



CAPITAL
FOR CHANGE



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Wallingford, CT 06492

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capitalforchange.org

Annual Report

2019-2020

OFFICERS

Dorothy D. Adams

Board Chair
transition partner

Brian Robinson

Board Vice Chair
Senior Vice President, Originations
and Capital Markets
National Affordable Housing Trust

Jeffrey Robinson

Board Treasurer
Retired, TD Bank

Timothy Hodges

Board Secretary
Vice President, Government
Relations & Community
Reinvestment
People's United Bank

BOARD OF DIRECTORS

Anna Blanding

Owner
The Pilliner Group

Rebecca Borné

Senior Policy Counsel
Center for Responsible Lending,
Washington, D.C.

Ginne-Rae Clay

Deputy Director
Office of Planning & Economic
Development, City of Bridgeport

Robin Golden

Strategic Consultant

Benna R. Lehrer

Vice President, Operational Risk
Synchrony Financial

Chris Magalhaes

Chief Investment Officer
Inclusive Prosperity Capital

Andrea Pereira

Consultant

Edward Seibert

Retired, JP Morgan

Diane Smith

Director, Planning Research & Evaluation
Connecticut Housing Finance Authority

Calvin B. Vinal

President & CEO
Capital for Change, Ex-Officio

OUR MISSION

To provide flexible, creative and responsive financial products and services that support an inclusive and sustainable economy.

TO OUR PARTNERS

Our rapid growth on top of merging was both exciting and challenging, and Capital for Change is ready for new challenges. Merging in 2016 was an intense, time-consuming business that required a careful knitting together of operating systems and organizational structure. Having now completed much of that work, we are well positioned to move forward and expand our impact.

Our rapid growth on top of merging left us breathless. Having combined into a central Connecticut location, Capital for Change now has an asset base of \$138 million along with some new supporters such as Amalgamated Bank for our growing energy lending, and a larger group of Social Impact Investors that now makes up over \$5 million of our funding. Loan servicing, which we provide for nonprofits and government agencies, also has reached new record levels. Through the growth in lending, we created or preserved 342 affordable housing units, created 230 jobs and our energy lending reflects the equivalent of taking 163 cars off the road – in just 12 months!

We continue to innovate with lending products and services that will provide low-income communities across Connecticut with more equitable access to financing to build wealth inclusively. A major focus of this is moving back into small-business lending by focusing on developing resources to support the growth of women and minority-owned small businesses. We are executing diversity and inclusion education processes that we started pursuing internally in 2019 and now are engaging actively the Board and staff in understanding how we can do more to combat racism and help underserved populations to access resources that will improve their lives.

The hard work of the merger now is beginning to bear fruit in our ability to respond with financing for a wide range of needs. A future with the “new normal” awaits. Thank you for your support, confidence and partnership.

Calvin B. Vinal
President & CEO

Dorothy D. Adams
Board Chair

OUR FINANCIALS

Consolidated Statement of Activities and Changes in Net Assets Year Ended March 31, 2020

| | WITHOUT DONOR RESTRICTIONS | WITH DONOR RESTRICTIONS | TOTAL |
|---------------------------------------|----------------------------------|----------------------------|---------------------|
| REVENUE + SUPPORT | | | |
| LOAN INTEREST ACTIVITY | \$4,123,211 | \$66,156 | \$4,189,367 |
| LOAN SERVICING REVENUE | \$1,665,788 | | \$1,665,788 |
| LOAN FEES | \$722,290 | | \$722,290 |
| GRANTS AND CONTRIBUTIONS | \$1,272,211 | \$800,000 | \$2,072,211 |
| INTEREST INCOME - INVESTMENTS | \$44,257 | | \$44,257 |
| RECOVERY OF LOAN LOSSES | \$4,813 | | \$4,813 |
| NET ASSETS RELEASED FROM RESTRICTIONS | \$1,443,704 | (1,443,704) | |
| TOTAL REVENUE AND SUPPORT | \$9,276,274 | (\$577,548) | \$8,698,726 |
| EXPENSES | | | |
| PROGRAM | \$7,893,144 | | \$7,893,144 |
| GENERAL AND ADMINISTRATIVE | \$864,339 | | \$864,339 |
| FUNDRAISING | \$244,293 | | \$244,293 |
| TOTAL EXPENSES | \$9,001,776 | | \$9,001,776 |
| CHANGES IN NET ASSETS | \$274,498 | (\$577,548) | (\$303,050) |
| NET ASSETS, BEGINNING | \$9,511,768 | \$18,416,219 | \$27,927,987 |
| NET ASSETS, ENDING | \$9,786,266 | \$17,838,671 | \$27,624,937 |

OUR FINANCIALS

Consolidated Statement of Financial Position as of March 31, 2020

CURRENT ASSETS

| | |
|---------------------------|--------------|
| CASH | \$2,195,207 |
| RESTRICTED CASH | \$10,401,282 |
| ACCOUNTS RECEIVABLE, NET | \$1,010,136 |
| GRANTS RECEIVABLE | \$150,000 |
| INTEREST RECEIVABLE | \$544,835 |
| LOANS RECEIVABLE, CURRENT | \$8,697,044 |
| PREPAID EXPENSES | \$74,096 |

| | |
|-----------------------------|---------------------|
| TOTAL CURRENT ASSETS | \$23,072,600 |
| PROPERTY AND EQUIPMENT, NET | \$3,910,882 |

OTHER ASSETS

| | |
|--|----------------------|
| INVESTMENTS | \$899,031 |
| LOANS RECEIVABLE, NET OF CURRENT PORTION | \$79,708,788 |
| LOAN LOSS RESERVES | (\$4,260,258) |
| LOANS RECEIVABLE - AGENCY ASSETS | \$34,773,992 |
| OTHER ASSETS | \$12,920 |
| TOTAL OTHER ASSETS | \$111,134,473 |

| | |
|---------------------------------------|----------------------|
| TOTAL LIABILITIES + NET ASSETS | \$138,117,955 |
|---------------------------------------|----------------------|

CURRENT LIABILITIES

| | |
|---------------------------------------|---------------------|
| ACCOUNTS PAYABLE AND ACCRUED EXPENSES | \$611,297 |
| ACCRUED INTEREST PAYABLE | \$74,199 |
| ESCROWS | \$3,062,372 |
| DEFERRED REVENUE | \$331,000 |
| CURRENT PORTION OF LONG-TERM DEBT | \$6,714,264 |
| TOTAL CURRENT LIABILITIES | \$10,793,132 |

LONG-TERM LIABILITIES

| | |
|---|--------------|
| REFUNDABLE ADVANCES | \$4,521,340 |
| DEFERRED REVENUE | \$1,952,122 |
| NOTES PAYABLE, NET OF DEFERRED FINANCING FEES | \$52,875,929 |
| NOTES PAYABLE - EQ2 | \$5,100,000 |
| AGENCY LIABILITIES | \$35,250,495 |

| | |
|------------------------------------|----------------------|
| TOTAL LONG-TERM LIABILITIES | \$99,699,886 |
| TOTAL LIABILITIES | \$110,493,018 |

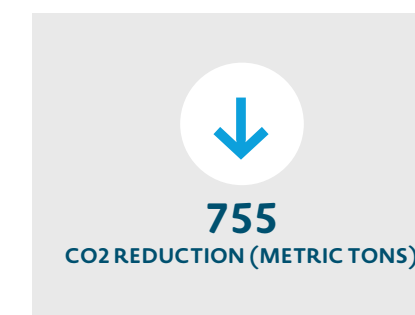
TOTAL LIABILITIES

| | |
|-------------------------------|---------------------|
| COMMITMENTS AND CONTINGENCIES | |
| NET ASSETS | |
| Without donor restrictions | \$9,786,266 |
| With donor restrictions | \$17,838,671 |
| TOTAL NET ASSETS | \$27,624,937 |

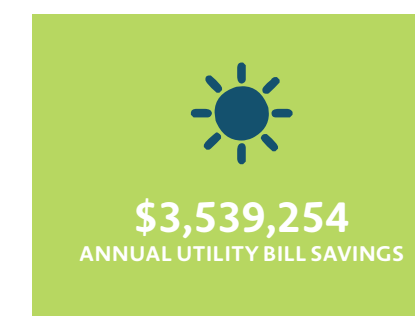
| | |
|---------------------------------------|----------------------|
| TOTAL LIABILITIES + NET ASSETS | \$138,117,955 |
|---------------------------------------|----------------------|

OUR IMPACT FOR FY 2019-20

Commercial Lending



Consumer Lending



Loan Servicing



OUR PARTNERS

Social Impact Investors

- Emily Aber and Robert Wechsler
- Dorothy D. Adams and Josephus de Groot
- Darcy Arcand
- Daughters of the Holy Spirit Charitable Trust
- Stephanie Fitzgerald and Frank Cochran
- Anne Conners and Keith Lawrence
- Community Foundation Mission Investments, LLC
- Frances Giffin
- Robin S. Golden and David N. Berg
- Annie F. Cheng
- Foundation Source Charitable Foundation
- William C. Graustein
- William Casper Graustein Memorial Fund
- Ann T. Greene
- Interfaith Volunteer Caregivers
- Jeniam Foundation
- Leeway, Inc.
- Mary Link and William Spademan
- Charles Marlow
- Robert W. and Isabel B. McEachern
- Mercy Partnership Fund
- Method Irrevocable Trust
- The Melville Charitable Trust
- Sarah Miller and Lee Cruz
- New England Yearly Meeting of Friends Pooled Funds
- The New Haven Monthly Meeting of the Religious Society of Friends
- Frances and John Padilla
- Maria Padilla
- The Pikaart Family Trust
- Religious Communities Impact Fund (RCIF)
- Jeffrey H. Robinson
- Seton Enablement Fund
- Sisters of Charity of St. Elizabeth
- Sisters of St. Francis of Philadelphia
- Marcus Stern (In Memory of Ruth Stern)
- Lee and Byron Stookey
- Clients of the Sustainability Group
- Julie Tamler Revocable Trust
- Clients of Trillium Asset Management
- Dr. Katie Trotta
- Susan and C. Michael Tucker
- Ursuline Sisters of Tildonk
- Calvin B. Vinal
- Nancy and Dr. Jerry Weil
- Sally Willoughby
- Yale Hunger and Homelessness Action Project

Government, Non-Profit and Financial Institution Investors

- Amalgamated Bank
- BlueHub Capital
- Chelsea Groton Bank
- Citizens Bank
- City of Bridgeport - EPA Revolving Loan Fund
- Connecticut Community Bank
- Connecticut Green Bank
- Community Development Financial Institutions (CDFI) Fund of the U.S. Treasury
- Connecticut Housing Finance Authority Interest on Real Estate Brokers Trust Accounts (IOREBTA)
- Dime Bank
- First Republic Bank
- Housing Development Fund Inc. / MacArthur Foundation
- Ion Bank
- KeyBank
- Laurel Road
- Liberty Bank
- M&T Bank
- The Opportunity Finance Network
- People's United Bank
- Preservation Connecticut (formerly CT Trust for Historic Preservation)
- State of Connecticut Department of Housing
- State of Connecticut Department of Economic and Community Development
- Santander Bank
- Synchrony Bank

Individual Donors

- Darcy Arcand
- Miriam Berkman and Brett Hill
- Anna Blanding and Garfield Pilliner
- Rebecca Borné
- Darrell Brooks
- Anne T. and Guido Calabresi
- James P. Comer, M.D.
- Stephanie M. Fitzgerald and Frank B. Cochran
- Brianna Gavigan
- Kayla Giordano
- Robin Golden
- Nicole Licata Grant
- Benna R. Lehrer
- Reid Lifset
- Lori Lindfors and Bart Sayet
- Kathryn Luria
- Jim Paley
- Jeffrey H. Robinson
- Annette Rubelmann
- Randy Ruotolo
- Lorelle D. Semley and Brian Robinson
- Edward Seibert
- Carla Weil

Corporate and Foundation Donors

- The Community Foundation for Greater New Haven
- Foundation
- Eversource
- Emerald Consulting
- J. W. Curran
- KeyBank Foundation
- Liberty Bank Foundation
- M&T Charitable Foundation
- People's United Community Foundation
- TD Bank Charitable Foundation
- The United Illuminating Company
- Wells Fargo Housing Foundation