

Grand Blvd

JUSTINE M. PETERSEN PATHWAY

WINDSOR PL

**TWENTY
YEARS
OF BRIGHT
FUTURES**

Justine PETERSEN · 2017 Annual Report



BUILDING ASSETS

“My work is to give you what I know
of my particular path while
allowing you to walk your own.”

Ta-Nehisi Coates, “Between The World And Me”

Ten years ago **Justine PETERSEN** chose to stake its corporate claim at a latitude north of an ignominious St. Louis partition. We're here with purpose as our orientation at the Delmar Divide symbolically and practically emphasizes our mission work which after twenty years remains at the intersection of social work and banking. Above the divide capital supply is not so scarce as it is expensive, not so safe as it perhaps is predatory and not so empowering as it might be budget draining. JP is proud for twenty years to share our relationship lending model with those whom we serve, and to meet those whom we serve where they are. The relationship model personifies and infuses mutual trust into the capital transaction and remains at the center of the work that JP and its sister, Great Rivers Community Capital (GRCC), offer to our community for the common good.

Years ago as traditional lending sources began to morph from the relational to the transactional, one's credit score became a dominant financial determiner. Justine recognized the power of this financial common denominator – the credit score – three numbers that determine whether we pay a relatively high price or a lower price for the capital that we seek. Our credit score will determine our access to affordable capital no matter where we locate and no matter our income. In its way our high credit score confounds the divide as it offers an objective financial equalizer of sorts. Building credit is simple and budget sensitive, motivating and financially enriching. Coupled with our JP lending-led ethos it is life changing. JP remains privileged these many years to offer its core product – the credit building model – to those whom we directly serve throughout Missouri and Illinois, and to the thousands of others through mission business partnerships around the country.

CHANGING LIVES TOGETHER

This year we appreciate the honor of recognition from our St. Louis Community Builders Network, and the nationally recognized St. Louis Equal Housing & Community Reinvestment Alliance (SLEHCRA). Each company complements the essential grassroots nature of our Justine PETERSEN mission orientation.

As we are honored so we honor. We honor posthumously and with love our dear friends Vivian Hudson and Carl Trautmann. We'll miss their assisting our JP mission with their inimitable charismas. We honor our longtime advocates and colleagues, Laurie Peterson, Ted Rice, Tim Hill and Chris McCoy, our business friends, Freddie

Lee's American Gourmet Sauce, Woodforest National Bank, Mercy Partnership Fund and Mission St. Louis. Our JP Person of the Year is The Honorable Marlene Davis, our Alderwomen, who for so many years has supported constituencies on either side of the divide, and to whom JP owes a debt of gratitude. For a more detailed description of those whom we honor see inside our report.

Throughout the past year, and for the past twenty, we remain most grateful to those of our JP and GRCC Board Members who remain purposeful, resolute and always friendly in offering prudent counsel and consistent support toward our JP Mission. Their confidence enables our most remarkable JP operations team to pragmatically engage and assist those we serve to navigate the pathway toward enduring change.

IMPACT IN OUR COMMUNITY

\$10,548,523
TOTAL AMOUNT LOANED

1,382
TOTAL # OF LOANS

254
COUNSELORS TRAINED

PROPERTY DEVELOPMENT



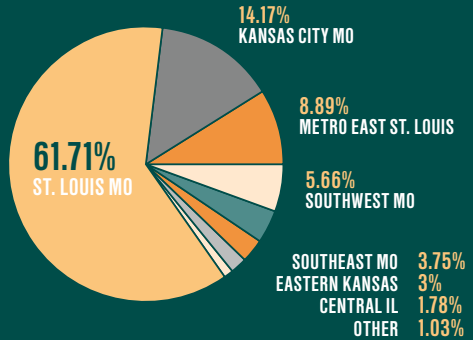
84 FIRST TIME HOME-BUYERS ASSISTED

51 FORECLOSURES PREVENTED

18 HOMES DEVELOPED

12 REHABBED HOMES SOLD

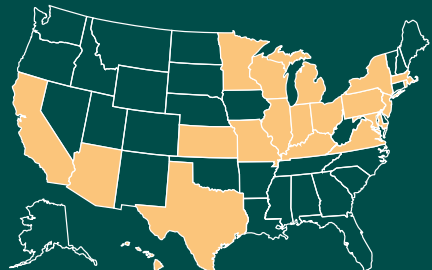
OUTSTANDING LOAN PORTFOLIO BY GEOGRAPHY



NOW SERVING 18 STATES

Justine PETERSEN has expanded its credit building work to serve the following 18 states:

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



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.

ABOUT OUR CREDIT BUILDING PROGRAM

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.

Erika Ruiz

SMALL BUSINESS SUPERSTAR

Erika Ruiz has always had a passion for beauty. Helping people become their best selves is the mission that Erika pursued as her business. It was her cosmetology business dream that helped motivate Erika as she battled, braved and beat late stage cancer.

“I held the belief that when, not if, I regained my health I will do what I must to make myself happy by helping others.” Erika enrolled in cosmetology school, excelled in the curriculum and began working at a local salon.

When the salon owner chose to sell the business Erika pursued the purchase opportunity with several banks, each which denied her loan requests for various reasons. Erika and her husband, Brian, found Justine PETERSEN who assisted in the

purchase. Be-You-Tiful Hair became a reality.

By raising their credit scores, making timely payments on their JP loan and by building the business with their hard work and excellent service, Erika and Brian were able to secure a traditional bank loan – a financial objective for JP small business clients. More recently Erika and Brian secured capital to open a second location to expand their mission of “helping people become their best selves.”



CREDIT BUILDING

Antonio Portillo

SMALL AND MINORITY CONTRACTOR LOAN FUND



Antonio Portillo is one of the first minority-owned contracting firms to benefit from JP's expansion of its Small and Minority Contractor Loan Fund to Kansas City. Unable to access a traditional line of credit, Mr. Portillo previously had to turn down larger construction contracts as he did not have the means to front material costs and float weekly payroll.

In 2017 Mr. Portillo secured a \$134,131 contract — his biggest project to date and Justine PETERSEN

was able to provide financing to service his contract. The \$96,000 loan was disbursed in increments to assist him with his weekly payroll obligations and purchase all required supplies. Funds will be repaid after the work is completed and Mr. Portillo is paid by the general contractor and be available to revolve in the community.

Mr. Portillo is a prime example of who the Justine PETERSEN Small and Minority Contractor Loan Fund is designed for and the reason that Justine PETERSEN does what it does — Mr. Portillo is an honest hard working Hispanic business owner who without the dollars made available from Justine PETERSEN would not have the funds to bootstrap the initial costs required to begin (much less complete) the sub-contractor work that is vital to the growth of his business.

MICRO-ENTERPRISE AND SMALL BUSINESS LOANS

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.

ABOUT OUR HOMEBUYERS PROGRAM

Justine PETERSEN provides pre-purchase counseling, homebuyer 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 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.

Douglas & Ruth Byrum HOME OWNERSHIP PARTICIPANT

Shortly after **Douglas Byrum** was laid off from his work at Granite City Steel, he and his wife, **Ruth** arrived at Justine PETERSEN seeking help to save their home from foreclosure. The Byrums worked with a JP foreclosure prevention counselor who assisted them through Illinois Hardest Hit Fund (HHF) process. HHF is an offering through the Illinois Housing Development Authority (IHDA) which contracts with non-profits to offer a most effective program designed to assist Illinois homeowners with financial hardship to engage housing counseling,



negotiate with their mortgagee and potentially receive emergency funding in order to avert foreclosure.

Justine PETERSEN worked with the Byrums to successfully navigate IHDA's process resulting in the Byrum family accepting a reinstatement loan and a five year forgivable loan that enabled them to remain in their home. Justine PETERSEN is among the few companies outside of Chicago that offers Illinois homeowners the opportunity to save their homes from foreclosure. JP

is privileged to be able to have assisted the Byrum family, and dozens others in partnership with the Illinois Housing Development Authority.

HOME OWNERSHIP

FINANCIALS

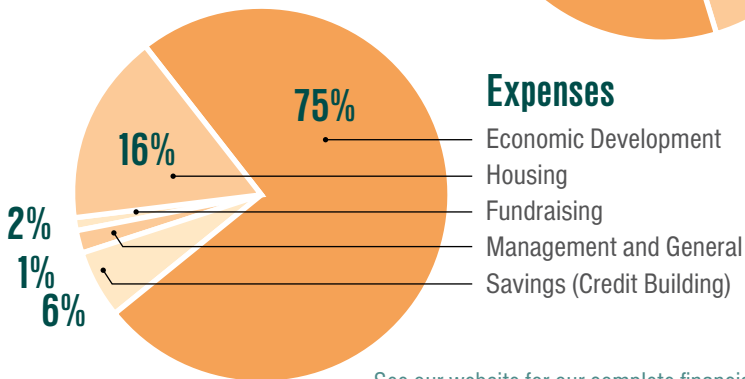
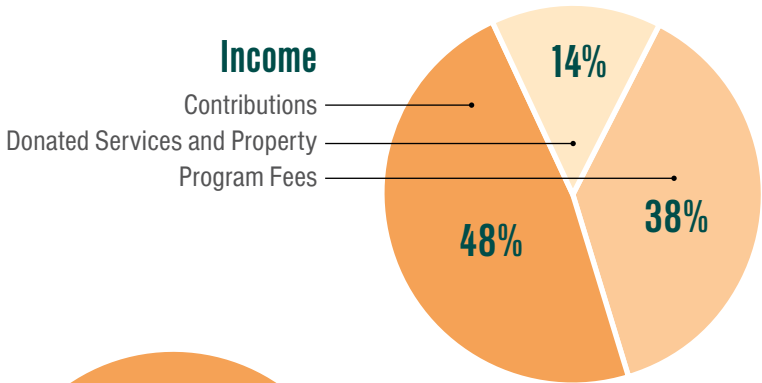
Income

Contributions	\$ 4,053,000
Donated Services and Property	\$ 1,222,083
Program Fees	\$ 3,178,044
	<hr/>
	\$ 8,453,127

Expenses

Housing	\$ 1,274,150
Economic Development	\$ 5,742,934
Savings (Credit Building)	\$ 441,466
Management and General	\$ 162,595
Fundraising	\$ 68,298
	<hr/>
	\$ 7,689,443

NET INCOME	\$ 763,684
ENDING NET ASSETS	\$9,632,049



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

Loan Fund Partners

Bank of America
 Capital One
 Carrollton Bank
 CDFI Community
 Investment Fund I LLC
 CDFI Fund
 CIBC (formerly Private Bank & Trust)
 Citizens National Bank
 Dieterich Bank
 FCB Banks
 First Bank
 First Collinsville Bank
 First Congregational Church
 First County Bank
 First National Bank of Staunton
 Guaranty Bank
 Heartland Bank
 IFF
 Illinois National Bank
 Liberty 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
 Nancy Sachs
 Neighborhood Enterprises
 Opportunity Finance Network
 PeopleFund
 PNC Bank

Regions Bank
 Reliance Bank
 Stifel Bank & Trust
 The Business Bank of St. Louis
 TheBANK of Edwardsville

Contributors

GOVERNMENT

City of Kansas City
 City of Springfield IL
 City of St. Louis
 City of Wood River IL
 Illinois Attorney General Office
 Illinois Housing Development Authority
 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
 Greater St. Louis Foundation
 Mercy Investment Services
 PNC Foundation
 Tides Foundation
 U.S. Bank Foundation
 Wells Fargo Foundation

CORPORATE

accountRelly
 Affiliated Insurance
 Association of Enterprise Opportunity
 Bank of America

Brown Smith Wallace
 Capital One
 Central Reform Congregation
 Centrue Bank
 Citi Business Services
 Dieterich Bank
 First Church of Christ, Scientist
 First Collinsville Bank
 First County Bank
 First Unitarian Church of St. Louis
 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
 Reliance Bank
 SCORE - St. Louis Chapter 21
 Second Presbyterian Church
 Snider Law Firm LLC
 TheBANK of Edwardsville
 Trinity Episcopal Church
 Trinity Parrish Church
 United Way - St. Louis
 US Bank

INDIVIDUALS

Chonda Aiello
 Robert Arnold
 Katie Arnold
 Sam Asgedom

Randel Baehr
 Annamarie Baker
 Rochelle Bea
 Maris Berg
 Shirley Bild
 Nelson Boyd
 Robert Boyle
 Angela Burrage
 Christine Camey
 Reid Charlston
 Linda Clark
 Niccole Clements
 Shawna Collier
 Rezhe Connelly
 Elias Corpas
 Mary Jean Cowell
 Franchot Cunningham
 Calvin Dantley
 Eddie Davis
 Jaymes Dearing
 Donald Doherty
 Wendy Erhart
 Penney Fields-Burnett
 Sheri Flanigan-Vazquez
 Brian and Glaser Gage
 Mathew Ghio
 Galen Gondolfi
 Jaime Granger
 Martina Gutierrez
 James and Virginia Hartley
 Laurie Hauber
 Ron Hawley
 Chris Hayes
 Phillip Hickman
 Michele Hintz
 Sondra Hood-Crenshaw
 Ellen Horowitz
 James Ingram
 Allan Ivie
 Kristy Jackson
 Tracy James
 Paula Johnson

FINANCIAL SUPPORT

INDIVIDUALS

Evelena Jones
Barbara Kerth
Joseph Klitzing
William Kovacs
Katie Kristensen
Daniel Lee
Raymond Lowry
Meredith Mallon
Manfred Marggaraf
Laurence Mass
Audree McConnell
Jennifer Moon

James and Linda Morice
Abiel Ogbé
Ellen O'Kelley
James Page
Laurie Peterson
Lisa Potts
Ebonie Reed
Joseph Rezny
Aida Richardson
Nate Salah
John and Elizabeth Samet
Elissa Schauman
Mark Schulte

Ramona Scott
Khalid and Gul Shah
Brandon Smart
Raisha Snider
Tamra Thetford
Brian Tieman
Richard Torack
Timothy Tucker
Ankica Vukomanovic
B.W. Wade
Shelestine Wallace
Joseph Welsch
Jaunite West

Travis Williams
Ronald Willnow
Keith Willy
Lisa Zimmerman
Holy Ground donations
made in memory of
Ferd Isserman



JUSTINE PETERSEN

AWARDS AND

RECOGNITION

ILLINOIS DEPARTMENT OF HUMAN RIGHTS AWARD

Justine PETERSEN was honored by the Illinois Department of Human Rights, in partnership with the Illinois Housing Development Authority as a leader in improving and increasing equal housing opportunities and improving the quality of life for residents of the East St. Louis Metropolitan region.



2017 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.

LEGACY AWARD

The late **Vivian Hudson** provided steadfast service to the citizenry of Granite City, Illinois and unrelenting support of Justine PETERSEN's mission.

The late **Carl Trautmann** gave unparalleled service as a SCORE counselor, impacting innumerable small businesses in the STL metro area.

LIFETIME ACHIEVEMENT AWARD

Laurie Peterson is honored for her most dynamic banking career where she tangibly impacted communities through fostering partnerships between mainstream financial institutions and asset-building organizations such as Justine PETERSEN.

Chris McCoy is praised for a results-driven career dedicated to small business finance and on-going stewardship of Small Business Week of Eastern Missouri.

Ted Rice is applauded for his fruitful career in financial services where he advanced asset-building, home ownership and advocated on behalf of the under-resourced through his role as a steering committee member of the St. Louis Regional Unbanked Taskforce.

Tim Hill is recognized for his tireless career in banking where he prioritized community impact through innovation and thought leadership.

JP PERSON OF THE YEAR

Honorable Marlene Davis, alderwoman and superhero of the 19th Ward, propelled JP's mission through her unabated and forever generous support.

Richard Saddler and Family collectively participated in and provided meaningful contribution to the inaugural cohort of the Aspire Entrepreneurship Initiative funded by the W.K. Kellogg Foundation.

JP SMALL BUSINESS OF THE YEAR

Deborah and Freddie Lee James of **Freddie Lee's Ghetto Sauce** (American Gourmet Sauce) are honored for their tireless work ethic and exemplary small business conviction to the community.

LENDING PARTNER OF THE YEAR

Woodforest National Bank propelled JP's mission through a \$400k investment as part of the Opportunity Finance Network (OFN) CDFI Community Investment Fund, enabling JP to deploy much needed small business financing throughout our remote markets. Additionally, through a partnership with the Association for Enterprise Opportunity (AEO), Woodforest participates in Project CUE, a small business finance referral platform for CDFIs such as JP.

FAITH-BASED INVESTOR OF THE YEAR

Mercy Partnership Fund advanced JP's mission through a \$300k investment which supports JP's diverse asset-building and lending efforts.

INNOVATIVE PARTNER AWARD

Mission St. Louis provided "soulmate-like" partnership and friendship in implementing the inaugural cohort of the Aspire Entrepreneurship Initiative.

JP Board of Trustees

PRESIDENT

Mr. Eddie Davis
Executive Director, Center for the
Acceleration of African-American Businesses

SECRETARY

Ms. Rochelle Bea
Entrepreneur, Beginning Futures

TREASURER

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President, Community Banking,
Reliance Bank

DIRECTORS

Ms. Martina Gutierrez
Social Worker, Grace Hill
Settlement House

Ms. Laurie Peterson
VP Community Consultant,
PNC Community Development Banking

Mr. Keith A. Willy
Retired COO/Principal,
Twain Financial Partners

GRCC Board of Trustees

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SECRETARY/TREASURER

Mr. Mathew Ghio, Attorney

DIRECTORS

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CEO, Justine PETERSEN

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Ms. Niccole Clements
VP of Community Development
Banking, PNC

Mr. Eddie Davis
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Regional President, Montgomery Bank

Mr. Ron Hawley
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Regions Financial Corp.

Ms. Michele Hintz
VP, Relationship Manager, U.S. Bank

Mr. William Kovacs
Attorney, Retired

Mr. Ray Lowry
Senior Credit Officer,
Regions Financial Corp.

Ms. Elissa Schauman
VP New Business Initiatives,
U.S. Bancorp CDC

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BUILDING ASSETS. CHANGING LIVES.