Bridge Investment Community Development Corporation (Bridge Investment) hit a new lending milestone in December 2018, where it surpassed more than $2 million in lending activity into low- and moderate-income communities and underserved areas in Iowa and Illinois. To be exact, Bridge Investment reached its milestone of $2,138,400 in lending activity since its first loan issued a little more than two years ago.

This strategic effort has lifted opportunity in areas with high unemployment and high vacancy rates, creating new possibilities for business expansion and launching of new startup companies. Notably, Bridge Investment’s lending activity has helped to create or support 957 jobs, and leverage another $172,525,235 in sources that includes Historic Tax Credits, New Market Tax Credits, Tax Increment Financing, grants, and private debt.

Taking all into consideration, Bridge Investment played an integral part in over $172 million in new investment deployed since September 2016. Bridge Investment’s momentum grew substantially in 2018. As a recently certified Community Development Financial Institution (CDFI), Bridge Investment was awarded $207,000 through the CDFI Fund’s Financial Assistance Program in 2018. Its CDFI certification also enhanced Bridge Investment’s ability to attract new capital. Outside of the CDFI Fund award, Bridge Investment was able to attract $502,000 in new capital in 2018, including $180,000 in Community Benefit Agreements by Central States Development Partners CDE; $75,000 capacity grant by U.S. Bancorp Community Development Corporation, and a $40,000 capacity grant by the Federal Home Loan Bank of Chicago.
Chairman’s Statement

Bridge Investment continues to gain in relevance, continuing its mission-driven efforts advancing 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 Iowa and Illinois.

2018 was a great year for us to take our efforts as an emerging CDFI and apply it in order to make a larger impact into our future. Bridge Investment hit two major milestones this year: lending more than $2.1 million to advance affordable housing and small business growth, and second was generating over $500,000 in financial assistance, capacity building grants, and community benefit agreements. These new opportunities allow Bridge Investment to grow and diversify its sources of capital allowing for the possibility of expanding its service area and provide resources that will help support small businesses, affordable housing, jobs, and opportunities necessary to raise underserved people and areas upward to economic and social equality.

Our journey as a CDFI continues to strengthen and we look forward to advancing our impact into 2019. Bridge Investment is successful because of its strong board of directors and many stakeholders, including both nonprofit and for-profit partners. Thank you for your participation and helping in Bridge Investment’s 2018 success.

Kevin Peterson, Chair
Bridge Investment Community Development Corporation

Lending activity expanded this year to Country Club Hills, IL when Bridge Investment provided a predevelopment loan supporting a $32 million new construction senior housing development. The photo demonstrates the project site located on vacant land near I-80 and I-57 in northeastern Illinois.
Bridge Investment Community Development Corporation assists emerging economic needs by providing capital along with other financial programs and services to help disadvantaged community become more vibrant places to live.

In 2018, Bridge Investment originated $767,548 in loans to seven projects which have created or retained 472 jobs and benefits 542 individuals.

This year Bridge Investment’s lending activity supported low-income households, seniors, minority-owned businesses, female-controlled non-profits.

This year, Bridge Investment was successful in receiving various financial assistance and capacity building grants totaling $502,000 in 2018. This funding will help increase the volume of its current products by providing enhanced Financial Products and Development Services for affordable housing and small businesses.

By the end of 2018, Bridge Investment has more than $93.9 million in predevelopment activity that will make possible more than 592 affordable housing units, 75,200 square feet of commercial facilities, 11 small businesses, and supporting over 960 jobs over the next 12 to 18 months.
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 headquarter community of Rock Island, IL, but continues to grow its impact doing work in underserved areas in the Chicago-land and Springfield markets.

Since its incorporation, Bridge Investment has grown in total assets of more than $2 million demonstrating its capacity, experience, and financial strength. This growth was accomplished through member investments, noncash donations, grants, intermediary funding, interests and fees.

By the end of 2018, Bridge Investment originated $767,548 to support business growth and affordable housing development. A loan commitment of $215,200 was made to QC Coffee & Pancake House, with the first draw of $116,832 drawn at years end.

2018 was a great capacity-building year for implementation in 2019. This is due to Bridge Investment success in being awarded a total of $502,000 in various grants to support and advance its mission. Thanks for its CDFI certification in 2017, Bridge Investment was awarded $207,000 Financial Assistance Grant from the CDFI Fund, also received $180,000 through Community Benefit Agreements by Central States Development Partners, Inc. CDE; a $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. Thank you to all our funders in advancing our mission.

Since its incorporation, Bridge Investment has grown in total assets of more than $2 million demonstrating its capacity, experience, and financial strength. This growth was accomplished through member investments, noncash donations, grants, intermediary funding, interests and fees.

By the end of 2018, Bridge Investment originated $767,548 to support business growth and affordable housing development. A loan commitment of $215,200 was made to QC Coffee & Pancake House, with the first draw of $116,832 drawn at years end.

2018 was a great capacity-building year for implementation in 2019. This is due to Bridge Investment success in being awarded a total of $502,000 in various grants to support and advance its mission. Thanks for its CDFI certification in 2017, Bridge Investment was awarded $207,000 Financial Assistance Grant from the CDFI Fund, also received $180,000 through Community Benefit Agreements by Central States Development Partners, Inc. CDE; a $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. Thank you to all our funders in advancing our mission.

<table>
<thead>
<tr>
<th>Year</th>
<th>Loans originated</th>
<th>Year end loan balance</th>
<th>Total assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 271,651</td>
</tr>
<tr>
<td>2016</td>
<td>$ 276,515</td>
<td>$ 276,515</td>
<td>$ 640,175</td>
</tr>
<tr>
<td>2017</td>
<td>$ 1,088,948</td>
<td>$ 1,201,456</td>
<td>$ 1,400,089</td>
</tr>
<tr>
<td>2018</td>
<td>$ 767,548</td>
<td>$ 1,695,970</td>
<td>$ 2,058,784</td>
</tr>
</tbody>
</table>
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 significantly. 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.

Bridge Investment recognized the Zepedas' need and its board of directors moved quickly, voted, and closed on gap financing of $98,000 in May 2017 to help the business owners acquire, and complete the first phase of the business' expansion plans to accommodate the increasing number of customers. That loan was leveraged with Tax Increment Financing and private debt. Ten new jobs were created through the first phase growth of this minority-owned business.

Bridge Investment's loan decision is paying off, literally, as the restaurant is growing so successful that Bridge Investment made its largest small business loan commitment of $251,200 in late December 2018 to support QC Coffee and Pancake House's next phase of expansion. Construction is nearing completion for the second phase of growth that includes doubling the 5,000 square foot restaurant space to accommodate its customer demand while creating an additional twelve new jobs.

Project Highlights:
2018 Loan: $251,200
Jobs Created or Retained: 12 full time/part time, 7 construction
Median Income Compared to the Area
Median Income (AMI): 33.6%
Unemployment Rate: 19.6%
Poverty Rate: 34.10%
CDFI Target Market: Yes- Rock Island County, IL

QC Coffee and Pancake House
Largest Small Business Loan To Date
The former First United Methodist Church downtown Springfield will soon become the city’s newest mixed-use development consisting of 25 residential units and commercial space. The building, which has been vacant since 2008, is being renamed Centre @ 501 and is located just blocks from the State Capitol. Development plans have been in the works since 2014, but when the plans didn’t pan out as originally anticipated, a new plan began in 2015 with a new developer setting sights to redevelop the property into a mixed-use property with both residential and commercial uses. For over three years, the project remained in predevelopment. In 2018, through dynamic partnerships and perseverance of the development team, financers and community focused businesses the project closed on its financing and began construction.

The mixed-use project is under construction, and supports 79 full time jobs during the construction period, and will support a minimum of 15 full time jobs once the project is placed in service in May 2019. Additional local food programming combined with a commercial kitchen will further bring Sangamon County’s rural agricultural industry and urban core together enhancing our community’s quality of life and economy.

Prior to the closing on the complex financing structure, the Springfield Urban Redevelopment, LLC turned to Bridge Investment requesting short-term gap financing to cover the bridge of various complex tax credit closings. Bridge Investment recognized the importance of this strategic development, located in the state’s capitol city that would help meet the needs of affordable housing demand in downtown Springfield. Through this, Bridge Investment voted and approved $379,640 in short-term gap financing in order to get the project closed and construction started. Bridge Investment’s loan leveraged with five additional sources including New Market Tax Credits, Historic Tax Credits, Tax Increment Financing, Illinois Affordable Housing Tax Credits (made possible through the discounted sale by the previous owner), and private debt.

Centre @ 501
Advancing Affordable Housing in State Capitol of Illinois

Project Highlights:
2018 Loan (short term): $379,640
Jobs Created or Retained: 15 full time/part time, 79 construction
Median Income Compared to the Area Median Income (AMI): 104.2%
Unemployment Rate: 5.2%
Poverty Rate: 45.8%
CDFI Target Market: No – Sangamon County, IL identified for expansion of service area
A Success Story

FEATURED PROJECT

Redevelopment of a former college campus

Multimillion, multi-year development of 14-acre park-like campus in rural Illinois

Bridge Investment provided a predevelopment loan to Economic Growth Corporation to support the redevelopment of the former Shimer College/Campbell Center in Mount Carroll, Illinois. The predevelopment total loan approval was for $75,000 that is short term to support the predevelopment expenses of three sites, with end uses including owner-occupied live-work housing, affordable senior and family housing, and mixed-income rental housing.

Economic Growth Corporation had the unique opportunity to overhaul the former Shimer College site that supports the community of Mount Carroll, Illinois. The former Shimer College located at 203 E. Seminary Street is 14 acres of park-like campus located in the center of Mount Carroll, Illinois. The campus contains many older buildings that are in need of repair and restoration. There are 12 buildings total on site. Economic Growth Corporation has set forth goals and objectives of a redevelopment of the site is to incorporate a dynamic mixture of uses while putting the properties back into a tax generating status for the benefit of the community. The end result will also increase employment opportunities and engage the area residents through programmed activities. The scope of work defined in early conversations with the project team and key stakeholders is to be a multiyear phased development containing artist/live/work space, senior and family housing, as well as community quality of life amenities. The total development costs are estimated between over $60 million and to be completed in 5-7 years.

Bridge Investment played a catalytic role in this project’s infancy. Through its initial predevelopment loan of $25,000, the developer was able to take title of the property in December 2018 and begin the process of stabilizing the properties for redevelopment. The developer was also able to execute an agreement with event organizers bringing back the community’s long-time festival, May Fest, which in 2017 for the first time in over 50 years was not able to be hosted on the campus.

Entrance into the former Shimer College campus. The vacant campus is being redeveloped over the next 7 years into a mixture of housing and commercial. In 2019, community pride is being restored with the developer is bringing back a community festival known as May Fest.

Project Highlights

Median Income Compared to Area Median Income: 85.22%
Unemployment Rate: 7.2%
Poverty Rate: 10.3%
CDFI Target Market: Yes, Carroll County, IL
FEATURED PROJECT

Gatling's Point at Sierra Ridge
New construction affordable housing, senior development in northeastern Illinois

Bridge Investment provided a predevelopment loan to Gatling Community Development to support a new construction, mixed-use development consisting of 100 affordable senior housing units in Country Club Hills, Illinois.

This project will have a tremendous impact on the community by addressing housing and business needs, while also creating additional infrastructure. Currently, the site is vacant land near intersection of Interstate 80 and Interstate 57 in Country Club Hills.

Total project costs exceed $30 million and will offer 65 one bedroom and 35 two bedroom units within one three-story elevator served residential building with integrated community spaces. Gatling's Point will have 90 units that target lower income senior households earning 30%, 50%, and 60% of Area Median Household Income. The remaining 10 units will be unrestricted market-rate units.

Bridge Investment's loan was leveraged with multiple sources of funding and includes funding sources such as Low Income Housing Tax Credits, Illinois Affordable Housing Tax Credits, Illinois Affordable Housing Trust Fund, Affordable Housing Program grant funding, and energy efficiency grants.

Gatling's Point will feature a porte-cochere near the center leading to common and commercial space. Units will feature ADA countertops & appliances, grab bars, extra storage space and balconies.

Exterior Amenities include community garden plots, picnic tables and a walking path for tenants to enjoy. Interior amenities include a community room, fitness center, and resident lounges on floors 2 through 4. The project will include a laundry facility and on-site parking containing 75 parking spaces.

Gatling's Point is on a fixed route bus stop and will be in close proximity to shopping and entertainment with the Country Club Plaza located steps away.

Project Highlights
Median Income Compared to Area Median Income: 83.29%
Unemployment Rate: 24%
Poverty Rate: 20.5%

CDFI Target Market: No– Country Club Hills, IL identified for expansion of service area

Community outreach meetings by the developer of Gatling’s Point at Sierra Ridge were hosted letting community residents know of its development plans to bring affordable, senior housing to the community.
PARTNERSHIPS

As a 501(c)3 Community Development Financial Institution, Bridge Investment is proud to maximize its relationships and resources to benefit communities. In the last four years, Bridge Investment has been successful in advancing its business model and strategic goals thanks to its visionary board of directors and strategic partnerships working in a unified voice for the benefit of underserved businesses and individuals.

Bridge Investment has a management agreement with Economic Growth Corporation (GROWTH), an experienced national non-profit specializing in all aspects of community development. It is through this management agreement that GROWTH’s President/CEO and Chief Financial Officer devote time to support the organization and meet its strategic goals and business strategies.

MEET THE TEAM

Bridge Investment has a management agreement with Economic Growth Corporation (GROWTH), an experienced national non-profit specializing in all aspects of community development. It is through this management agreement that GROWTH’s President/CEO and Chief Financial Officer devote time to support the organization and meet its strategic goals and business strategies.

Brian Hollenback | Executive Director

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 $2.1 million in lending activity, deploying a total of over $172.5 million in capital into low-income communities since its first loan in 2015. 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 | Chief Financial Officer

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.
Bridge Investment is able to accomplish its efforts thanks to the guidance and leadership of its Advisory Board, Executive Board, Governing Board, and Loan Committee. Bridge Investment has a 12-member Governing Board of Directors consisting of nine banks, two for-profit businesses, and one non-profit business. Its 9-member Advisory Board helps guide the organization’s strategic direction, prioritization, and policies.

**Advisory Board**

<table>
<thead>
<tr>
<th>Name</th>
<th>Institution/Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loredia Dixon</td>
<td>Open Door Program</td>
</tr>
<tr>
<td>Char Flickinger</td>
<td>Char Flickinger &amp; Associates LLC</td>
</tr>
<tr>
<td>Dan Hawkins</td>
<td>Ward Murray Pace &amp; Johnson</td>
</tr>
<tr>
<td>Denise Isaac</td>
<td>Washington College of Law</td>
</tr>
<tr>
<td>AJ Loss</td>
<td>Turtle Clan Development Services</td>
</tr>
<tr>
<td>Matt Wynn</td>
<td>EnviroNET</td>
</tr>
<tr>
<td>Kevin Schoonmaker</td>
<td>River Cities Development Services</td>
</tr>
<tr>
<td>Kevin Peterson</td>
<td></td>
</tr>
<tr>
<td>AJ Loss</td>
<td></td>
</tr>
<tr>
<td>Matt Wynn</td>
<td></td>
</tr>
<tr>
<td>Kevin Schoonmaker</td>
<td></td>
</tr>
</tbody>
</table>

**Executive Board/ Loan Committee**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kevin Peterson</td>
<td>Chair</td>
</tr>
<tr>
<td>AJ Loss</td>
<td>Vice Chair</td>
</tr>
<tr>
<td>Matt Wynn</td>
<td>Treasurer</td>
</tr>
<tr>
<td>Kevin Schoonmaker</td>
<td>Secretary</td>
</tr>
</tbody>
</table>

**Mission**

Bridge Investment is a non-profit Community Development Financial Institution that provides community-based lending and investment to support job creation and economic growth in underserved areas by leveraging public and private investment for economic and community development. Bridge Investment also fosters the creation and preservation of low and moderate-income housing for low and moderate-income households, with a particular, though not exclusive, focus on Iowa and Illinois.

**Governing Board**

<table>
<thead>
<tr>
<th>Name</th>
<th>Institution/Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Bank &amp; Trust</td>
<td></td>
</tr>
<tr>
<td>Jeff Rose</td>
<td></td>
</tr>
<tr>
<td>BankORION</td>
<td>Kevin Schoonmaker, Secretary</td>
</tr>
<tr>
<td>Bush Construction</td>
<td>AJ Loss, Vice Chair</td>
</tr>
<tr>
<td>Community State Bank</td>
<td></td>
</tr>
<tr>
<td>Karen Reynolds</td>
<td>Development Association of Rock Island</td>
</tr>
<tr>
<td>Bill Renk</td>
<td>Modern Woodmen Bank, Chair</td>
</tr>
<tr>
<td>Kevin Peterson, Chair</td>
<td>Quad City Bank &amp; Trust</td>
</tr>
<tr>
<td>Beth Dunn</td>
<td>Russell Construction</td>
</tr>
<tr>
<td>John Daly</td>
<td>Sauk Valley Bank</td>
</tr>
<tr>
<td>Dirk Meminger</td>
<td>Southeast National Bank, Treasurer</td>
</tr>
<tr>
<td>Matt Wynn</td>
<td>Triumph Community Bank, Treasurer</td>
</tr>
<tr>
<td>U.S. Bancorp Community Development Corporation</td>
<td>Dan Blocher</td>
</tr>
</tbody>
</table>
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 expanding 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 is positioning itself with strategic goals over the next five years.

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 expanding Target Market.