Chase Foundation
Missouri Foundation for Health
PNC Foundation
St. Louis Community Foundation
Tides Foundation
U.S. Bank Foundation
William A. Kerr Foundation

CORPORATE

accountRely
Affiliated Insurance
Associated Bank
Association of Enterprise Opportunity
Bank of America
Brown Smith Wallace
Capital One
Central Reform Congregation
CIBC Bank
Citi Business Services
Dieterich Bank
Foveal Media
Housing Action Illinois
Kingsland Properties
Legal Services of Eastern Missouri, Inc.
Local Initiatives Support Corporation
Mastercard
Metropolitan St. Louis CRA Association
Montgomery Bank
M-Slice
North Riverside Holdings, LLC
Regions Bank
Reliance Bank
Rural Missouri Inc.

SCORE- St. Louis Chapter 21
Snider Law Firm LLC
TheBANK of Edwardsville
Trinity Episcopal Church
US Bank
Woodforest Bank

INDIVIDUALS

Chonda Aiello
Kathryn Arnold
Annamarie Baker
Rochelle Bea
Robert Boyle
Angela Burrage
Linda Clark
Niccole Clements
Shawna Collier
Jenny Connelly-Bowen
Franchot Cunningham
Eddie Davis
Jaymes Dearing
Donald & Elizebeth Doherty
Sheri Flanigan-Vazquez
Matthew Ghio
Galen Gondolfi
Ron Hawley
Michelle Hintz
Allan Ivie
William Kovacs
Meredith Mallon
Abiel Ogbe
Aida Richardson
Elissa Schauman
Ramona Scott
Tamra Thetford
Richard Torack
Ankica Vukomanovic
Keith Willy
Lisa Zimmerman

A YEAR OF AWARDS

Justine PETERSEN is recognized for its remarkable staff and another year of asset building!

Justine PETERSEN was proud to accept the “Microlender of the Year” Award from both the SBA St. Louis (Missouri) District and the Springfield (Southern IL) District. Justine PETERSEN has deployed millions of SBA dollars to businesses in need of capital with the majority of these loans deployed to assist minority entrepreneurs and women entrepreneurs.

SBA STL District Awards Justine PETERSEN “Microlender of the Year”

For as long as the U.S. Small Business Administration (SBA) St. Louis District Office has awarded a “Microlender of the Year Award,” Justine PETERSEN has graciously accepted the honor – year after year. Having closed thousands of SBA small business microloans in the district over the last 20 years, Justine PETERSEN has deployed millions of SBA dollars to small businesses in need. The majority of these loans have assisted minority entrepreneurs and women entrepreneurs.



Justine PETERSEN is indebted to SBA STL District Director **Maureen Brinkley**, who nurtured this program with JP over 20 years ago, and is still serving the SBA and the St. Louis small business community. Thank YOU Maureen Brinkley, and thanks to your amazing staff!

Illinois SBA District Awards Justine PETERSEN “Microlender of the Year”



For the third consecutive year, Justine PETERSEN has been recognized as “Microlender of the Year” for loan volume within the state of Illinois. **Lashonda Fitch**, who spearheads the Springfield, Illinois Microloan Fund, accepted the award at a reception held at the Union Club of Chicago.

In addition to the Springfield, Illinois region, JP deploys thousands of dollars in the Metro East of St. Louis, including East St. Louis, and throughout central and southern Illinois. In total, Justine PETERSEN’s footprint in Illinois covers 73 counties.

STL Small Business Monthly Recognizes Katie Arnold and Katie Kristensen of Justine Petersen as “Marvelous Millennials”

Justine PETERSEN is also the home of two Marvelous Millennials Katie Kristensen & Katie Arnold. Both were featured in the St. Louis Small Business Monthly. We are constantly made better by their thoughtful innovation and determination.

We are PROUD of our **Power of 2 Katie Dynamic Duo!** Check out the February issue of the *St. Louis Small Business Monthly*, especially the Table of Contents and pages 20, 22 and 23.



Katie Arnold



Katie Kristensen

LEGACY AWARD

The late **Fr. Bill Hutchison** is honored for providing steadfast service to the citizens of North City St. Louis and unrelenting support of Justine PETERSEN's mission.

LIFETIME ACHIEVEMENT AWARD

Valerie Ross is honored for her most dynamic career with the U.S. Small Business Administration, where she shepherded both small business and resource partners such as Justine PETERSEN.

PERSON OF THE YEAR

Maureen Brinkley is honored for her unprecedented tenure with the U.S. Small Business Administration, where she continues to pioneer efforts that impact not only small businesses, but resource partners such as Justine PETERSEN.

FAMILY OF THE YEAR

The Coney Family is honored for embodying the mission of Justine PETERSEN on a daily basis through their commitment to excellence and ethos of forever putting people first.

SMALL BUSINESS OF THE YEAR

Mike Ward of Project Management Solutions is honored for his business's exponential growth and continued service to the community.

LENDING PARTNER OF THE YEAR

Peoples National Bank is honored for propelling the mission of Justine PETERSEN through a \$5.7 million investment that ultimately led to an \$8.2 million dollar New Markets Tax Credit transaction.

FAITH-BASED INVESTOR OF THE YEAR

Pershing Charitable Trust is honored for working with local faith leaders in seeding a loan fund to serve returning citizens.

INNOVATIVE PARTNER OF THE YEAR

U.S. Bancorp CDC is honored for their purchase of tax credits, allowing Justine PETERSEN to realize an \$8.2 million New Markets Tax Credit transaction.

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President & Executive Director,
Center for the Acceleration of
African-American Businesses

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Beginning Futures

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Owner, Freddie Lee's Gourmet Sauce LLC

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Banking, PNC Bank

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