Opportunity Resource Fund

Annual Report 2013

Housing Loans
Economic Development Loans
Mixed Use Loans
Fresh Opportunity Mortgages

Opportunity Resource Fund
Table of Contents

Mission 2
Board of Trustees 3
OppFund Staff 4
Our Vision 5
Single Family Mortgage 6
Economic Development 7
Affordable Housing 8
Press Releases
Impacts 10
Investing 11
Financials 12

Mission
The Opportunity Resource Fund provides loans, through careful and flexible resource allocation, to benefit Michigan communities.
OPPORTUNITY RESOURCE FUND
2013-2014
BOARD OF TRUSTEES

Gregg Christenson, Chair
Flagstar Bank

Robert K. Hunt, Vice Chair
Detroit Housing Commission

Cedric Flounory, Treasurer
Internal Revenue Service

Marianne Talon, Secretary
Wayne County Corporation Counsel

Gehad Alawan
Islamic Center of America

Sister Margaret Alandt
Sisters, Servants of the IHM

Marc Craig
Community Housing Network, Inc.

Rev. Elizabeth Morris Downie
St. Christopher's Church of Grand Blanc

J. David Ivers
Metropolitan Detroit, AFL-CIO

Bryan Kieler
(formerly with) Huntington Bank

Harriet B. Saperstein
Urban Consultant

Thomas H. Seabron
Morgan Stanley

Anthony Spokojny
Law Offices of Anthony Spokojny

Lawrence Williamson
Midtown Detroit

Timothy D. Wittlinger
Clark Hill PLC

Christine Coady Narayanan,
President/CEO
Core Values...

INTEGRITY/ETHICS/JUSTICE
- We treat everyone fairly, respectfully, and honestly and have the courage to do what is right.

DIVERSITY
- We support and value all people, ideas, and backgrounds.

INNOVATIVE EXCELLENCE
- We do things differently, without fear while striving for exceptional results to exceed stakeholder expectations.

COMMUNITY COMMITMENT
- We are engaged as a team working for the well being of all.

OppFund Staff

Christine Coady Narayanan
President/CEO

Debra Fedewa, CPA, CGMA
Vice President of Finance/CFO

Kate Powers, CFRE
Vice President of Development

Tim Strasz
Vice President of Lending

Jane Carpenter
Director of Donor and Investor Relations

Mary Fox
Financial Accountant – Liabilities

Karen Gasperoni
Office Manager

Jody Lowe
Administrative Assistant

Mary Lynn Noah
Loan Servicing Specialist

Melodie Stacey
Executive Assistant/Board Liaison

Kelsey Schweibert
Intern (2014)

Charles Turner
Single Family Loan Officer
Our Vision

Where others see dilapidated houses...
we envision homes restored to provide shelter for generations of families.

Where others see empty broken storefronts...
we envision the realization of the entrepreneurial dreams of successful small businesses which will create jobs.

Where others see hopelessness and overwhelming problems...
we envision new and renovated facilities through which non-profits can better serve their communities.
Where others see dilapidated houses,
...
we envision homes restored to provide shelter for generations of families.

This home was purchased with an OppFund loan. Our borrower was born and raised on the west side of Detroit. A family of three, single mom and two children wanted to live in a safe neighborhood. The borrower liked the Grandmont Rosedale area and even took her kids trick-or-treating there in past years, never would she imagine she would someday call it home. Now she does!

Serving families....one home at a time

**Single Family Mortgage... Fresh Opportunity Mortgage**
(historic through December 31, 2013)

$1.19 Million Loaned

50% of Borrowers - First Time Homeowners

90% Borrowers - At 80% or Lower of Area Median Income

70% of Borrowers - Female Head of Household
Where others see empty, broken storefronts,

...we envision the realization of the entrepreneurial dreams of successful small businesses which will create jobs.

Economic Development
(historic through December 31, 2013)

$4.2 Million Loaned
$17.9 Million Leveraged
600 Jobs Created

Rebuilding Communities...one project at a time
home - a basic need, but also a very basic component of our security, happiness and sense of well-being. But for many people with disabilities (and for their loved ones) this sense of security is limited at best and elusive for far too many.

Rainbow Homes offers an option for families in the Lansing/Jackson area, by providing an ecumenical Christian supported living environment for persons with developmental disabilities. Rainbow Homes provides a nurturing, homelike setting to help individuals, many embarking on their first experience outside the family home, with an opportunity to achieve greater dignity and independence.

Residents have the privacy of their own room within two-bedroom apartments, along with a community room allowing for social interaction among the residents. In addition, Rainbow Homes enjoys a wide network of volunteers that have helped residents become part of the larger community. Church and labor union volunteers have helped with improvements to the apartments, located in Holt. Other volunteers have helped residents become involved in everything from attending regular church services to Special Olympics Bocci Ball tournaments, to an MSU Music Therapy group.

Where others see hopelessness and overwhelming problems,

...we envision new and renovated facilities through which nonprofits can better serve their communities.

Strengthening neighborhoods….one house at a time
FOR IMMEDIATE RELEASE

OPPORTUNITY RESOURCE FUND NAMED SBA COMMUNITY ADVANTAGE LENDER

DETROIT, MI, July 16, 2013 – Opportunity Resource Fund (OppFund), a nonprofit Community Development Financial Institution (CDFI), dually headquartered in Lansing and Detroit, has been named a statewide Community Advantage lender by the US Small Business Administration.

This designation will allow OppFund to expand the great work that they are currently doing with small businesses and entrepreneurs in underserved communities, to drive economic growth and job creation, while being able to utilize the backing of the SBA.

“OppFund is thrilled to be able to broaden our lending portfolio to include Community Advantage support provided by the SBA,” stated Christine Coady Narayanan, OppFund President/CEO. “This adds another layer to our already robust line, which has served the state of Michigan for 28 years.”

Community Advantage is open to mission-focused lenders, including community development financial institutions, SBA’s Certified Development Companies and SBA’s nonprofit microlending intermediaries.

“SBA is pleased to welcome the Opportunity Resource Fund as a Community Advantage lender since they have clearly demonstrated a commitment to assisting small businesses throughout the state,” said Allen Cook, Assistant District Director for Lender Relations at SBA’s Michigan District Office. “We know that their expertise in providing alternative lending will well serve Michigan’s small business community through this program.”

FOR IMMEDIATE RELEASE

Opportunity Resource Fund awarded $1.3 million through U.S. Department of Treasury’s Community Development Financial Institution Fund, CDFI Program Awards.

(LANSING, MI) – Michigan-based non-profit, Opportunity Resource Fund (OppFund), has been awarded $1.3 million by the Community Development Financial Institution Fund (CDFI Fund). OppFund is Michigan’s only recipient of the Core Financial Assistance award. The award is provided to empower growth, organizational sustainability, and further contributions to the revitalization of Michigan communities.

OppFund, a non-profit CDFI, is one of 190 organizations in the country awarded a Financial or Technical Assistance award through the CDFI Fund. OppFund qualified for Core Financial Assistance funding, receiving $1,374,000. Fiscal year 2013 CDFI Program awards enable CDFIs across the country to increase their lending and investments in low-income and economically distressed communities.

“The ability to enable homeownership for so many Michiganders is very appealing to us, our borrowers, investors, and other lenders,” shared Tim Strasz, VP of Lending. “We are grateful to be on the frontline helping to create Michigan homeowners and bettering our communities.”

Dually headquartered in Lansing and Detroit, OppFund will exclusively use the award to fund the Fresh Opportunity Mortgage program with a concentration on homebuyers in the Detroit metropolitan area. This program allows individuals who are challenged by credit constraints to move forward with a home purchase, and has seen great success in its first two years, making over $1 million in loans to Michigan individuals.

“It is an honor to receive a Core Award from the CDFI Fund,” stated Christine Coady Narayanan, OppFund President/CEO. “We look forward to making homeownership a reality for Detroiter who have been unable to achieve that dream with traditional financing.”
Loan Products and Planned Impacts
2013 – 2017

Fresh Opportunity Mortgages
Provide $4.5 million in fair and equitable financing to at least 71 qualified homebuyers in Michigan, focusing primarily on homes completed by community-based developers and/or those in NSP areas.

Affordable Housing Loans
Originate $5.8 million in loans to support the creation or restoration of 474 units of affordable housing for low/moderate income families and individuals, focusing 30% of these dollars in the Metro-Detroit area.

Small Business, Community Facilities, Mixed-Use Loans
Deliver $15 million in loans to those without access to traditional credit to create, grow, and/or maintain small businesses, nonprofit facilities, commercial real estate development and 2,200 jobs.

Five Year Goals...
Respond to Michigan’s call for a turnaround of its communities by placing more than $25 million into service, combined with development support services, for affordable housing development, creation and/or expansion of small businesses, and Fresh Opportunity Mortgages.

Provide sound investment opportunities for socially motivated investors while growing total capital under management to $33 million to meet steadily increasing demand.

Ensure the OppFund remains a robust community development financial institution (CDFI) serving as a strong catalyst for Michigan’s communities.
How Does Community Investing Work?

**INVESTORS**
- INDIVIDUALS
- FOUNDATIONS
- CORPORATIONS
- BANKS
- FAITH-BASED ORGANIZATIONS

**Funds**

**CDFI COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION**
(THE OPPFUND)

**LOANS**

**BORROWERS**
- FAMILIES
- CHILD-CARE CENTERS
- RESTAURANTS
- FLORISTS
- COFFEE SHOPS
- BARBER SHOPS/SALONS
- AFFORDABLE HOUSING DEVELOPERS

**PRINCIPAL/INTEREST**

**REPAYMENT**
Statement of Financial Position
As of December 31, 2013

Assets
Cash and cash equivalents $ 1,915,222
Grants and contracts receivable 120,969
Contributions receivable 1,351,550
Accrued interest receivable and other 268,587
Loans receivable, net 8,121,419
Equipment and furnishings, net 82,476
Total assets $ 11,860,223

Liabilities and Net Assets
Accounts payable and accrued expenses $ 71,893
Notes payable 8,702,504
Other liabilities 233,292
Total liabilities 9,007,689
Net assets 2,852,534
Total liabilities and net assets $ 11,860,223

Statement of Activities
For the year ended December 31, 2013

Revenues
Contributions and grants $ 1,487,044
Interest and investment earnings 609,517
Other 74,599
Total revenues 2,171,160

Expenses
Program services 1,192,099
Support services 372,988
Total expenses 1,565,087
Increase in net assets $ 606,073

Audited financial statements available upon request.