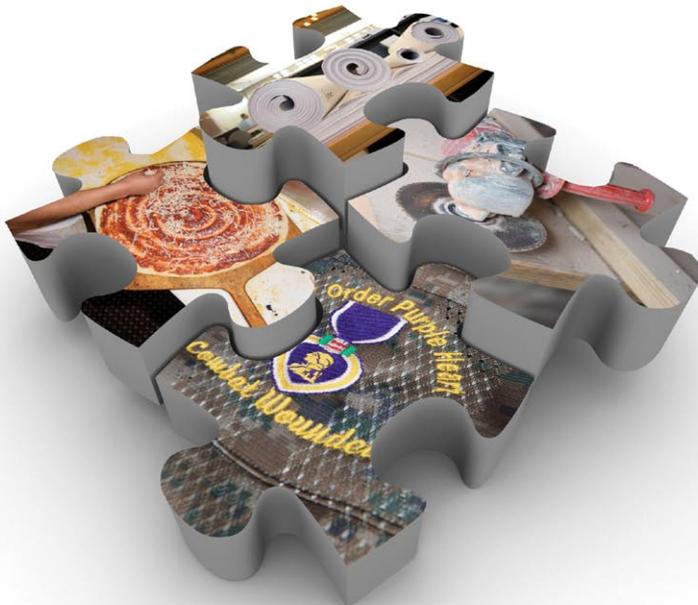


COMMUNITY CAPITAL FUND

177 State Street, 5th Floor
Bridgeport, CT 06604
(203) 332-7977
www.commcap.org





**COMMUNITY
CAPITAL FUND
2008**





A Complex Puzzle

What makes a city complete, whole, successful? Many parts contribute to the overall vitality of an urban center. Homes and businesses are paramount in this puzzle. Affordability, accessibility, and quality play into the picture. From living spaces to shopping places, various types of industries must fit and function together to form a successful cityscape.

Poised for growth, more than ever Bridgeport depends on its diverse parts. CommCap helps put the pieces in place for the Park City by empowering business and housing development. By financing projects that banks typically won't, CommCap provides growing and staying power to all types of industries: from housing and healthcare to entertainment, retail, restaurant and more.

In 2007, CommCap loans helped create custom kitchen cabinets, medical transcriptions, affordable apartments, Broadway theater props, Puerto Rican culinary delights and other diverse products and services. With funds from the Environmental Protection Agency, CommCap is helping redeem a once contaminated scrap yard for the eventual construction of commercial condominiums.

CommCap's finances bolster businesses and developments located throughout the Greater Bridgeport region. In neighborhoods where properties are proximate to one another, one revitalized building or burgeoning business can spur the forward momentum of an entire block. CommCap has seen and participated in many such areas of concentrated revitalization, often with loans to multiple projects in the area.

Downtown, CommCap's finances continue to fuel the transformation of the CityTrust Building and the Arcade. A new loan to Artspace will help complete the commercial space in the Read's Building, and funding for Rainy Faye bookstore will assist its relocation into that space.

Revitalization is also evident at the eastern end of Fairfield Avenue, with the polished and professional presence of Antinozzi Associates Architectural firm and the pizzeria pizzazz of Two Boots restaurant, both CommCap borrowers. A new restaurant, Epernay, is expected to open this year on the same block. Further progress is anticipated as CommCap funds empower developer John Bello to transform the Raffel building into a mixed-use community asset.

On Stratford Avenue, the renewal continues with Darren Ebron's rehabilitation of 1459 Stratford Avenue, the fourth CommCap powered renovation within a one-mile radius. On East Main Street, CommCap's impact can be seen in the success of El Flamboyant and Ramirez restaurants, new affordable apartments and an 18-unit building renovated by Marrakech into a home for adults with disabilities.

The staff and board of Community Capital are pleased to share with you some of the highlights of another successful year providing much-needed financing for affordable housing and business development in the greater Bridgeport area. Some of our accomplishments include:

- CommCap closed \$2.6 million in financing under our business and housing loan programs, and approved an additional \$1.6 million in loans that closed in 2008.
- The 12 closed loans created 10 new units of housing, 75,000 square feet of commercial space and 82 jobs.
- CommCap raised \$3.25 million in new capital, increasing its lending capacity by 26%.
- CommCap increased its total assets by 34% over 2006.

As you can see, Community Capital is a financially healthy organization, which is important in fulfilling our mission of neighborhood revitalization. By providing the flexible financing that developers and small businesses need, CommCap can furnish a vital piece in making Bridgeport's neighborhoods desirable places to live and work.

CommCap could not succeed without the help from its partners. We would like to thank the banks that invested in the loan fund during 2007. We also want to acknowledge the ongoing support of the Connecticut Housing Finance Authority and the Connecticut Department of Economic and Community Development. Lastly, we deeply appreciate the assistance of the City of Bridgeport and its Office of Planning and Economic Development.

We look forward to working with all of our partners in the coming year in putting all the pieces of the puzzle together.

Joseph S. Paoletta
President

Ann C. Robinson
Executive Director



Staff



Ann Robinson
EXECUTIVE
DIRECTOR



Barbara Macieski
LOAN OFFICER



Carolyn I. Gonzalez
BUSINESS
DEVELOPMENT
OFFICER



Enid Tyson
OFFICE MANAGER

Board of Directors



Joseph Paoletta*
PEOPLE'S BANK
Community Capital Fund
Board President

Carmen Colon
ALPHA COMMUNITY
SERVICES

Kimberly Ford
BRIDGEPORT
HOUSING AUTHORITY

Michael D. Grace*
COMPULEDGER

Kevin Gremse
NAT'L DEVELOPMENT
COUNCIL

Adrienne Houel*
THE WARRENTON
NETWORK, INC.

Donald F. Kanoff
THE MILFORD BANK

Edward Lavernoich*
CITY OF BRIDGEPORT,
OPED

Michael Lettieri
STATE OF
CONNECTICUT, DECD

Lydia Martinez
P.O. BOX 55152

Stephanie Philips
SOFTLINK
RESOURCES

Thomas J. Walsh Jr.
BRODY, WILKINSON
& OBER

David S. Watson
JP MORGAN CHASE

**CCF Officer*

Loan Committee

Carmen Colon
ALPHA COMMUNITY
SERVICES

Adrienne Houel
THE WARRENTON
NETWORK, INC.

Donald F. Kanoff
THE MILFORD BANK

Edward Lavernoich
CITY OF
BRIDGEPORT, OPED

David Malafrente
PEOPLE'S BANK

Stephanie Philips
SOFTLINK
RESOURCES

Bernadette Savage
GE MONEY BANK

The missing piece

Business owners, developers, entrepreneurs: people with a vision for a product, place or service. They have initiative and experience, but all too often lack a critical component in their plans: finances. That's where Community Capital comes in. CommCap loans function as the missing piece for businesses and developers throughout the Greater Bridgeport Region.

CommCap assistance comes in all shapes and sizes, with loans ranging from \$50,000 to \$500,000. CommCap lends for investment real estate and offers businesses a variety of loan products including mortgages, term loans, working capital, and credit lines. CommCap's capital helps people and companies complete their bigger picture: renovating facilities, expanding inventory, reaching new markets, enhancing services, developing affordable and market rate housing, and more.

A CommCap line of credit enables Habitat for Humanity of Coastal Fairfield County to commence and manage its construction projects in an orderly fashion, even while its sponsor organizations are still assembling the project's funding.

"The line of credit is vital to our business," says Sandy Blanchard, Habitat's Interim President. In 2007, Habitat's credit line was increased from \$200,000 to \$400,000, allowing them the flexibility to start bigger projects, like the twelve condos under construction in a turn of the century brownstone on the corner of Barnum Avenue and Williams Street.

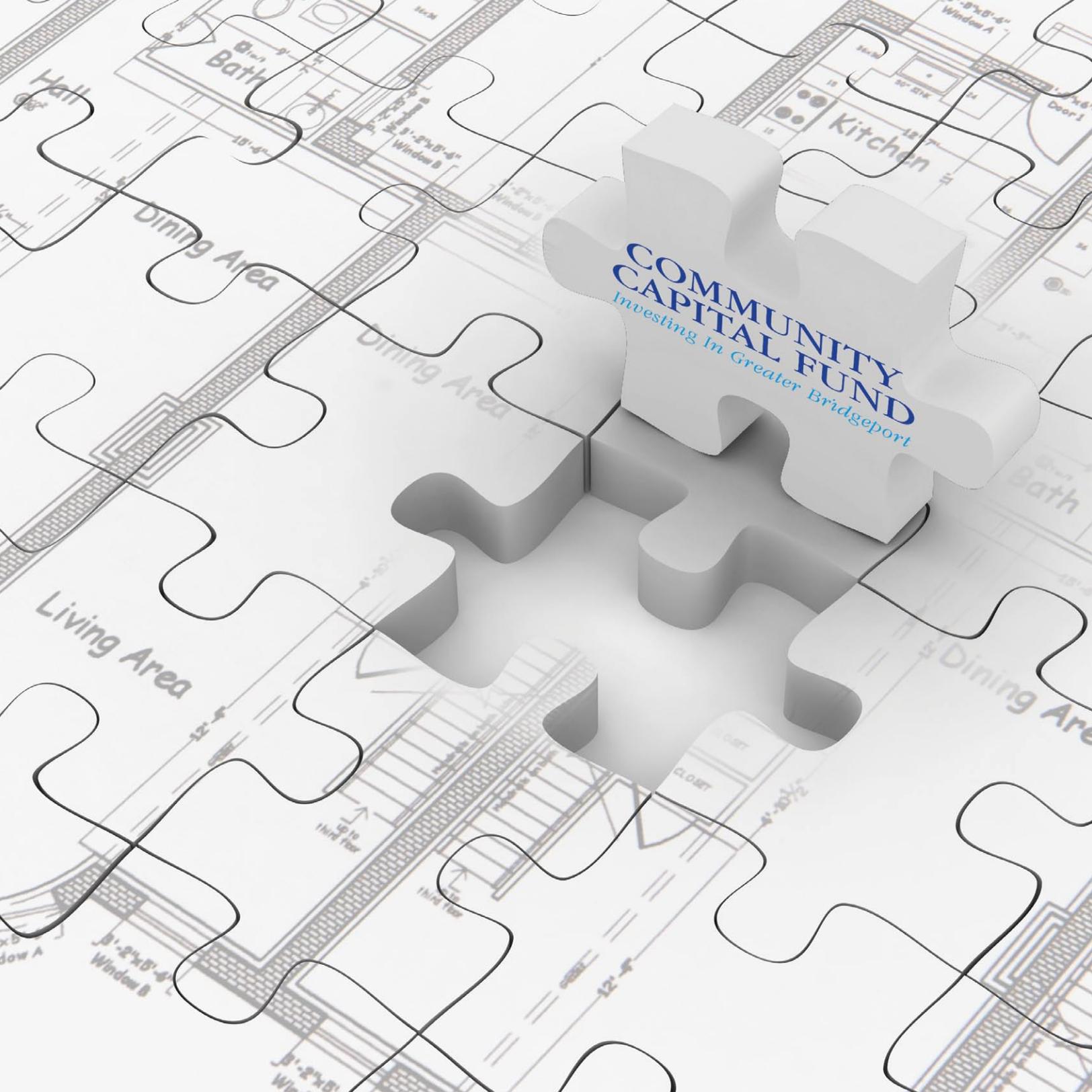
CommCap works closely with its borrowers, providing personal service with a commitment to understanding the unique position, needs and potential of each business or development.

CommCap is invested in the success of its borrowers. In addition to finances, CommCap helps other pieces fall into place with technical assistance and marketing consultations—key components for the growth and vitality of any business. Already 17 borrowers have received marketing consultations, and targeted companies have been empowered with advice and assistance for other marketing tools such as web sites, assessments, grand openings, logos and PR. Additionally, several CommCap applicants and borrowers have received assistance with business plans and models from students studying business at Fairfield University.

Community Capital Fund loans are fueled by a variety of sources, including People's Bank, Citibank, TD Bank North, Milford Bank, Fannie Mae, the City of Bridgeport, and the State's Department of Economic and Community Development. In 2007, GE Money Bank joined CommCap's Loan Fund, committing two million dollars, with half of the money designated for women seeking business loans and for investments in multi-unit housing constructed for women.



Habitat for Humanity's Barnum Avenue condos, under construction with the help of a CommCap line of credit.



**COMMUNITY
CAPITAL FUND**
Investing In Greater Bridgeport



A Piece of the Pie

New York. Los Angeles. Bridgeport? One of these things is not like the others; Bridgeport might not have the size and notoriety of these other urban centers, but restaurateur Phil Hartman recognized its potential and, being a pioneer at heart, decided to make the Park City home for a new branch of his successful Cajun-style pizzeria and bar, Two Boots.

A New York native, Hartman launched the first Two Boots in 1987 in the East Village. Today, Two Boots boasts six Manhattan locations including Grand Central and Rockefeller Center, as well as a pizzeria in Brooklyn and one under construction in Los Angeles.

“Being locally based, CommCap understood what we were doing and tried to expedite the process. I don’t know if we would have made it without them.”

In Bridgeport, the newest Two Boots is part of the broader Bijou Square revitalization, which includes the historic Bijou Theater, built in 1908, and the Jennings Building, constructed in 1911. Hartman’s interest in the emerging entertainment district at Bijou Square began with the theater itself, reportedly America’s oldest theater that was built as a theater and never used for another purpose. As owner of New York’s new old-fashioned Pioneer Theater, Hartman was intrigued by the Bijou’s history and style.

“We couldn’t let the oldest theater go permanently dark,” said Hartman. He initiated plans to re-open the theater with a focus on mainstream independent films as well as

special community programs. Hartman knew that movies alone would not be financially viable—so he planned for pizza to offset the cost.

Hartman’s Bridgeport venture began in March of 2005. Two years later, with renovations of the restaurant and theater well underway, finance shortages stalled construction. Hartman turned to CommCap for a \$100,000 loan.

“CommCap came in at a critical point,” said Hartman. “Their assistance enabled us to get to the finish line when we were staggering. Being locally based, CommCap understood what we were doing and tried to expedite the process. I don’t know if we would have made it without them.”

Opened in December, Bridgeport’s Two Boots is the restaurant’s largest branch. In addition to soul-flavored slices, Two Boots offers live entertainment, including surf music, gospel and jazz. An outdoor patio will further enhance the restaurant’s community feel, adding an urban summer ambience.

“We’re here for the long haul,” said Hartman, who sees Bridgeport as a blank slate, ready for creative urban renewal. Phil and his son Leon, who moved to the Park City after graduating from college and now helps manage the restaurant, hope to see Bridgeport grow with new retail spaces that are artistic and unique. To that end, Leon serves on the City Lights Gallery Board and Two Boots is contributing to the Seaside Arts Festival.





Strong Foundation

Darren Ebron didn't have a floor to stand on, but with 16 years of renovation experience and the lending power of Community Capital Fund, he had solid footing for transforming the blight at 1459 Stratford Avenue into new beauty. Before Ebron acquired it, the building had suffered years of neglect, including a collapsed floor. Despite its condition, Darren recognized its potential and set about to rehab the property. His plan: create a first-floor restaurant and two spacious apartments upstairs, each with hardwood floors, dishwashers and other amenities.

Despite its condition, Darren recognized its potential and set about to rehab the property.

Darren began the project with his own funds, but found himself in a predicament when finances got tight. He called on Community Capital Fund for help—Darren had heard of CommCap through his work as a contractor for CommCap's sister organization Bridgeport Neighborhood Trust (BNT).

CommCap in turn had been impressed with Darren's qualifications and work quality. His company, Builders Unlimited LLC, had completed comprehensive renovations on five other Bridgeport properties, and Darren had worked on other homes and buildings throughout the City, including BNT's rental development units.

Confident Darren could accomplish his goal, they approved the loan, and Darren dove into the task at hand: removing dumpsters of debris, reconstructing the roof and, most significantly, rebuilding the floor beneath him.





A Perfect Fit

For Antinozzi Associates, Bridgeport was the perfect fit. For 50 years, the firm had been creating architectural excellence in the Greater Bridgeport area, but its offices had long been located in Stratford.

“We’re known as a Bridgeport firm and we’re proud of it.”

“We’ve always considered Bridgeport our true home,” said President Paul Antinozzi. For three years, Antinozzi and his partners had been contemplating a move to the Park City, compelled by the city’s size and history, and the allure of an architecturally rich office space in a turn-of-the-century building. The prospect was promising, but the deal was not sealed until the final incentive in the form of a \$100,000 CommCap loan made with City of Bridgeport Community Development Block Grant funds.

In June 2007, after six months of renovations, the firm moved into its new location on Fairfield Avenue in downtown Bridgeport.

“My father designed Bridgeport’s City Hall and train station,” said Paul Antinozzi. “I can stand on the roof of this building and point out twenty buildings that this firm has designed. That means a lot to me.”

Inside, the style of Antinozzi’s new office is any architect’s dream. Once a two-story ballroom

known as Colonial Hall, the 11,500 square foot space provides an open atmosphere with ample historic grace including original chandeliers, a wrought-iron railing and gilded accents. “A compelling space for our collaborative process,” says Paul, who notes the fitting combination of professional, emotional and conceptual ideas that the place evokes.

Officially the largest architectural firm in the largest city in Connecticut, Antinozzi Associates’ identity is now firmly installed in the Park City. “We’re known as a Bridgeport firm and we’re proud of it,” says Paul.

In addition to its professional services, the firm contributes to the bigger Bridgeport picture on many levels: providing job opportunities, enhancing the local economy with its employees that use community services, and maintaining a commitment to public outreach. Antinozzi Associates runs the ACE mentoring program that offers professional architectural exposure to students from Bridgeport and Stratford.





The Corner Piece

What do you get when you take a moisture-resistant, antibacterial, healthcare textile product and add personal style to make it discreet and dignified? There's no riddle behind Diane Poole's new business, RxBlendables, simply an innovative product combining function, form and fashion. From wheelchair covers to head injury dining accessories and crib pads, RxBlendables textiles effectively inhibit bacterial growth and stains, and come in patterns and colors that add personality to otherwise generic medical merchandise.

Armed with this unique product, an in-depth marketing plan and ample enthusiasm, Diane was ready to launch RxBlendables onto the healthcare scene in 2005, but lacked a crucial piece: the capital to manufacture her inventory. Hailing from Fairfield Connecticut, Diane set out on a quest for investment money—a two-year mission that took her from Boston to Florida, but yielded slim results. That was until the summer of 2007, when a conversation back in her own hometown opened the door she needed. Mark Barnhart, Fairfield's Director

"I found the corner piece to my puzzle in my own backyard."

of Economic and Community Development, informed Diane about Community Capital Fund and its new loan funds available for emerging woman-owned businesses.

Diane wasted no time in contacting CommCap, and within three months CommCap offered RxBlendables one of its first loans using funds

from GE Money Bank, created to assist women-owned businesses.

"I found the corner piece to my puzzle in my own backyard," said Diane.

For Diane, RxBlendables is more than a business, it's a mission—seen especially in her focus on combat wounded and veterans' products. In partnership with the Military Order of the Purple Heart, RxBlendables provides nationally Purple Heart recipients with personal "dignity" products created to honor their service and sacrifice.

"I am so humbled and proud to be part of such a national effort, VETERANS HELPING VETERANS, and it's all because Community Capital Fund listened, heard me, cared and did something to make this happen," said Diane.

While Diane's business has a national market, it has local impact as well. RxBlendable catalogs and products will be assembled at the Kennedy Center in Trumbull, Connecticut—a rehabilitation agency providing vocational opportunities for people with disabilities. Packaging RxBlendables veterans' products has special significance to many of the workers at the Kennedy Center, who also write personal letters of encouragement to the troops serving overseas.

"CommCap staff are the most visionary and professional people I have ever had the opportunity to work with. They stun me. They pull out all the stops. They say 'this is the right thing,' and then make it work." Diane Poole, owner, RxBlendables





Some Assembly Required

Bart Becker knows how to put the pieces together. Whether a wooden rocking horse or the entire set for a Broadway musical, Becker's business is building

"It's my building and I want to make it a beacon for the revitalization projects in the area."

things. His business, Rockin' Concepts, was originally named after Becker's handcrafted children's rocking horses, but now focuses on set construction. Bart has provided the backdrops for theater hits such as Thoroughly Modern Millie, Legally Blonde and Jersey Boys.

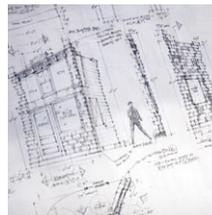
In 2000, business growth prompted Becker to look for a space of his own. He found and purchased a 12,000 square foot building on Barnum Avenue in Bridgeport's East side. Prompted by the Park City's property values and assisted by a Grow Bridgeport Fund (CommCap's predecessor) loan, the Bridgeport building gave Becker the space he needed and the convenience of close proximity to his suppliers, including lumber, welding and electrical.

Always hands-on, Becker accomplished the renovation work himself, converting the

former Mustang showroom and upholstery company into an impressive workshop, suitable for assembling life-size stage projects.

Over the years, additional Grow Bridgeport loans have helped Rockin' Concepts keep rocking. Recently, a new CommCap loan has enabled Bart to begin the building's final renovations—4,000 square feet of storefront office space.

Since establishing his business in Bridgeport, Becker has noted steady improvement in the neighborhood, participating in the momentum by diligently maintaining and developing his own property. "It's my building and I want to make it a beacon for the revitalization projects in the area. Maybe, somehow I can help spread the idea and bring major improvements to the area," says Becker. As for Bridgeport's future, Bart sees small businesses as the key. "It's what drives the economy," he says.



COMMUNITY CAPITAL FUND, INC & GROW BRIDGEPORT FUND LLC

DECEMBER 31, 2007
STATEMENT OF FINANCIAL POSITION *

	COMMUNITY CAPITAL FUND, INC.	GROW BRIDGE- PORT FUND, LLC	ELIMINA- TIONS	NET COMBINED BALANCES
ASSETS				
Cash (includes 250,000 Board Designated Reserve)	522,934	727,331	0	1,250,265
Permanently Restricted Cash (CDBG, GE & DECD)	1,113,197	0	0	1,113,197
Real Estate Mortgages (net of Reserves of 678,424)	4,192,477	0	0	4,192,477
CDBG Loans (net of Reserves of 64,054)	489,573	0	0	489,573
Revolving DECD Loan Fund (net of Reserves of 19,613)	372,649	0	0	372,649
Revolving Economic Development Fund-City Loans	300,000	0	0	300,000
Business Loans (net of Reserves of 13,250 & 541,371)	915,860	2,808,173	0	3,724,034
CityTrust Project Loans	4,000,000	0	0	4,000,000
Inter Company Note Receivable	887,865	0	(887,865)	0
Foreclosed Real Estate-Villa's	209,283	0	0	209,283
Due from LLC	442,684	0	(442,684)	0
Due from BNT	128,870	0	0	128,870
Due from Others	61,965	61,312	0	123,277
Investment in LLC	332,536	0	(332,536)	0
Accrued Interest Receivable	82,547	35,711	0	118,258
Pre Paid & Other Assets	19,242	0	0	19,242
Equipment, net of Accumulated Depreciation	16,414	0	0	16,414
Agency Assets (Maint Res, Prop Mgmt, EPA loan)	375,505	0	0	375,505
	<u>Total Assets:</u>	<u>14,463,603</u>	<u>(1,663,085)</u>	<u>16,433,045</u>
LIABILITIES				
sNotes Payable to Banks/FNMA/GE	5,054,630	0	0	5,054,630
Notes Payable - City of Bridgeport	924,959	0	0	924,959
Inter Company Note Payable	0	887,865	(887,865)	0
CityTrust Project Refundable Advance	4,000,000	0	0	4,000,000
Brownfield Revolving Loan Fund	664,101	0	0	664,101
Accrued Expenses	55,040	0	0	55,040
Accrued Interest Payable	41,759	0	0	41,759
Due to Inc	0	442,684	(442,684)	0
Other Liabilities	12,680	0	0	12,680
Agency Liabilities (Maint Res, Prop Mgmt, EPA Loan)	375,505	0	0	375,505
	<u>Total Liabilities:</u>	<u>11,128,675</u>	<u>(1,330,549)</u>	<u>11,128,675</u>
NET ASSETS & MEMBER EQUITY				
Undesignated Net Assets	1,090,180	0	0	1,090,180
Board Designated Operating Reserve	250,000	0	0	250,000
Net Investment in Equipment	16,414	0	0	16,414
Temporarily Restricted Net Assets	245,587	0	0	245,587
Permanently Restricted Net Assets	<u>1,732,747</u>	<u>0</u>	<u>0</u>	<u>1,732,747</u>
	<u>Total Net Assets</u>	<u>3,334,928</u>	<u>0</u>	<u>3,334,928</u>
Designated for EDA Grant Revolving Loan Fund	0	863,132	0	863,132
Designated for Section 108 Loan Losses	0	232,587	0	232,587
Undesignated	0	1,206,259	(332,536)	873,723
	<u>Total Member Equity</u>	<u>2,301,978</u>	<u>(332,536)</u>	<u>1,969,442</u>
Total Net Assets & Members' Equity:	<u>3,334,928</u>	<u>2,301,978</u>	<u>(332,536)</u>	<u>5,304,371</u>
Total Liabilities, Net Assets & Members' Equity:	<u>14,463,603</u>	<u>3,632,528</u>	<u>(1,663,085)</u>	<u>16,433,045</u>

* Unaudited

COMMUNITY CAPITAL FUND, INC & GROW BRIDGEPORT FUND LLC

DECEMBER 31, 2007 STATEMENT OF ACTIVITIES & CHANGES IN NET ASSETS & MEMBERS' EQUITY*

	REAL ESTATE LENDING	VILLA'S	BUSINESS LENDING	RESTRICTED CDBG, EDF & DECD	TOTAL INC	GROW BRIDGEPORT FUND LLC	ELIMINA- TIONS	NET TOTAL
REVENUE & OTHER SUPPORT								
Interest on Loans	341,588	0	123,613	5,879	471,080	259,667	(57,638)	673,109
Late fees on Loans	2,044	0	0	0	2,044	4,046	0	6,090
Commitment & Application Fees	9,290	0	29,250	0	38,540	6,500	0	45,040
Interest Income on Bank Ac- counts	50,547	0	0	17	50,564	17,281	0	67,845
Increase (Decrease) in Equity in LLC	(22,656)	0	0	0	(22,656)	0	22,656	0
Fee for BNT Services	13,850	0	0	0	13,850	0	0	13,850
Economic Development Fund	0	0	0	500,000	500,000	0	0	500,000
Villa's Rents Collected	0	57,574	0	0	57,574	0	0	57,574
Grow America Revenue	0	0	0	0	0	2,774	0	2,774
Other Income	50,740	0	0	0	50,740	0	0	50,740
In Kind Contribution (Rent)	12,458	0	1,869	0	14,327	10,590	0	24,917
Total Revenue & Support	457,860	57,574	154,731	505,896	1,176,062	300,858	(34,982)	1,441,938
EXPENSES								
Interest Expense	177,810	0	59,907	17	237,734	57,638	(57,638)	237,734
Salaries	105,778	7,236	33,967	0	146,982	68,134	0	215,116
Payroll Taxes	8,622	666	2,020	0	11,308	4,814	0	16,122
Employee Benefits	16,868	733	3,249	0	20,850	8,932	0	29,781
Professional Fees	51,272	0	6,532	0	57,805	40,595	0	98,399
Insurance	11,331	0	1,700	0	13,031	9,631	0	22,662
Office Supplies & Expenses	4,331	0	553	0	4,884	6,661	0	11,545
Office Repairs & Maintenance	4,337	0	633	0	4,970	3,587	0	8,557
Property Management & Litigation	45,262	516	0	0	45,779	8,959	0	54,738
Villa's Property Expense	0	89,090	0	0	89,090	0	0	89,090
Telephone	2,219	0	336	0	2,555	1,903	0	4,458
Conferences, Meetings & Travel	2,157	0	436	0	2,593	3,130	0	5,724
Marketing, P/R & Annual Meeting	20,722	0	2,066	0	22,788	22,698	0	45,486
Loan Servicing Fees	15,262	0	2,706	0	17,968	27,581	0	45,549
Subscriptions, Postage & Misc.	2,724	0	324	0	3,048	1,837	0	4,885
Other Expenses & Contribu- tions	1,633	0	4	0	1,636	21	0	1,658
Brownfield Grant Expenses	5,740	0	0	0	5,740	0	0	5,740
Loan Loss Provision	0	0	0	0	0	178,646	0	178,646
Depreciation	2,365	0	355	0	2,720	2,011	0	4,731
Rent (In Kind)	12,458	0	1,869	0	14,327	10,590	0	24,917
Total Expenses	490,893	98,241	116,657	17	705,807	457,366	(57,638)	1,105,536
YTD Excess (Deficiency) of Revenue								
<u>Over Expenses</u>	<u>(33,032)</u>	<u>(40,667)</u>	<u>38,075</u>	<u>505,879</u>	<u>470,254</u>	<u>(156,509)</u>	<u>22,656</u>	<u>336,402</u>

* Unaudited