

Community Development Corporation of Northeast Indiana



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Annual Report

Message from the President

“Cautiously optimistic” is a phrase that we have all probably heard at one time or another. Some say it implies a guarded hope for better things to come. Others call it hedging a bet on a more desirable outcome. Those more cynical chide it’s a nicer, non-committal way of saying, “I don’t know.” On the heels of the financial market woes of 2008 and the unemployment spike in 2009, “cautiously optimistic” was a phrase frequently used to describe economic expectations for 2010.

Historically low interest rates were looked upon to be the impetus that would rev the economic motor and allow businesses to take advantage of opportunities in their respective markets. Early-year increases in consumer spending as well as a modest growth in business inventories to meet a higher domestic demand spurred optimism of a quick economic recovery. Unfortunately, some of those initial drivers lagged after the first quarter. Imports widened the trade deficit, foreclosure filings on nearly 2.9 million residential properties rocked an already fragile housing market, unemployment levels showed no significant improvement and prospective legislative changes cast a shadow of uncertainty on individuals and businesses alike. This uncertainty led to many businesses retaining as much cash as possible. In turn, it stemmed critical investment into their operations and had a dampening impact on economic growth.

Fortunately, the CDC did its share to facilitate economic growth by providing much-needed funding for various projects throughout the nine-county area of Northeastern Indiana which it serves. With the help of their bank partners, the CDC closed 39 loans, 10 more than in 2009, totaling just over \$7.1 million. Additionally, 41 new loans were approved for nearly \$6.7 million. The implementation of a weekly online loan review web site has streamlined the approval process and allows for a more timely response to the ever-changing needs in the market. It has been well-received by borrowers and financial institutions alike and is just one of the ways the CDC has adapted and improved their processes to provide better customer service to its clients.

I would like to express my deepest gratitude to the Board Members whose time, knowledge and expertise are critical in helping the CDC achieve its goals. To the CDC staff, Cheryl, Misty, Darren and Dawn, I again offer my sincere thanks for your continued commitment to the communities you serve. You are the frontline ambassadors for economic development in the area and the proficiency and professionalism in which you market the CDC brand is to be commended.

The economic turnaround is a work in process and there is no guarantee it will be as swift as we hope. However, as the CDC continues to provide opportunities to its clients, it is doing its part to move the needle in the right direction. I again offer my deepest thanks for the privilege and honor of serving as Board President and look forward to a prosperous 2011.

Sincerely,

**Dennis Tratnyek
President**

AT A GLANCE

What is the CDC?

The Community Development Corporation of Fort Wayne (CDC) is a City of Fort Wayne-sponsored non-profit business development organization. The CDC's primary objective is to promote growth and development through the creation of jobs by small commercial and industrial businesses in Northeast Indiana, through alternative financing programs.

CDC loans are made to new and existing small and medium-sized companies that are growing but unable to obtain conventional financing. A loan can be made in conjunction with bank financing or, in some cases, can be made to the business without requiring a matching bank loan. CDC loans can be used to finance land and building acquisition, new construction, renovation of buildings, equipment purchases and working capital. All of the CDC's financing options are term loans with a fixed rate of interest set over a specific period of time.

Since its inception, the CDC has provided \$73,392,269 in financing to small business owners. In 2010, we saw both an increase in applications approved and jobs created or retained. We did, however, see a decrease in both CDC dollars committed and total project values. There were 41 projects approved by the CDC board totaling \$6,718,849 combined with an additional \$16,589,357 in private investment. This \$23,308,206 in financing helped to create or retain 235 full-time and 50 part-time jobs. These approvals were spread among the CDC's five loan programs as illustrated on the following pages.

During 2010, the CDC received a grant from the Commissioners of Allen County in the amount of \$500,000. This allowed collaboration and expansion of our City of Fort Wayne sponsored Opportunity Fund to include business owners within the county limits but outside of the City of Fort Wayne limits.

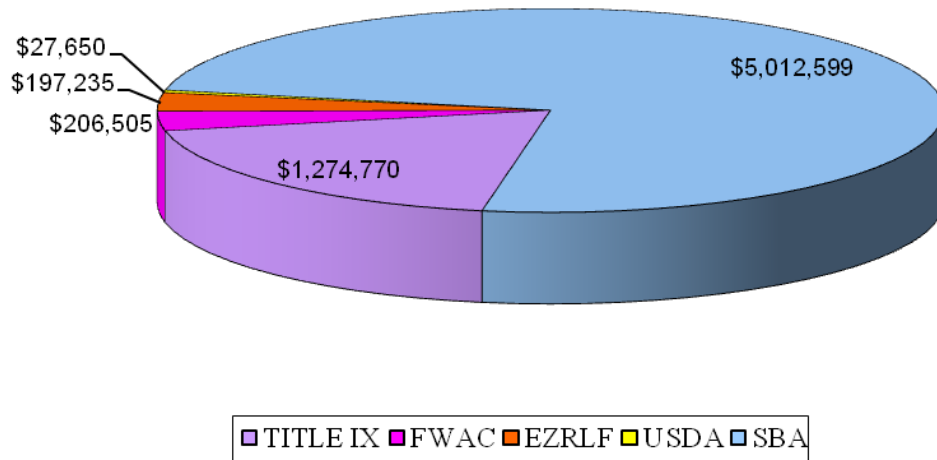
Please visit our website at www.cdcnein.org to learn more about our programs.

41 Projects Approved in 2010

A Capsule of the 2010 Loan Activity vs. 2009 Activity

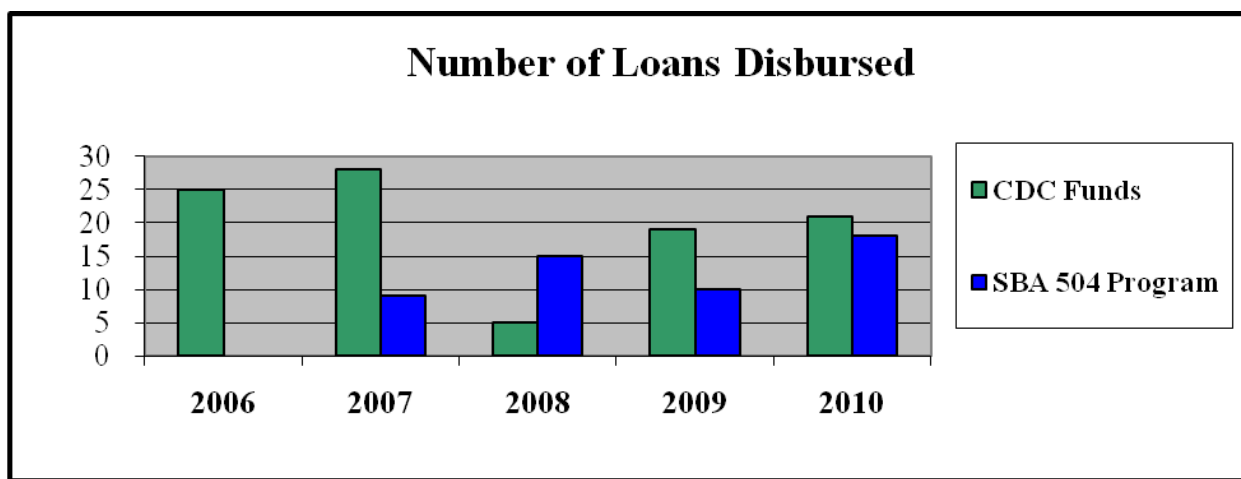
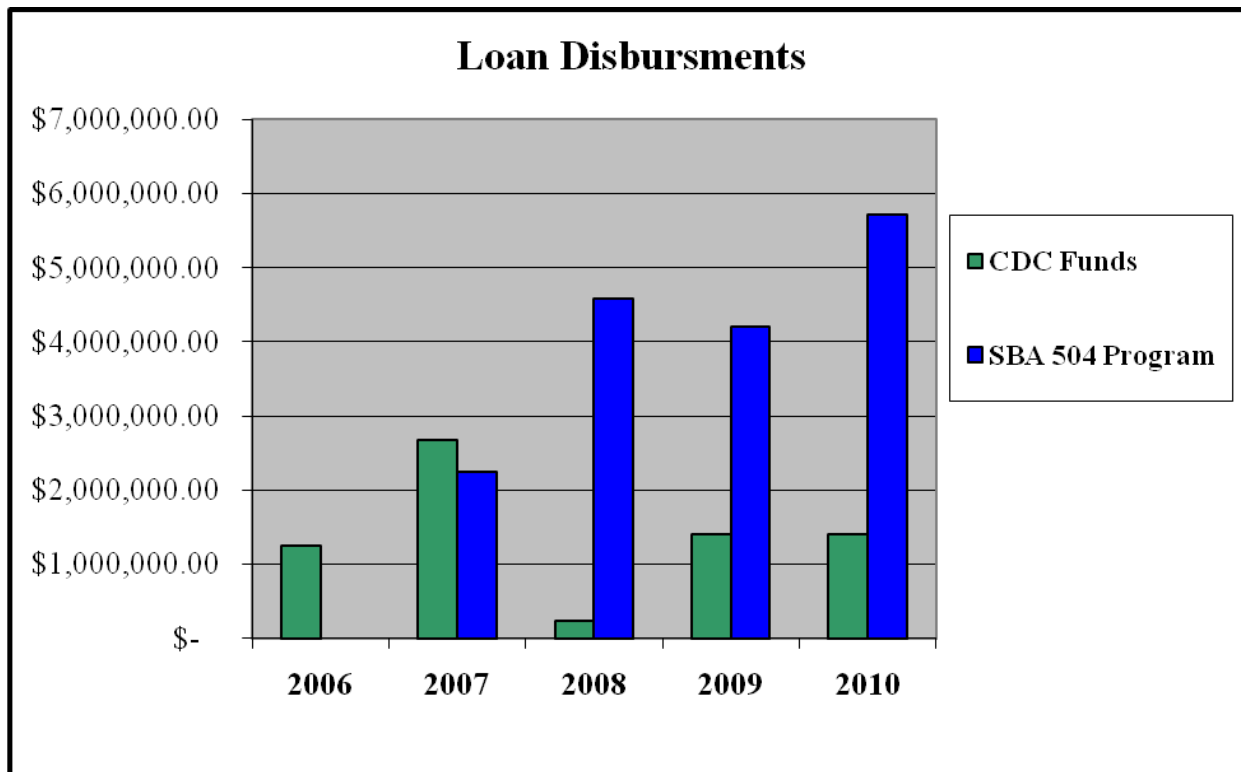
	<u>2010</u>	<u>2009</u>
Total Projects Approved:	41	38
Total CDC Financing Approved:	\$6,718,849	\$10,127,412
Total Project Amount:	\$23,308,206	\$28,428,683
Full Time Jobs Projected:	235	191
Part Time Jobs Projected:	50	47

Loans Approved by Program



Loan Activity

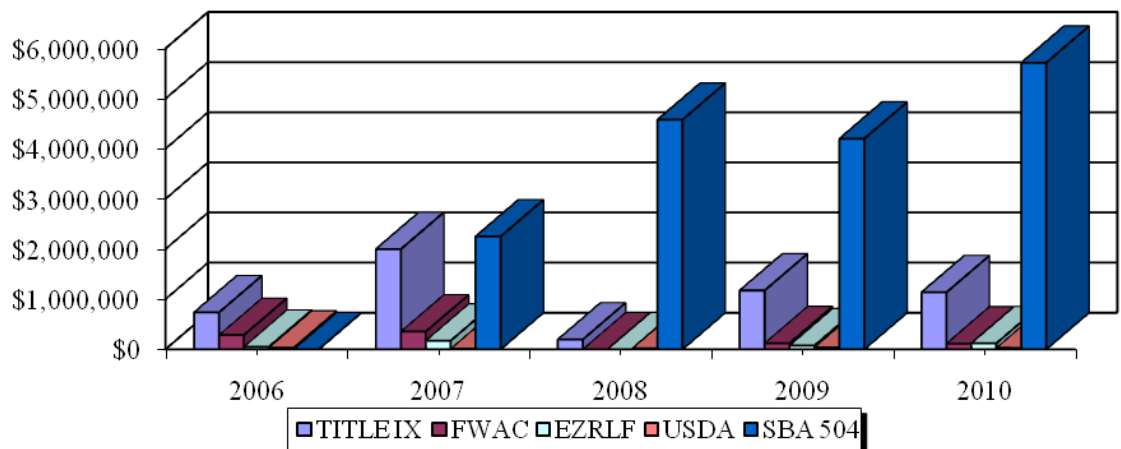
(based on CDC funds vs. SBA)



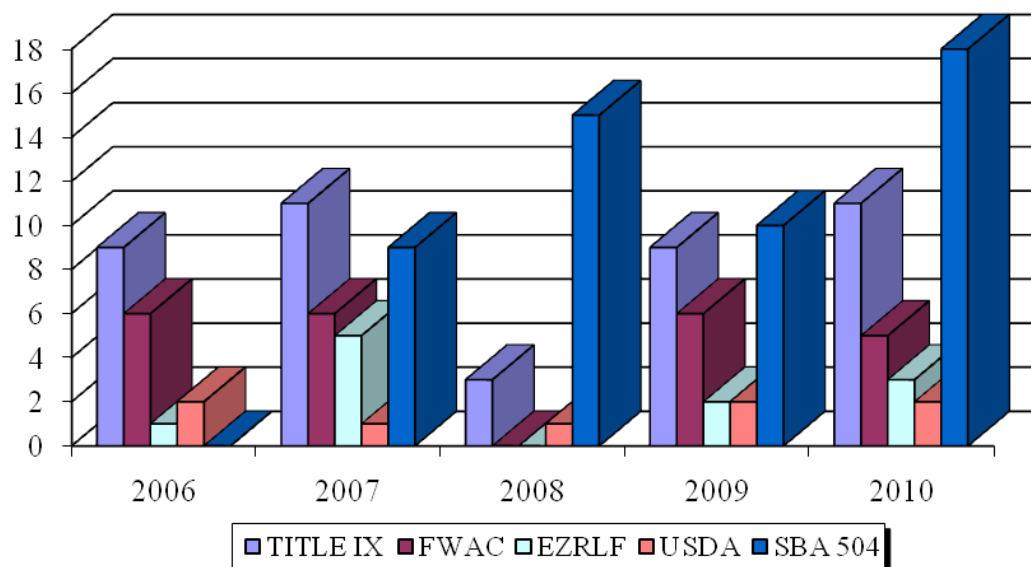
Loan History

(based on each loan program)

CDC Loan Disbursement History



CDC Loan Closing History



CDC BOARD OF DIRECTORS



Leslie Alford
Full Scope Consulting



Mark Becker
*Northeast Indiana
Fund*



Beth Bobay
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Ken McCrory
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Pete Misner
Wells Fargo Bank



Laurie Mitchener-
Oncheck



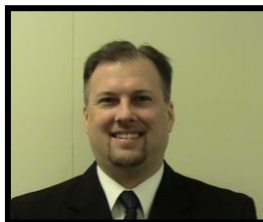
Caryn Myrice
*Apollo Design
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Andrew Nwanne
*Indiana Institute of
Technology*



Marcia Roehling
*JP Morgan Chase
Bank*



Eric Steenman
Lake City Bank



Alan Tio
Whitley County EDC



Dennis Tratnyek
STAR Financial Bank

CDC 2010 Officers:

Dennis Tratnyek – President
Wayne Burton – Vice President
Caryn Myrice – Treasurer
Dave Fuller - Secretary

The CDC Staff



Community Development Corporation Staff work to facilitate the numerous programs available to Fort Wayne and Allen County, as well as 8 surrounding county businesses. Staff are employees of the City of Fort Wayne, but answerable to the 18-member Board of Directors. Staff members pictured here include, seated: Darren Renier, Finance Specialist; Dawn Wixom, Bookkeeper and Administrative Assistant; standing: Misty Ryan, Finance Specialist; Cheryl Schuster, Executive Director.

The CDC staff wishes to acknowledge their appreciation for the time and expertise devoted by its Board of Directors. They demonstrate their commitment to the community by their enthusiastic involvement.

**For Information, please contact:
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www.cdnein.org**