

Fund Facts



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Economic Fulfillment Through Homeownership Local Family Benefits from Delawareans Save!

The First State Community Loan Fund's Delawareans Save! Program (IDA Savings Program) has helped over 56 persons get first time homes in the state of Delaware. One such family was impacted not only economically by this, but historically as well.

Adonna Manlove and her 14-year-old daughter Char, a drama major at Cab Calloway School of the Arts, have been trying since 1996 to get their own home. But financial difficulties and a divorce left Adonna's credit situation precarious at best. As a matter of fact, after her divorce, she was so discouraged at the amount of work it was going to take to clean up her credit, that she just gave up for a while. But Adonna came back to the FSCLF's Delawareans Save! Program to try once more. She took it one step at a time working very closely with her IDA Counselor. She completed all the courses in the program with a very determined and very organized attitude.

After completing all the required courses and cleaning up her credit, Adonna was finally given the go ahead to begin looking for the house of her dreams. Adonna saved the Delawareans Save! maximum of \$1,500 and was matched



Adonna Manlove and her 14-year-old daughter Char, standing in front of their new modular home.

with the maximum of \$1,500. Therefore, \$3,000 went towards Adonna's down payment and closing costs. She doubled her money by investing in Delawareans Save! Adonna looked at several houses, but could not find the right one for her and her daughter. That's when she decided to look into modular homes. She found a modular home company that offered beautiful houses in her price range. Now she had to find the land to put the house on.

Her uncle had been in real estate for many years. He was in the process of selling some of his property. Interfaith Housing Delaware was

in the process of purchasing some of the land her Uncle was selling. Adonna's Uncle agreed to sell the land to Interfaith for development, if his niece had the opportunity to purchase some of it.

It all worked out! Adonna's beautiful modular home was assembled on the corner lot that her Uncle once owned. As a matter of fact, Adonna, Char, and their dog, had lunch as they watched their modular home being assembled on their family's land. The home is a two story, 3-bedroom, 2½ bath, full basement, with flat top stove, side-by-side refrigerator, central air and heat, and a beautiful tree shaded deck. Interfaith Housing even did landscaping to enhance the property. One of her uncles even purchased a wishing well and placed it in the back yard on the spot where a real well once stood.

You can't beat that story with a stick! Economic fulfillment through homeownership and reclamation of family real estate to boot! Adonna says it's truly a blessing!

SHOW ME THE MONEY!

First State Community Loan Fund offers monthly business loan information sessions for business owners interested in obtaining \$300 - \$50,000 for inventory, equipment, real estate, and working capital.

These "no fee" informational meetings are held throughout the state and cover the various technical and financial resources available in Delaware, the process for obtaining a loan and credit repair where needed.

Entrepreneurs have an opportunity to meet with FSCLF staff to build an individualized plan.

Meetings last approximately one hour. Sessions are held in New Castle, Kent and Sussex Counties.

To register for the next available session in your area, call Delores Lee (302) 652-6774 or 1(800)-652-4779.

IN THIS ISSUE

IDA Program Wins National Award	2
First State Receives \$47,000 Grant	2
Partner Spotlight	3
Executive Director's Message	3
New Castle Businesses	4
Kent County Businesses	5
Vassar Interiors Leading The Renaissance	6
First State Loan Activity	7
Investors & Contributors	7

First State Community Loan Fund's Delawareans Save! IDA Program Wins National Award

First State Community Loan Fund's Delawareans Save! IDA program won the award of merit in housing and community development this summer at the National Association of Housing and Redevelopment Officials conference.

Delawareans Save! was nominated by the Delaware State Housing Authority, primarily for the program's work with residents of DSHA's public housing and Section 8 housing choice voucher programs in Kent and Sussex Counties.

A state-wide program, Delawareans Save! enables investors to earn up to \$1,500 per individual or \$3,000 per household through their IDA accounts. The funds must be used for homeownership, post-secondary education or vocational training, or small business start-up or expansion.

Delawareans Save! was recognized for turning lives around for low-income families. Financial fitness training, combined with one-on-one case management, automatic deposits in savings accounts and the incentive match were noted as key elements for the on-going success of the DSHA/Delawareans Save! partnership. In its nomination, DSHA stressed the comprehensive strategy that ensures the success of the DSHA resident families in reaching their savings goals. To date, nine DSHA families have purchased homes, one family started a small business and another investor has used its match towards the cost of a two-year Delaware Technical College degree.

The Delawareans Save! program accomplishes its mission through a statewide collaborative of several agencies and financial institutions. Partner sites, where low-income, working Delawareans can sign up for the program include the YWCA of New Castle County, Nehemiah Gateway CDC, NCALL Research, Inc., First State Community Action Agency and Interfaith Housing DE. Funding partners for the program are the U.S Department of Health and Human Services, DSHA, Discover Bank, Citigroup, JP Morgan Chase, GMAC Bank and Deutsche Bank Trust DE.

For more information on Delawareans Save! please check out the website at www.DelawareansSave.com.

Micro Loan Fund

- Loans range from \$300 to \$15,000.
- Most business uses are eligible, such as, working capital, inventory, machinery & equipment, etc.
- Fees – \$50 application fee plus all other out of pocket expenses
- Loan Terms up to 36 months

Business Growth Fund

- Loans range from \$15,000 to \$50,000.
- Most business uses are eligible, such as, working capital, inventory, machinery & equipment, real estate, etc.
- Fees –2% commitment fee plus all other out of pocket expenses
- Loan Terms up to 60 months

Housing Pre-Development Revolving Loan Fund

Provides financing for experienced, not-for-profit developers that are developing affordable housing throughout the State of Delaware. This fund is limited to pre-development uses. The fund provides up to \$60,000 at 0% interest for 12 months.

Affordable Housing Loan Fund

Provides financing for developers (not-for-profit & for-profit) that are developing affordable housing throughout the State of Delaware. Eligible loan purposes include pre-development, acquisition, construction and renovation, as well as bridge and gap financing. This fund provides up to \$350,000 per obligor with a 5 year maximum term.

First State Receives \$47,000 Grant from CDFI Fund

First State Community Loan Fund recently received a \$47,000 technical assistance grant from the U.S Department of Treasury, Community Development Financial Institution Fund.

FSCLF will use this grant to acquire new loan administration and loan documentation software; to provide training and professional development for staff and to update its website and all external marketing materials.

“We are very excited to have received this award from the CDFI Fund,” says Vandell Hampton, Jr., Executive Director of FSCLF. “We intend to use this grant to purchase software that will allow us to operate more efficiently.”

The Community Development Financial Institution Fund was created to expand the availability of credit, investment capital, and financial services in distressed urban and rural communities. The CDFI Fund provides infusions of capital to institutions that serve distressed communities and low-income individuals. FSCLF's activities leverage private-sector investments from banks, foundations, and other funding sources.

First State Community Loan Fund, a federally certified CDFI is required to certify every few years with the CDFI Fund. As part of the certification process, FSCLF must demonstrate that it is providing capital to underserved individuals, businesses and communities throughout the State of Delaware.

“FSCLF has been making loans since 1994. We have lent out over \$7.5 million and made over eight hundred loans and there are still people throughout the State that don't know about us. We believe that updating our website and marketing materials will enable us to increase our visibility and reach more Delawareans,” Hampton stated.

BELVEDERE GETS NEW LOOK

Interfaith Housing Delaware Builds New Homes in Wilmington Community

Belvedere, one of the first predominately African American neighborhoods in Wilmington, Delaware has experienced a long downward spiral of deteriorating properties. Houses were demolished and vacant lots were visible.

Not anymore! Thanks to Interfaith Housing Delaware, Inc., Belvedere has a new look and it is just the beginning. Founded in 1985, Interfaith Housing is a designated community housing development organization that makes available safe, decent, and sanitary affordable housing to low and moderately low-income families throughout the state.

Interfaith is in the first phase of building new homes in the Belvedere community. Five homes have been built so far and nineteen lots have been acquired. Interfaith is leading the way to affordable homeownership in Wilmington, Delaware.



New Single Family Home in Belvedere Community.

“We are helping people build assets through home ownership,” said Gary Pollio, Executive Director of Interfaith.

Working to increase value in the area, Interfaith is building quality homes that appraise for much more than the purchase price. For example, one of the new houses appraised for \$145,000, but the owner purchased the house for \$118,000. As a result homes in the area are increasing in value.

“Our housing loan portfolio has really grown this year and that would not be possible without experienced developers like Interfaith Housing,” said Vandell Hampton, Jr. Executive Director of First State Community

Executive Director’s Message



Vandell Hampton

I cannot believe that we are getting ready to close out 2004. We have made some progress this year but there is still so much more to do. Knowing that there are still communities that we have not reached keeps me motivated and continually looking for new opportunities to impact our great state of Delaware.

Our organization has become much more proactive with regards to outreach and marketing, which is evidenced from this year’s lending activity. In 2004, loan volume has increased by 26%, while dollars lent has increased 25%. I have been asked, “What can you attribute the increased activity to?” The only answer that I can offer is through “Partnerships.”

We spent a lot of time this year, forging new relationships that have proven to be fruitful for us and our partners. Eighty-two percent of all the business loans that were made this year have come from direct referrals from other organizations. Our affordable housing portfolio has grown as well, adding three new not-for-profit developers and our first for-profit developer.

When I started in January 2004, I felt that the only way that we would grow the Loan Fund would be through the help of other organizations and I am convinced of that now. In 2005, you can expect First State Community Loan Fund to continue to be visible throughout the State, seeking new community partners to help us achieve our mission of providing creative opportunities for access to capital.

continued on page 6

Melanie Thomas Price was a hard working family crisis therapist working for Bancroft Academy, helping children in grades K-3 be the best they could be. She looked at the every day challenges that children of that age group dealt with and had an epiphany! Children need help much earlier than school age! That is when she decided to open her own childcare center.



Mother Goose from READ-ALoud Delaware entertains the children.

community an opportunity to improve their lives. Melanie could very easily employ existing students from local colleges. But instead, she recruits individuals who have an interest in early childhood education, but do not have an opportunity to attend college. Melanie assists them in getting their certification and Associates Degree in early childhood education. She currently has two employees enrolled in the certification program at Delaware

ALL YOU NEED IS A LEAP OF FAITH

Melanie approached First State Community Loan Fund for help. FSCLF approved a microloan in the amount of \$10,500 to help Melanie with her summer school program at Baynard Elementary School and Bancroft Academy. The loan proceeds were used to finance inventory, supplies and other operating expenses. The summer school program was a great success with ninety-nine children enrolled.

A Leap of Faith Childcare Center is located in the Bayard Square

Shopping Center on Lancaster Avenue in Wilmington. The hours are 6:30 a.m. to 6:30 p.m. which is a great for working families. The center employs a staff of nine and has a total of sixty-seven children enrolled at different times of the day. Melanie's husband, Reverend Paxton Price, also helps out and is a positive male role model for the children.

Melanie incorporates community service into her business. She wants to provide quality childcare for low-income families. Another big emphasis for Melanie is to give people in the

Technical Community College and will enroll another two people in January.

A Leap of Faith is doing so well, that Melanie is planning to open another childcare center in another shopping center in the near future. This center will have slots for eighty children and employ nine to ten childcare workers.

Another indication of A Leap of Faith Childcare Center's success is its recent nomination for the Governor's Award for Excellence in Childcare for 2004. Unfortunately, they did not win this year, but with a leap of faith, anything's possible.

ROGER'S MEN'S WEAR LOOKING GOOD

Many would agree that looking good, improves your self-esteem, improves your mental and emotional state, and even influences how others think of you. Roger Turner of Roger's Men's Wear has made a business out of helping men look their best. Roger's carries fashionable suits, shoes, silk ties, tie tacks and cuff links.

With the help of a \$15,000 micro loan from First State Community Loan Fund, Roger Turner was able to purchase inventory and use some of the loan proceeds for working capital. "This loan came at a time when we really needed it and has helped us tremendously," says Turner.

Roger Turner has been in the men's clothing business for 14 years and has run the store for 6 years. His wife and cousin help out from time

to time. By working in every aspect of the business from selecting the fabrics to making the clothes, he has become very knowledgeable about the business.



Roger Turner showcasing his fashionable ties and shirts.

Roger was inspired to get in the business because of his love for fashionable clothing and because of his father's natural ability to work with clothes and shoes. His father was a tailor and a shoemaker who made clothes and shoes by hand. His father passed on his natural

ability to make clothes to Roger. This enabled Roger to make all alterations for his customers on the premises.

Before owning the clothing store, Roger would go to different stores and festivals in the area to buy clothes. His friends and acquaintances would always comment on his great taste in clothes and ask him where he found the clothes and if he would purchase outfits for them the next time he went shopping. Roger did just that and developed quite a following in doing so. This hobby of his, eventually developed into Roger's Men's Wear.

So, the next time you are looking for fashionable men's clothing and customer service from someone who knows what they're talking about, visit Roger's Men's Wear at Community Plaza Shopping Center in Newark, Delaware.

VIETNAMESE RESTAURANT IS A DREAM COME TRUE FOR A VIET KIEU

When you walk into Viet Kieu, the only Vietnamese restaurant in Dover, you feel like you just stepped into a little part of Asia. The warm atmosphere makes you feel at home. This small, quaint restaurant is owned by Hoa “Lei” Hubbard and her husband Ray. Hoa, or more affectionately known as “Miss Lei,” came to the United States in 1973. Her husband’s career in the Air Force eventually led the couple and their four children to Dover.



Hoa “Lei” Hubbard

Opening a restaurant has been a dream of Miss Lei for a long time. Many years before, she picked up cooking techniques from her father who was a French Sous Chef. Viet Kieu Restaurant opened for business in February of 2002. Including Miss Lei, Viet Kieu employs three full time employees. Viet Kieu is the definition for a Vietnamese person that now lives in the United States.

While trying to make her dream a reality, Miss Lei was turned down many times for financing. “I was told I could not get a small business loan because there was no market for a Vietnamese restaurant in Dover,” said Hubbard.

Armed with determination, Miss Lei started the business on her own, financing it with credit cards and a loan from an investor.

The loan from First State Community Loan Fund enabled Miss Lei to refinance her credit card debt and the initial loan that was used to establish the business. Now, with smaller, more manageable payments cash flow has improved for the business.

Her spring rolls are a specialty that has earned her Delaware Today Magazine, “Best of Delaware,” “Best Spring Roll” and “Best Vietnamese Restaurant in Kent County,” two years in a row. Articles have also been written on Viet Kieu in the Delaware State News and the Dover Post.

Viet Kieu offers traditional Asian cuisine at reasonable prices. It is evident from the lunch crowd, the extra care that Miss Lei puts into each dish. “I do my own cooking and I don’t put anything artificial in the food. Everything is homemade from scratch,” says Hubbard.

Some of the more popular dishes include Saigon chicken kabobs, Pho-traditional noodle soup, sautéed shrimp, crab cakes, and steamed dumplings. Appetizers are about \$3 and entrees range between \$6-10.

Viet Kieu is located at 510 Jefferic Boulevard in Dover. For hours of operation call 302-744-9300.

A NEW SALON TO CALL THEIR OWN

Residents of Kent County Enjoy Hair and Spa Services

Residents of Kent County have a new salon and day spa to call their own. Located at 1055 Walker Road in the Hamlet Shopping Center, Beyond Bliss Salon and Day Spa opened for business on August 3, 2004. The official grand opening took place on Saturday, September 11, 2004.

Beyond Bliss is a full service salon that offers services and products for the hair, nails skin and body for men and women. Beyond Bliss is a one-stop-shop for all of your beauty needs.

The owners, Tina and Anthony Potts were looking at a new venture and after months of researching, they decided on the beauty business. Over the past twelve years, Tina has honed her business skills, working as a controller for several small companies. Armed with a solid track record in financial management, Tina connected with seasoned hair stylists and Beyond Bliss was born.

Tina really appreciated her experience with First State Community Loan Fund. “Along with receiving financing for my business, First State also provided technical assistance along the way,” stated Potts. “They understood the challenges small businesses face when obtaining financing and really worked with us during the application process.”

With a staff of five stylists, the owners of Beyond Bliss are looking to provide a professional, relaxing environment where you get prompt, courteous service. Quality service is the key and Beyond Bliss will cater to the needs of its clientele by making everyone feel special. “We want people to feel comfortable in our salon and we are looking to build personal relationships,” said Tina Potts.

Beyond Bliss accepts walk-ins and are working on various incentives for students from Delaware State University, Wesley College and surrounding colleges and universities.

VASSAR INTERIORS LEADING THE RENAISSANCE OF SHIPS TAVERN DISTRICT

A Unique Furniture Showroom in Downtown Wilmington



Quality Furniture at the Vassar Showroom.

After eight years in retail sales and the success of his website, www.vassardesigns.com, Adam Vassar decided to open Vassar Interiors. Located in Wilmington's Ships Tavern District at 219 N. Market Street, Vassar offers an extensive selection of contemporary home furnishing, everything from furniture and fine art to decorative accessories.

Adam obtained a \$15,000.00 loan from First State Community Loan Fund to launch his venture. "The initial financing was of great importance to my business," stated Adam. "First State was the first to believe in my concept and the funding came at a critical stage to begin construction and to open the doors."

"It takes a great deal of time and effort to bring something like a modern contemporary furniture store to a region like Delaware, that has characteristically been more conservative," said Adam.

Adam worked for months with the Small Business Development Center, fine-tuning his business plan. "He put a lot of hard work into the business plan," says Glenn McAllister, Business Advisor at the Small Business Development Center in Wilmington. "We went through many iterations before we were ready to seek financing."

"It was very exciting for us to work with a business that was locating in the Ships Tavern District," said Vandell Hampton, Executive Director of First State Community Loan Fund.

The Ships Tavern District represents Wilmington's only

BELVEDERE GETS NEW LOOK continued from page 2

Loan Fund. "The fact that Interfaith is building affordable, single family homes in Wilmington, Delaware really speaks to their commitment to low-income families and communities."

In addition to building quality homes, Interfaith is concerned with beautifying Belvedere. The beautification and rehabilitation project started in August with the help of volunteers from the Civic Association, DuPont Company, Rebuilding Together Wilmington and work crews from St. Cornelius Church in Chadds Ford, PA and St. Thomas Episcopal Church in Newark.

Interfaith is pleased to say that all of the homeowners in Belvedere will be receiving large homes with a lot of living space. Some of the houses have garages, depending on the size of the lot. All of the houses will have dishwashers and all major appliances.

To qualify for homeownership in Belvedere, a person has to be a first-time home buyer and not exceed 50-80% of the median income guidelines (\$27,000 for one person and up to \$58,000 for a family of four). Currently, there are 27 people on the waiting list.

"First State has been tremendous. They helped us finance three of the first five houses. They provided us with financing for construction," said Pollio. "The construction loan helped us build the houses."

"The financing First State provided has been the reason that we are moving rather quickly. First State has been very easy to work with. They have been a great partner for us, especially for this project," added Pollio.

remaining undeveloped, historic area. It consists of six small blocks, located between the riverfront and the downtown. The proposed revitalization efforts include a mix of both retail and residential development.

"Vassar Interiors is exactly the right kind of unique new retail that Downtown Wilmington has been waiting for," said William C. Wyer, Managing Director for Wilmington Renaissance Corporation. "Vassar is leading the renaissance of Ships Tavern District and soon other shops and restaurants will be opening and follow Vassar's lead."

Vassar offers two ways to shop for innovative furniture and decorative accessories, online or in the showroom. The showroom is open Tuesday – Friday from 10 a.m. to 6 p.m. and Saturday from 10 a.m. to 5 p.m. For more information on Vassar Interiors, visit www.vassardesigns.com or call the showroom at (302) 777-5816.

Lending Activity (Jan - Oct 2004)

Micro Loan Fund

Author	\$749
Consulting	\$5,996
Consulting	\$1,499
Daycare	\$10,500
Flooring/construction	\$5,160
Furniture	\$15,000
Furniture	\$15,000
Furniture Delivery	\$3,935
Men's Clothing	\$15,000
Mental Health Therapist	\$5,000
Paving/construction	\$5,900
Photographer	\$1,500
Retail	\$749
Retail	\$749
Retail	\$749
Security Agency	\$2,900
Sub Total	\$90,386

Business Growth Fund

Beauty Salon/Spa	\$29,695
Convenience Store	\$50,000
Dating Service	\$50,000
Gas Station & Convenience Store	\$15,000
Landscaper	\$34,000
Restaurant	\$22,500
Sub Total	\$201,195

Affordable Housing Fund

Brandywine Gateway Neighbors	\$99,000
Brandywine Gateway Neighbors	\$176,000
Community Housing Inc.	\$750,000
Cornerstone West	\$113,000
Interfaith Housing Delaware, Inc.	\$290,000
Interfaith Housing Delaware, Inc.	\$60,000
Interfaith Housing Delaware, Inc.	\$350,000
Milford Housing Development Corp.	\$40,000
Milford Housing Development Corp.	\$20,000
Milford Housing Development Corp.	\$130,000
Peoples Settlement Association	\$75,000
Private Developer	\$259,200
Sub Total	\$2,362,200

TOTAL LENDING \$2,653,781

Investors & Contributors

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