The owners of QC Coffee & Pancake House received a $98,000 gap financing loan from Bridge Investment making way for new capital improvements and the creation of 10 new jobs in an area where unemployment is nearly 2.5 times higher than the national average.
Bridge Investment Community Development Corporation (Bridge Investment) is a 501(c)3 non-profit Community Development Financial Institution supporting job creation and economic growth in low-and-moderate-income communities and underserved areas by providing lending products, financial programs, and services to assist emerging economic needs. Its enhanced products provide community-based lending while fostering affordable housing initiatives.

In four short years, Bridge Investment has expanded economic opportunity in underserved communities through its lending programs.

Bridge Investment has leveraged millions of dollars in private sector investment since its formation in 2014. As a newly certified Community Development Financial Institution (CDFI), Bridge Investment has new opportunities to further its mission by encouraging economic development in low-to-moderate-income communities through targeted loans and investments that spur economic growth, and is well on its way to expanding access to credit and capital throughout its national footprint.

As an emerging CDFI, Bridge Investment initially focused its lending efforts in a regional area surrounding its headquarters community of Rock Island, IL, but continues to grow its impact doing work in underserved areas in the Chicago-land and Springfield markets.

Read on to learn more about Bridge Investment’s achievements. For more information about our work visit www.BridgeInvestmentCDC.org.
DARI facilitated relocation of the residential tenant in 2013, and the property was demolished in 2014.

Impact You Can See

TO DATE, BRIDGE INVESTMENT HAS LENT MORE THAN $1.28 MILLION FOR:

- 9 Community Revitalization Projects
- 13 Businesses Assisted
- 17 Financial Counseling & Literacy
- 546 Jobs Created/Supported
- 556 Housing Units
- 75,200 Square Footage Commercial/Retail
- $132,969,622 Leverage

“Thank you to Bridge Investment and its team for all the support.”

Jason Parris, Owner of Wake Brewing // Bridge Investment loan recipient
Star Block is a historic structure built in 1874. Since the 1990’s, the structure sat vacant and underutilized, and was designated as a local landmark in 1991. Although appearing to be one single structure, Star Block consisted of multiple buildings owned by multiple individuals.

In 2014, after gathering local support, Economic Growth Corporation (GROWTH), a Community Housing Development Organization, identified Star Block for redevelopment and after more than 50 years, got the properties into one ownership structure.

After exhausting all available sources for funding, GROWTH turned to Bridge Investment. With its home office in Rock Island, Bridge Investment saw the need and its board of directors moved quickly, voted and closed its first loan of $125,000 to support the redevelopment. Bridge Investment’s loan was leveraged with ten additional sources of financing that included TIF, tax credits, community grants, and loans.

Bridge Investment targeted its first loan to align with a redevelopment that considered a comprehensive approach, establishing a self-sustaining, exciting mixed-use environment that balances historic preservation and new development, while creating jobs accessible to low income individuals and new opportunities for a growing base of minority owned businesses.
Since 1997, Jose and Sarah Zepeda have slowly built their restaurant business. In 2013, the husband-wife duo opened QC Coffee and Pancake House in downtown Rock Island.
The restaurant was previously owned and operated, but the Zepeda’s had intentions of putting a new spotlight on the business through the help of their homemade food and renowned cinnamon pancakes. The business blossomed with sales increasing 339% from 2013-2014, 248% from 2014-2015, and 175% from 2015-2016. Customers grew accustomed to wait times more than one hour to get a seat on weekends. To meet the increased customer demand, the Zepeda’s turned to Bridge Investment as a source to fill their gap financing.
Bridge Investment closed on a gap-financing loan of $98,000 to help acquire the building and complete the first phase of the business’ expansion plans to accommodate the increasing number of customers. Bridge Investment’s loan leveraged with two additional sources including TIF and private debt. Ten new jobs were created through the growth of this minority-owned business.
Bridge Investment’s loan decision is paying off, literally, as the restaurant is growing so successful that the borrowers are able to make triple payments and have plans to double its 5,000 square foot restaurant space with plans for a banquet facility.

“Without the help and support of Bridge Investment, QC Coffee & Pancake House’s expansion plans would have been a just a dream rather than a reality.”
- Jose Zepeda, Owner of QC Coffee & Pancake House
Four Year Growth of CDFI

Since its incorporation, Bridge Investment has grown in total assets of more than $1.55 million demonstrating its capacity, experience, and financial strength. This growth was accomplished through member investments, noncash donations, grants, intermediary funding, interests and fees.

In July 2018, Bridge Investment provided $379,690 in gap financing to support a mixed-use development in downtown Springfield known as Centre @ 501. The project includes 25 affordable housing units and over 20,000 square feet of commercial/retail space. Bridge Investment’s loan was leveraged with additional sources of financing that included TIF, tax credits, and loans.

Most recently, Bridge Investment was awarded $40,000 Capacity Building Grant from the Federal Home Loan Bank of Chicago and a $75,000 capacity grant from the U.S. Bancorp Community Development Corporation. Bridge Investment plans to use the funds to assist the development of a formal strategic plan, professional development, improvements to lending portfolio and financial reporting.

In late July 2018, Bridge Investment made a loan for $379,690 to support a mixed-use, affordable housing development known as Centre @ 501 in downtown Springfield, IL increasing its total leverage to $141,189,932.
Executive Board // Key Team Members

Kevin Peterson, Chair of Bridge Investment and senior vice president of Modern Woodmen Bank, was instrumental in the formation and creation of Bridge Investment. Mr. Peterson’s experience in community and commercial lending, complex structuring, credit analysis, underwriting, and SBA lending contributes to the strategic growth of Bridge Investment.

AJ Loss, Vice Chair of Bridge Investment and President/CEO of Bush Construction, serves on a multitude of community organizations. Mr. Loss provides additional insight for Bridge considerations for commercial, residential, and mixed-use developments in a bi-state area of Iowa and Illinois.

Matt Wynn, Treasurer of Bridge Investment and Vice President of Commercial Loans at SENB, provides additional insight to Bridge Investment by his experience using a comprehensive approach to community development that encourages businesses and economic development in distressed communities for the ultimate benefit of low income residents and low income communities that Bridge Investment serves.

Kevin Schoonmaker, Secretary for Bridge Investment and Vice President for BankORION, has been active in deploying capital into low-income and moderate-income communities throughout Illinois and Iowa providing Bridge Investment the capacity to consider sound financial decisions while growing as an organization to serve the current needs of area businesses and residents.

Brian Hollenback serves as Executive Director, having the responsibility of operations and general direction for the organization. Through Brian’s leadership, Bridge Investment reached a milestone of more than $1.35 Million in lending activity, deploying a total of nearly $17 Million in capital into low-income communities in just over one year. Brian Hollenback has over 35 years’ experience in commercial and community development lending, real estate, development, operations and management. He supervises the operations of the CDFI, and has been instrumental in designing the structure, policies, protocols, and procedures that are the framework supporting the organization.

Cindy Berg serves as Chief Financial Officer, is responsible for the overall financial management of Bridge Investment’s financial programs. Cindy has over twenty years’ experience of financial management in the private, public, and non-profit sectors, with a focus on financial institutions and non-profit corporations. As CFO, she is responsible for administering and guiding the accounting and financial management systems for the CDFI. Ms. Berg has vast experience in federal and state regulations and grant compliance, and is responsible for the ongoing review of loan and guarantee portfolios as well as loan and guarantee defaults.

Erik Reader serves as Business Development Director, having the responsibility of evaluating and recommending approval of commercial, real estate, and credit loans for small businesses, microenterprises, and non-profit organizations. Mr. Reader has 10 years’ experience in small business development and real estate. Erik acts as liaison between customers and Bridge Investment, and works with small businesses and individuals evaluating credit worthiness and business plans, working through various referral networks using a comprehensive approach increasing awareness of Bridge Investment’s financial products and development services.
Looking Back

Formed in 2014, Bridge Investment Community Development Corporation (Bridge Investment) was born out of a failed attempt at a regional CDC that dissolved after less than five years in business. Instead of the capital leaving the region, community leaders joined with a community based development organization and created an entirely new non-profit community development corporation. The strategy formed a national non-profit, recapitalizing upon the dissolution of the former CDC, governed by a Board of Directors with equal voting rights. Bridge Investment received its 501(c)3 status less than 45 days from its submission, with a mission dedicated to delivering responsible, affordable lending to drive economic development, foster affordable housing, and support job creation. Bridge Investment was able to recapture funds from the dissolved CDC, and opened the invitation for any person, firm, or corporation to be a part of its effort.

Looking Ahead

In the last four years, Bridge Investment has been successful in advancing its business model and strategic goals. Moving to the future, Bridge Investment fully intends to continue its mission-driven efforts to advance thoughtful community economic integration to lift areas up economically, retain the existing population, stabilize neighborhoods, work to integrate higher incomes, and focus on individual needs in its Target Market.

Bridge Investment’s mission set forth in 2014 remains the same: work with a variety of economic tools to support small business growth, affordable housing, jobs, and opportunities necessary to raise underserved communities and people upward to economic and social equality. Bridge Investment’s mission continues to gain in relevance, and is positioning itself with strategic goals over the next five years that all to be set forth by its board of directors.

The demands for investments is growing, and presents Bridge Investment with new opportunities to grow and diversify its sources of capital. Since its formation, Bridge Investment has remained committed to telling its story, reporting through a spectrum of impact measurement that includes number of affordable housing units financed, number of new jobs created, and number of small businesses supported.

As an emerging CDFI, Bridge Investment is taking the steps to build long-term success by strengthening the skills, competencies, and abilities of our board of directors and staff through diverse training and improved technology that will help guide investments and maximize impact in its Target Market.