

CREATING SOLUTIONS FOR NOW AND THE FUTURE

ANNUAL REPORT **2020**



ENSURING LASTING IMPACTS

As we present our 2020 Annual Report we do so in the midst of a worldwide health crisis and elevated tensions at the national level.

In many ways, our fiscal year was characteristically productive. Early in the year we unveiled a bold new strategy for FCLF. This new strategy will guide the work of our organization through 2024 with a clear focus on our core purpose of lending and leading capital to maximize opportunities for people and places outside of the economic mainstream.

Then, with the onset of the global pandemic, quickly followed by the recognition that we must do better as a society to address long standing racial inequalities, the year became increasingly difficult—for the nation, for FCLF, and most importantly, for the people and communities we exist to serve. The economic and societal impacts caused by these events challenged us all, and we are doing our very best to respond.

FCLF acted in decisive ways to ensure that Florida's community development infrastructure—including the hundreds of nonprofits and mission-aligned businesses that we have the honor of serving—is able to absorb the inevitable financial shocks in the midst of this recession. We took immediate steps by offering payment relief, creating new lending products, and gathering resources so that these organizations could continue to provide services and protect affordable housing for those outside of the economic mainstream. Our top priority is that, collectively, Florida's community development infrastructure comes out of these dual crises stronger than when we entered them.

We are deeply thankful to our funders and investors, whose flexibility and generosity made it possible for FCLF to bring meaningful capital to address the current situation.

As we move forward into fiscal year 2021, a year that marks the 25th anniversary of FCLF's first loan, we remain committed to working toward the social, political, and economic justice goals that our founders envisioned so many years ago. Today, our work toward achieving those goals is more challenging than ever, but we have never been more determined to use our capital and expertise to ensure a more dignified, just, and prosperous future to people and places that have traditionally lacked the same opportunities as the rest of society.

We derive our strength and resolve from the inspiring work of our borrowers. We are proud to share just a sampling of their stories in this report, as these organizations and their projects serve as a beacon of light that capital, when focused on doing well, can have lasting impacts for Floridians and the communities in which they live.

Be safe.



A stylized, handwritten signature in black ink.

Ignacio Esteban
Chief Executive Officer



A handwritten signature in black ink.

Susan Leigh
Chair, Board of Directors

FINANCIAL REPORT

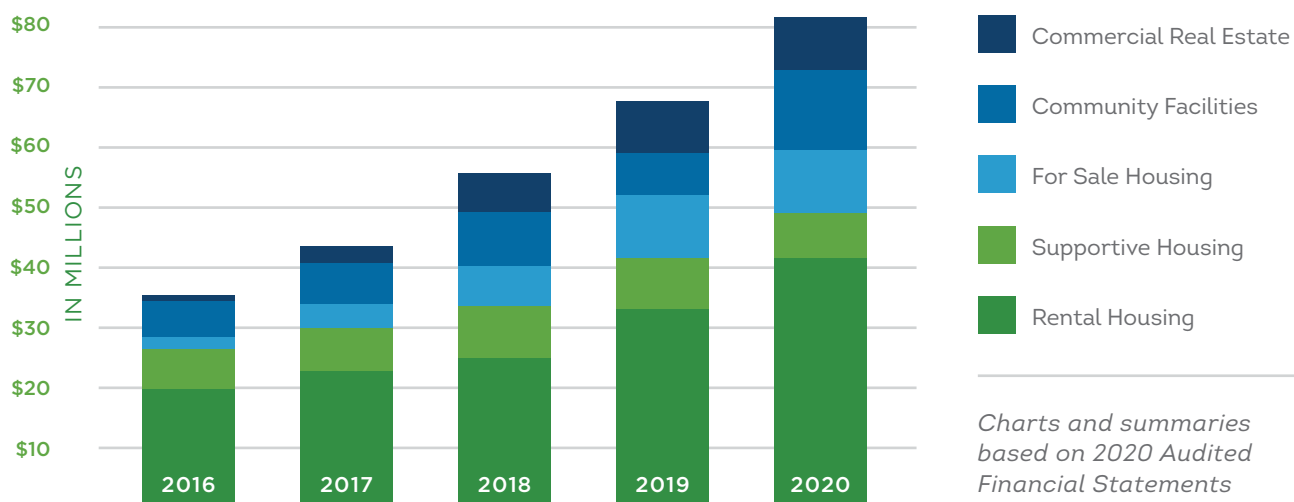
Summary Statement of Financial Position

ASSETS	2020	2019
Cash & Investments	19,501,746	21,984,521
Loans Receivable	82,074,136	67,857,960
Allowance for Loan Losses	(4,667,404)	(3,460,747)
Other Assets	1,370,475	1,120,505
Total Assets	\$98,278,953	\$87,502,239
LIABILITIES AND NET ASSETS		
Senior Debt	45,159,000	37,957,461
Subordinated Debt & EQ2	11,750,000	10,750,000
Other Liabilities	1,121,840	2,166,587
Total Liabilities	\$58,030,840	\$50,874,048
Net Assets, without Donor Restrictions	38,725,333	33,726,837
Net Assets, with Donor Restrictions	1,522,780	2,901,354
Total Net Assets	\$40,248,113	\$36,628,191
Total Liabilities & Net Assets	\$98,278,953	\$87,502,239

Summary Statement of Activities

REVENUE & SUPPORT	2020	2019
Grants & Contributions	3,336,174	4,899,167
Interest Income	3,385,888	3,345,717
Fees & Other Income	2,855,370	1,850,942
Total Revenue & Support	\$9,577,432	\$10,095,826
EXPENSES		
Program	5,106,531	4,022,081
Management & General	664,140	651,128
Fundraising	186,839	174,643
Total Expenses	\$5,957,510	\$4,847,852
CHANGE IN NET ASSETS	\$3,619,922	\$5,247,974

LOAN PORTFOLIO BY SECTOR



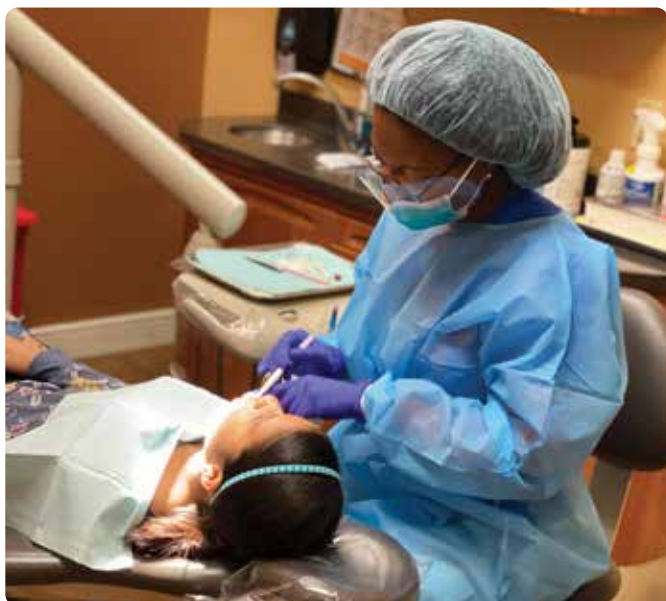
FOCUSING ON FLORIDA'S COMMUNITIES

HABITAT FOR HUMANITY GREATER ORLANDO & OSCEOLA COUNTY

Founded in 1986, Habitat for Humanity of Greater Orlando & Osceola County has built, rehabbed and repaired more than 735 homes. With a mission to bring people together to build homes, communities, and hope, the organization provides a hand up to families and individuals to secure a place they can call home. A \$500,000 construction line of credit from FCLF allowed Habitat Orlando & Osceola to build ten new, single-family affordable houses in the Juniper Bend community of Apopka, Florida, removing visual and economic blight and replacing it with newly constructed resident-owned homes. With mortgage payments never exceeding 30% of income, Habitat Orlando & Osceola's clients commit to financial education classes and sweat equity to ensure they are successful in becoming new homeowners. By purchasing homes and becoming residents of the community, these new households also contribute to improving the local economy.

JESSIE TRICE COMMUNITY HEALTH SYSTEM

Jessie Trice Community Health System has grown from its humble single-site beginning in 1967 to its current system of 11 Federally Qualified Health Centers, 40 school-based health suites, and a 140-bed women's residential substance recovery center, serving 46,000 patients annually in Miami-Dade County. With a diverse patient population, JTCHS offers services across all income levels and partners with other organizations to improve the overall health status of the community. With \$9 million in NMTC allocation and \$4.3 million in community development financing from FCLF, JTCHS is building a new 15,000 sq-ft clinic in Miami Gardens to provide 13,000+ clients with medical, dental, mental health, and pharmacy services—all on a sliding fee scale for the uninsured and under-insured. The new clinic improves access to quality, cost-effective healthcare and encourages individuals to take charge of their own health.



We are proud to partner with FCLF on this project, which expands access to innovative, quality, comprehensive primary healthcare in our communities.

Annie Neasman
President & CEO



Partnering with FCLF has allowed us to lower costs and maintain our construction schedule. In the long run, this partnership will help us serve more families, more efficiently.

Catherine Steck McManus
President & CEO



RESIDENTIAL OPTIONS OF FLORIDA (ROOF)

Residential Options of Florida (ROOF) empowers individuals with intellectual and developmental disabilities to live independently, increase their income, and improve self-sufficiency skills. ROOF's low-income clients face additional challenges as many can only afford rents well below market rates. With \$500,000 financed through FCLF, ROOF purchased 2 homes in Cape Coral, Florida, renovating them to provide 6 permanent, supportive homes. Using a shared home model, each bedroom is individually leased, and residents have access to personal care, budgeting, and transportation services. The project provides a powerful impact for adults with disabilities who live in these homes—not only through affordability, but also through services designed to achieve long-term stability.



When we visit our residents in their new home, we can already see the impact the funding is having, transforming the lives of adults with disabilities who, thanks to FCLF, Lee County, and ROOF, are now living independently, fully included in their community.

Sheryl Soukup
Executive Director



RESPONDING TO THE COVID-19 CRISIS

In March 2020, FCLF took immediate action and extraordinary steps to help our borrowers respond to the effects of the COVID-19 pandemic occurring across Florida. We focused on two main objectives:

- 1) Ensure our borrowers could continue providing essential goods and services for the low-income clients they serve; and
- 2) Protect Florida's community and economic development infrastructure and prevent the catastrophic erosion of a system that took decades to build.

With these objectives in mind, we quickly developed and implemented the following COVID-19 relief tools:

- We eliminated late fees across our portfolio and offered 90-day payment deferrals to existing borrowers. Nearly 30% of the portfolio received this immediate payment relief.
- We developed and maintained a dedicated web page of COVID-19 resources specifically targeted to our borrowers.
- We designated \$500,000 of FCLF's own equity to seed a COVID-19 emergency working capital loan program, with a goal to grow the fund to \$4,000,000. By fiscal year end we had raised an additional \$1,000,000 and had deployed \$700,000 in working capital loans.
- We dedicated significant staff resources to help Florida nonprofits access nearly \$5 million from the federal Payment Protection Program (PPP) in collaboration with CDFI partner, Community Reinvestment Fund.

Most importantly, months into a pandemic that has no end in sight and continuing economic uncertainty, we remain committed and stand ready to support Florida's low-income communities. We believe deliberate capital interventions will allow our borrowers—all of whom serve low-income people, many serving people of color—to continue providing essential goods and services, while also providing stability to survive the considerable financial impacts associated with COVID-19. Our ultimate goal is to see Florida come out of this crisis stronger than when we entered it.

Examples of FCLF's responsiveness to the impacts of COVID-19 on our borrowers are highlighted in these stories.



R.E.A.C.H.

Real Estate Education and Community Housing (R.E.A.C.H.) offers financial, pre-purchase, and budget counseling for residents of Miami-Dade, Broward, and Palm Beach Counties, and in the Tampa area. The organization also acquires and rehabilitates single-family housing for sale, often connecting counseling graduates with affordable homes to purchase. When COVID-19 forced the organization to cancel in-person counseling, their business came to a halt.

As R.E.A.C.H. transitioned to online counseling and awaited receipt of PPP funds, they needed working capital to pay their employees. FCLF promptly implemented 2 of our COVID-19 relief tools: 90-day payment deferral on a line of credit, and, through an expedited application and underwriting process, a permanent working capital loan of \$137,500. R.E.A.C.H. is now able to continue its educational services (pictured, above right), place people in affordable homes, keep their employees on staff, and emerge from this crisis stronger than before.



HABITAT FOR HUMANITY OF SOUTH PALM BEACH COUNTY

When COVID-19 forced many businesses to close—temporarily and permanently—many Habitat homeowners, who work in restaurant, retail, and service industries, lost their jobs. This had a detrimental impact on Habitat for Humanity of South Palm Beach County's income, much of which comes from homeowner mortgages. The organization also lost steady income from temporary closure of 2 of its Restore retail locations and cancellation of its Women Build, and other fundraising events. Habitat SPBC was facing a slowdown in the construction of new affordable housing communities for low- and moderate-income homebuyers (pictured, above left). The organization reached out to FCLF for assistance, and we quickly provided a \$50,000 loan at 0% interest. This COVID-19 emergency working capital loan was used for construction materials and subcontractor services to enable Habitat SPBC to continue to do what they do best—provide affordable housing where it is needed most.

MIRACLES OUTREACH CDC

Miracles Outreach CDC provides housing and services for foster children, children who are homeless, and children who are survivors of abuse and human trafficking. When COVID-19 hit, necessitating stay-at-home and social distancing measures, the organization experienced rapid increases in payroll expenses, with paid staff stepping in and taking over duties of volunteers no longer able to donate their in-person services. As public schools closed, Miracles Outreach witnessed additional expenses for home-schooling activities and tutors, and increased food and utility expenses. Enhanced cleaning and sanitation protocols also drove up equipment costs. FCLF provided Miracles Outreach a 90-day payment deferral on existing loans, plus an emergency working capital loan of \$50,000 at 0% interest through our expedited application approval and disbursement process. FCLF's COVID-19 relief funding enables Miracles Outreach to continue to providing stability and care for vulnerable children in the midst of this troubling time (pictured, left).

INVESTORS & SUPPORTERS Includes investors and supporters for the last three years

Special thanks to the many donors and investors who are making our COVID-19 relief efforts possible.

RELIGIOUS ORGANIZATIONS

Adrian Dominicans • Archdiocese of Miami • Dignity Health • Diocese of Palm Beach • Diocese of Venice • Mercy Loan Fund • Mercy Partnership Foundation • Oblates of St. Francis de Sales • Our Lady of Victory Missionary Sisters • Religious Communities Impact Fund • School Sisters of Notre Dame (Maryland) • Sinsinawa Dominican Sisters • Sisters of Charity of Nazareth • Sisters of Charity of St. Elizabeth • Sisters of Providence • Sisters of St. Francis of Philadelphia • Sisters of the Blessed Sacrament • Sisters of the Holy Names of Jesus & Mary • Sisters of the Sacred Heart of Mary • Trinity Health

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FOUNDATIONS

Bank of America Foundation • Erich & Hannah Sachs Foundation • The Father's Table Foundation • Florida Blue Foundation • JPMorgan Chase Foundation • PNC Foundation • TD Charitable Foundation • Wells Fargo Foundation

GOVERNMENT AGENCIES

Community Development Financial Institution (CDFI) Fund of the U.S. Department of the Treasury • Florida Department of Agriculture & Consumer Services, Division of Food, Nutrition & Wellness

NONPROFIT ORGANIZATIONS

Enterprise Community Loan Fund • Good to Grow Fund • Miami Homes for All • Opportunity Finance Network

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Anonymous (donations from two individual investors) • Matthew & Victoria Simmons

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