EVERYDAY TRIUMPHS
THE LOW INCOME INVESTMENT FUND (LIIF) celebrates the everyday triumphs of thousands of families and individuals who have changed their lives with the support of LIIF’s comprehensive approach to poverty alleviation. In the pages that follow, we share with you the joys of actual LIIF beneficiaries, who have moved from survival to stability... and from stability to success.

LIIF’S VISION AND MISSION: LIIF is dedicated to creating pathways of opportunity for low income people and communities. Serving the poorest of the poor, LIIF is a steward for capital invested in housing, child care, education and other community-building initiatives. In so doing, LIIF provides a bridge between private capital markets and low income neighborhoods.
LIIF’S STORY IS ABOUT COMMUNITY AND EVERYDAY IMPACT
JOINT LETTER FROM LIIF’S CHAIR AND PRESIDENT/CEO

DEAR FRIENDS: In this year’s annual report, we celebrate everyday triumphs – stories of people who now have promising opportunities and brighter futures thanks in part to the work of the Low Income Investment Fund (LIIF) and its many partners. We are proud to be able to share with you the ways in which LIIF’s capital and programs have fostered healthy and vibrant communities throughout the U.S. Our three-dimensional approach to poverty alleviation focuses on housing, child care and education – three keys to family stability and economic independence.

LIIF had an outstanding year in 2008. We grew to an organization of over half-a-billion dollars, helped lead the passage of the most transformative housing and community development legislation in a generation, and opened an office in Washington, D.C. – our first new office in over 15 years. We are proud of these tremendous organizational achievements, but we remain mindful that the LIIF story is really about community and everyday impact. LIIF, in concert with our borrowers, investors and community partners, works to make a difference in the lives of low and very low income individuals and families every day. During 2008, our programs provided over 3,600 individuals and families with safe, affordable housing. We provided grants that helped 144,000 children and parents find quality child care. Our capital supported schools serving 13,800 students who dream bigger dreams as a result of their access to top-quality education. And, despite the recent crises in the lending and real estate markets, LIIF is well-positioned to deepen our community impact in the year ahead.

We measure the success of our work in big-picture triumphs – the revival of struggling communities – as well as the smaller-scale, everyday accomplishments of a single individual. Thank you for making these victories possible and for sharing with us the many stories we celebrate day after day. Together, we are helping low income people escape the cycle of poverty and pursue a future of opportunity and success.

With gratitude,

PHYLLIS R. CALDWELL
Chair of the Board

NANCY O. ANDREWS
President and CEO
ALLEVIATING POVERTY ONE INDIVIDUAL AT A TIME

LIIF’S EVERYDAY TRIUMPHS HAVE HAD BROAD AND DEEP IMPACT, touching the lives of 600,000 low and very low income people and families in highly distressed neighborhoods across the country. These thousands of individuals now live in safer, more sustainable neighborhoods with increasing options for affordable housing, high-performing schools and quality child care. LIIF’s support of these three programs – affordable housing, child care and education – through grants, loans and technical assistance helps families and individuals achieve safety and stability, giving them the opportunity to participate more fully in the economy and advance their aspirations.
$11 BILLION OF ADDITIONAL INCOME FOR POOR FAMILIES

100,000 QUALITY CHILD CARE SPACES

600,000 PEOPLE SERVED

54,000 AFFORDABLE HOUSING UNITS

41,000 SCHOOL SPACES FOR STUDENTS
CELEBRATING EVERYDAY TRIUMPHS IN
CHILD CARE, EDUCATION AND HOUSING
First thing in the morning, Lamia Zahi drops off her daughter at Kai Ming Head Start in San Francisco, where four-year-old Sara will get a warm hug, a hot breakfast and an engaging child development curriculum, along with lots of playtime – and all before lunch and a nap! Lamia will make it to work on time and, on Tuesdays and Thursdays, will also be able to attend adult education classes, knowing that Sara will be fed, safe and sleeping peacefully when she returns to the center to retrieve her. These everyday triumphs, so paramount to Lamia and her daughter’s happiness, demonstrate a portion of the impact of LIIF’s $385,500 loan to Kai Ming Head Start. LIIF’s financing has enabled Kai Ming Head Start to offer its services to 200 low income children and families in the Chinatown district of San Francisco, California.

CHILD CARE THAT IS BOTH AFFORDABLE AND HIGH-QUALITY allows low income parents to work or continue their education and enables children to acquire the academic and social skills they need to succeed and be more productive in school and in life. As a leader in child care facilities financing and technical assistance services, LIIF supports child care operators and intermediaries who have a dream of creating a flourishing child care environment that offers children the best education and care during their earliest, most pivotal years.
It's almost time for lunch break, but Adrian Perez shines in science class at Lakeview Charter Academy. As he was growing up in the Sylmar district of Los Angeles, Adrian didn't enjoy school, which was both overcrowded and, increasingly, a war zone disrupted by occasional acts of gang violence. At Lakeview Charter Academy, however, he is not only proud of his consistently good grades, but grateful for the free lunches and high quality facilities and school supplies that make him feel good about his school. LIIF's charter school financing helps students like Adrian achieve their dreams of a brighter future. LIIF provided Pacific Charter School Development with a $10.2 million loan to develop two middle schools and one high school on what is known today as Sylmar's state-of-the-art campus. In collaboration with Partnership to Uplift Communities, these three schools provide 1,000 low income students, like Adrian, with a high quality education and give them a chance to build a life in which they can shine.

A QUALITY EDUCATION helps lift families out of poverty by creating opportunities for economic mobility and growth. Just as important, it inspires endless possibilities for those receiving it to strive for academic excellence and achievement. One of LIIF's central goals is to help create stable, sustainable learning environments that empower families and low income communities and help them achieve their life ambitions. To that end, LIIF offers capital and technical assistance to build quality charter schools serving youth in disadvantaged neighborhoods.
This evening feels like “home sweet home” for Victoria and Forest as they eat, sleep and build a family of friends at The Carpenter House in Staten Island, New York, one of Project Hospitality’s shelters and transitional housing facilities. For the first time in what seems like a lifetime of setbacks, they feel at ease. Every day at The Carpenter House is a small triumph for Victoria Mitchell, who sleeps in a clean bed and eats home-cooked meals – luxuries for the formerly homeless. Victoria also receives critical services that help pave the way for improved social and economic outcomes. Forest Glover, another resident of the facility, says, “Two outreach workers from Project Hospitality found me in a park, lost and alone. Now, I’m staying afloat in a clean place that’s giving me the opportunity to get on my feet ... I’ve had a few job interviews and started my first email account.”

With LIIF’s $2.3 million loan to support the renovation of The Carpenter House, deeply committed social workers can provide a supportive hand to 30 homeless men and women with substance dependency and mental illness. As a result, these struggling individuals can shift their attention from day-to-day survival to the possibilities of stability, health and happiness.
CELEBRATING EVERYDAY TRIUMPHS IN GRANTS, LOANS AND TECHNICAL ASSISTANCE
Dais runs immediately to his waiting friends on the playground when his mother drops him off in the morning at St. Elizabeth’s Day Home in San Jose, California. “It’s great to be in preschool!” Regina Torres, his mother, comments as she watches him climbing onto a slide. Small classes, affordable child care rates, healthy lunches, multi-lingual teachers and over three acres of playground are some of the benefits of St. Elizabeth’s Day Home. Regina is proud that her son attends an award-winning, environmentally friendly child care center that provides services to all children with varying needs and abilities. Another mother comments, “Thank you for taking such good care of my little boy... Without St. Elizabeth’s care he would not have learned the English he needs to get ready for kindergarten – you will be in our hearts forever.” LIIF’s California Preschool Energy Efficiency Program (CPEEP) provided St. Elizabeth’s Day Home with a $3,520 grant to make retrofits that enhance the center’s energy efficiency. “The energy retrofits are lowering our energy bills. This support will allow us to apply much needed resources for families and their children,” states Dianna Ballesteros, Executive Director of St. Elizabeth’s Day Home.

LIIF JOINS HANDS WITH PARENTS, TEACHERS AND CHILD CARE OPERATORS to provide low income children and families in struggling communities with access to affordable, top-quality child care and early education opportunities. Through its four child care programs, LIIF has supplied a total of $18 million in grants since 1998. In so doing, LIIF helps child care providers to develop, expand and improve their facilities. The everyday triumphs that result from the availability of affordable child care facilities are helping build the possibility of a promising future for those who need it the most: our children.
LIIF’S THREE LOAN FUNDS, the Revolving Loan Fund, Affordable Buildings for Children’s Development Fund, and Fund for Children and Communities, bring tangible triumphs to hundreds of thousands of people by giving them access to capital and technical assistance. Since 1984, LIIF has provided $620 million in loans to support community-building projects. In addition to its own funds, this includes $360 million in direct lending and $260 million in packaged and participation lending. LIIF offers financing packages for banks and participates in loan deals with community partners through program-specific funds and single transactions.

Lunch is served, and more than 1,000 hungry Brooklyn children, families and individuals are eating a nutritious meal at St. John’s Bread & Life. Naishaune Spencer is one of them. But that’s not all — in addition to a healthy meal, Naishaune also receives nutrition counseling, health and hygiene products and social services such as workforce development, literacy training, psychiatric services and substance-abuse counseling. “I ran with the wrong crowd and ended up homeless, jobless and in a whole lot of trouble. With the help of St. John’s Bread & Life, loving family and friends, and shear dedication, I was able to go back to school, get a great job, have a steady income and, most significantly, get my first apartment,” states Naishaune. Along with many of his friends, he has been coming to St. John’s Bread & Life’s soup kitchen for months, and as each day goes by, Naishaune and his friends are thankful for the most basic triumph in life: access to food. LIIF provided $7 million of its New Markets Tax Credit allocation to enable St. John’s Bread & Life to expand its capacity to serve a total of 450,000 meals annually, providing hungry families with something to look forward to, day after day.
At the Buena Vista Child Development Center in downtown Sacramento, California, four-year-old Sisario and his younger sister, Love, have just finished their afternoon snack. This snack, along with their breakfast, was prepared from local fresh food. As a low income parent of two, Mike Duncan is grateful for the possibility of having an affordable and safe center a short distance from his home. “I like the family environment and [that] the center is safe for my kids,” comments Mike. Sisario and Love spend their days in a culturally supportive, homelike environment, learning traditional practices like craft making and storytelling. Amber Benavente, the children’s teacher, looks forward every morning to seeing Mike and his children. “Aiding parents with affordable child care helps them provide more opportunities for their children. Our center recognizes that and welcomes all children, in addition to offering a place where the Native American community can honor their customs together.”

LIIF’s Constructing Connections project in Sacramento County, Child Action, Inc., provided the Buena Vista Child Development Center with one-on-one technical support to help them open the center in 2007. Now open, the Victorian-styled center offers a culturally rich, small class-size experience, in which the children are developing a family of their own.
BUILDING STRONG COMMUNITIES
AT LIIF, WE BELIEVE THE KEY TO FIGHTING POVERTY and building strong communities is enabling all community members, especially those who are currently struggling with basic needs, to create their own triumphs each day. That’s why we work diligently to help strengthen families and individuals who are overcoming tremendous obstacles like homelessness, lack of quality education, and inability to access affordable housing and child care. By helping families stabilize themselves, we strengthen the foundation of entire communities. But we can’t do this work alone. We need the support of donors, partners and investors to reach all of those who are struggling. It would be an extraordinary triumph to end poverty in the United States, but one we believe we can reach by building on countless smaller triumphs every day. Thank you again to our many supporters, who continue to care, give and invest.
COMMUNITIES RECEIVING LIIF’S SUPPORT

BORROWERS
100-106 West 14th Street Housing Development Fund Corporation
15 Fort Washington Avenue Housing Development Fund Corporation
Place 2 Start
241 West 115th Street Housing Development Fund Corporation
320 West 47th Street Housing Development Fund Corporation
45th Street Artists’ Cooperative, Inc.
513-517 West 135th Street Housing Development Fund Corporation
895 Guerrero Street, Inc.
A.F. Evans Company, Inc.
Abenaki Development Corp.
Affordable Housing Associates
Alliance for College Ready Public Schools
Almis Village Apartments, L.P.
Alouette, Inc.
Amador-Tuolumne Community Action Agency
The Anne Frank House, Inc.
Asian Americans for Equality, Inc.
Asian Inc.
Asian Pacific Islander Legal Outreach
Aspire Public Schools
The Association for Community Housing Solutions
Bayshore Child Care Service
Beyond Shelter Housing Development Corp.
Birnam Wood Associates, Ltd.
Bonita House, Inc.
Bowery Residents’ Committee, Inc.
Broad-Park Development Corporation, Inc.
Building Opportunities for Self-Sufficiency
Burbank Housing Development Corporation
Cabrillo Economic Development Corporation
Caminar/CLC
Care for the Homeless
Central City Hospitality House
Charter School Investors, LLC
Child Family & Community Services, Inc.
Chinatown Community Development Center
Citizens Housing Corporation
Civic Builders
Civic Center Bario Housing Corporation
Clinton Housing Development Corporation
Coleman Advocates For Children & Youth
A Community of Friends
Community Housing Improvement Program, Inc.
Community Housing Innovations, Inc.
Community Housing Opportunities Corporation
Community Housing Works
Community League of the Heights
Compass Community Services
Congregation Keshet Beanan
Cross Cultural Family Center
Cypress Hills Local Development Corporation
The DOE Fund, Inc.
E Center
EAH Inc.
East LA Community Corporation
Fifth Avenue Committee Local Development Corporation
Francelia Enrichment Center
Friends of River Child Care Services
Friendship House American Indian Healing Center, Inc.
Fund for Schools and Communities
Garden Court Housing Development Fund Corporation
Green Dot Educational Project
Greyson Foundation, Inc.
Holy Family Day Home
Hotel Grand Southern, a California Limited Partnership
Housing Services Affiliate of the Bernal Heights Neighborhood Center
Housing Works
Isles, Inc.
Japanese American Religious Federation Housing, Inc.
Kai Ming, Inc.
Kangaroo Pouch
KIPI Academy Fresno
LCD Investor III, LLC
Los Angeles Neighborhood Housing Services, Inc.
Low Income Housing Institute
Lower San Antonio Community Development Fund
LTSC Community Development Corporation
Merced Housing Texas
Meta Housing Corporation
Mission Neighborhood Centers, Inc.
Mutual Housing Association of New York
National Community Renaissance of California
New York Congregational Center for Community Life
North County Community Services
North Hudson Community Action Corp.
Northeast Children’s Services, Inc.
Northeast Brooklyn Housing Development Corporation
Ocean Park Community Center
Oti Kaga Limited Partnership
Part of the Solution
Pathways Preschool
Peoples’ Self-help Housing Corporation
Pesach Tikvah-Hope Development, Inc.
Portola Family Connection Center, Inc.
Pratt Area Community Council
Project Hospitality
Project New Hope
Pueblo Nuevo Development
Queens East Committee for Early Childhood Development
Rebuilding Together San Diego
Rubicon Programs, Inc.
Saint Vincent’s Day Home, Inc.
San Antonio Community Revitalization, Inc.
San Francisco Community Land Trust
San Francisco Women’s Centers, Inc.
San Gabriel Valley Young Women’s Christian Association
San Jose Day Nursery
Santa Cruz Terrace, L.P.
Savo Island Cooperative Homes, Inc.
South Bay Community Services
South of Market Child Care, Inc.
St. HOPE Academy
Transitional Living and Community Support
Urban Homesteading Assistance, Inc.
Urban Strategies, Inc.
Visitacion Valley Community Center
Wateland Housing and Development Corporation
Watts Learning Center
West Hills Community College District
Westhab, Inc.
Wilford Lane Village, L.P.
Yu Yee Children’s Services
YWCA of Queens

GRANTEES
AFFORDABLE BUILDINGS FOR CHILDREN’S DEVELOPMENT FUND
131 Street Collaborative for Montessori Education, LLC
North Bay Children’s Center

CALIFORNIA PRESCHOOL ENERGY EFFICIENCY PROGRAM
1st United Methodist Church Belflower Preschool
4C’s of Alameda County CDC
Action Day Nurseries & Primary Plus
Alpha Kappa Alpha Head Start
ASA Learning Center
Ascension Lutheran Church and Preschool
Bit o’ Heaven Preschool
BlueSkyes for Children
Building Blocks Children’s Center
California Migrant Leadership Council
The CCDC of the Little Angels
Center for Family and Community Services
Central California Economic Development Corporation
The Child Development Schools, LLC
Children of Peace
A Children’s Garden
Chinatown Community Children’s Center
Church of Holy Angels Preschool
Church on the Hill Christian Care
Claremont Presbyterian Church
Claremont United Methodist Church Nursery School
Coast Christian School
Community Church of Hayward – A Joyful Noise Learning Center
Compass Community Services
Comprehensive Child Development, Inc.
Concord Child Care Center
Congregation Emanu-El Preschool
Congregational Community Church Preschool
The Cross Preschool and Kindergarten
Crosswind Community Church – Adventureland Preschool
De Colores Children’s Center
E Free Church of Diamond Bar
Eclesia Christian School
Educational Enrichment Systems
Episcopal Community Services
Episcopal Community Services Head Start
Escuela De La Raza Unida
Fairway Education Center
First Church of the Nazarene
First Lutheran Church
First Presbyterian Church – H. Itis Growing Grove
First Presbyterian Church – Shepherd’s Flock Preschool
First Presbyterian Church and Preschool
First Steps CDC
Forty Martyrs Armenian Church
Fountain Valley United Methodist Preschool
Fresno County Economic Opportunity Council
The Fundamentals Preschool Academy
Gingerbread House Preschool
Grace First Presbyterian Church
Grand Avenue United Methodist Church School
Hayward Unified School District Child Development Program
Highland Avenue Lutheran Church Preschool
Immanuel Lutheran Early Childhood Center
The Institute for the Redesign of Learning

16 LIIF 2008 ANNUAL REPORT
Jewish Community Center of San Francisco
Kid's Castle
Kids In Action, Inc.
KidsPark
Knowledge Learning Corporation
La Purisima Catholic Church Preschool
Lakeside Presbyterian Church Center for Children
Learning Care Group
Lea's Christian School
Light of Christ Lutheran Church and Preschool
Lindero Children's Center
Little Feet Childcare and Preschool
Long Beach Unified School District
Mexican American Opportunity Foundation
Monrovia Preschool and Day Care Center
Montessori Academy
Montessori Children's Home
Montessori de Terra Linda
Montessori School of Central Marin
Mountain Free Methodist
Mountainsview Faith Community Church
Christian Preschool
National Pediatric Support Services
Options Child Care
Orange County Children's Therapeutic Arts Center
Orange County Worship Center – Little Miracles Preschool
Pacific Unitarian Church – Children's World Learning Center
Palo Verde College Child Development Center
Palo Verde Early Childhood Center
Pasadena Jewish Temple and School
Pediatric Therapy Network
Pied Piper Preschool
Price Family Preschool at Temple Emanu-El
Quality Children's Services
Ravenswood Child Development Center
Renu Hope Foundation
Rosemead Education Center
The Salvation Army – The Creator's Corner
The Salvation Army of Torrance
Salvation Army of Whittier
San Jacinto Head Start State Preschool
San Joaquin Head Start Child Development Corp
Santa Monica Corps Salvation Army
Sonoma United Methodist Church – Sunshine School
St. Elizabeth's Day Home
St. James Church Preschool
St. John Lutheran Community Services
St. John's Lutheran Church
St. Stephen's Church – Learning Tree Preschool
Temple Beth Sholom
Temple Emanuel of Beverly Hills Early Childhood Center
Temple Menorah – Tuvia Preschool
Trinity Lutheran Church Preschool
Trinity Presbyterian Church – The Children's Place
Tustin Presbyterian Church Community Preschool
United Methodist
Valley Parent Preschool
YWCA Watsonville

CHILD CARE FACILITIES FUND (SAN FRANCISCO)

1st Place 2 Start
ABC Preschool
Acosta Family Child Care
Acuchi Family Child Care
Alayo Family Child Care
Aquino Family Child Care
Azucena Family Child Care
Barrueco Family Child Care
Betty Bluford Family Child Care
Big City Montessori*
Bright Horizons – Congregational Sherith Israel
Bright Horizons – Main Street Campus
Bright Horizons – Spear Street Campus
Brotherhood Family Child Care
Buen Dia Corporation
C5 Children's School
Cajina Family Child Care
Calvary Presbyterian Church Nursery School*
Calvert Family Child Care
Centro Las Olas
Chamo Family Child Care
Cheryl Anderson-Sorensen Child Care Center
Cheung Family Child Care
Children's Day School
Christina Marchiel Family Child Care
Curiel Family Child Care
Dong Family Child Care
Drumgoole Family Child Care
Economic Opportunity Council
Ehrlich Family Child Care
Epiphany Parent-Child Center
Esperanza Estrada Family Child Care
Esteva Family Child Care
The Family School
Fellom Family Child Care
Florence Crittenton Services*
Forde Family Child Care
Fuentes Family Child Care
Gates and Bridges Preschool
Glenridge Coop Nursery School
Glide Foundation
Grace Cathedral Community Preschool
Gui Ping Li Family Child Care
Hernando Patanroyo and Rosalia Family Child Care
Ho Family Child Care
Holy Family Day Home
Huang, Miao Juan Family Child Care
Hui Xin Yang Family Child Care
Jeanne Ng Family Child Care
Jenny Kwong Family Child Care
Joan Liang Family Child Care
Jun Wei Family Child Care
Kai Ming, Inc.
Karen Lewis Family Child Care
Katharine Michiels School*
Lan Xing Liu Family Child Care
Larisa Khazan Family Child Care
Letterman Digital Arts Child Care Center
Little Star Preschool*
Lutheran Church of Our Savior Preschool, Inc.
Manzanares Family Child Care
Maria Elena Martinez Family Child Care
Mei Rong Yan Family Child Care
Mei Yu Li Chen Family Child Care
Messinger Family Child Care
Mission Neighborhood Centers, Inc.
Montessori School of the Bay Area
Neri Alarcon Family Child Care
Nihonmachi Little Friends
Osorio Family Child Care
Pacific Primary
Peter's Place Nursery School
Ping Chang Tse Family Child Care
Presidio Knolls School
Quan Hue Ngo Family Child Care
Rivas Family Child Care
Salvacion Carino Family Child Care
San Francisco Community College District – Child Development and Family Studies
San Francisco Unified School District – Child Development Program
Sandy Lee Family Child Care
Sara Garcia Family Child Care
Selina Chen Family Child Care
Shalom School
Sheehan Family Child Care
Silva Family Child Care
St. James Preschool
St. Nicholas Day Care & Preschool
Stribling Family Child Care
Temple Emanu-El Preschool
Thomas Family Child Care
Toy Family Child Care
True Sunrishe Preschool
Tse Family Child Care
Underwood Family Child Care
Wan Xia Wong Family Child Care
Whitney Young Child Development Center
Wu Yee Children's Services
Xue Hua Kuang Family Child Care
Ya Ling Liao Family Child Care
Ying Ngor Lee Family Child Care
YMCA – Bayview Hunters Point
Yuk Mei Ng Family Child Care
Zhen Family Child Care
*
Child care centers that also received grant funding from LIIF's CPEEP program.

CHILD CARE FACILITIES FUND (FIRST 5 ALAMEDA COUNTY EVERY CHILD COUNTS)

Alameda Head Start
The Albany Preschool
Aliuska Diaz Family Child Care
Betty's Children's Academy
Blue Marble Nursery School
Camacho Family Child Care
Cole Family Child Care
Estella Lopez Family Child Care
Home Sweet Home Preschool
Kiddie Campus Cooperative Playschool, Inc.
Elia Montenegro Family Child Care
Phelon Family Child Care
Toliver Family Child Care
LIIF SUPPORTERS

DONORS

NATIONAL
Bank of America
Bank of the West
Capital One
Citi Foundation
Christopher Donahue
Community Development Financial Institutions (CDFI) Fund
The F.B. Heron Foundation
Fannie Mae Foundation
Friedman Family Foundation
The James Irvine Foundation
Lee & Perry Smith Fund
Mental Insight Foundation
MetLife Foundation
U.S. Department of Education
The Wachovia Foundation
Washington Mutual

CALIFORNIA
California Bank & Trust
Cathay Bank Foundation
Comerica Bank
Evelyn and Walter Haas, Jr. Fund
First Regional Bank
HSBC Bank USA, N.A.
Manufacturers Bank
Marisla Foundation
McPharlin Sprinkles & Thomas, LLP
The Swinerton Foundation
U.S. Bank
Union Bank of California Foundation
Wells Fargo Foundation

NEW YORK
Astoria Federal Savings
The BTMU Foundation, Inc.
HSBC Bank USA, N.A.
JPMorgan Chase Foundation
Nara Bank
TD Bank USA, N.A.

CHILD CARE
The Aspen Institute
California Community Foundation
City and County of San Francisco
The David and Lucile Packard Foundation
Deutsche Bank Americas Foundation
Evelyn and Walter Haas, Jr. Fund
Every Child Counts – First 5 Alameda County
First 5 California
First 5 San Francisco
Gross & Belsky LLP
HSBC Bank USA, N.A.
Merrill Lynch Community Development Company, L.L.C.
Mizuho USA Foundation
New York City Council
New York City Administration for Children’s Services
Pacific Gas & Electric
San Diego Gas & Electric
Southern California Edison
United Way of New York City
Weingart Foundation

PUBLIC POLICY
Appleton Foundation
The John D. and Catherine T. MacArthur Foundation

INVESTORS
Ethel Ackley
Ascension Health
The Associated Sulpicians of the United States
Bank of America, N.A.
Bank of the West
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Boston Trust & Investment Management Company
Calvert Social Investment Foundation
Catholic Healthcare West
Citicorp USA, Inc.
Community Development Financial Institutions (CDFI) Fund
CR Alternative Trust
The David and Lucile Packard Foundation
David D. & Dorothy N. Perkins Trust
Deutsche Bank Americas Foundation
Dominican Sisters of Mission San Jose
Erich & Hannah Sachs Foundation
The F.B. Heron Foundation
Nancy Falk
Fannie Mae Foundation
First Republic Bank
Ford Foundation
Treating Exchange-Endowment
The Gaddly Trust
Global Ministries, United Methodist Church
Hamni Bank
HSBC Bank USA, N.A.
Impact Community Capital, LLC
JPMorgan Chase Bank
Katherine Perls Trust
MacArthur Foundation
Manufacturers Bank
The Mechanics Bank
Merger Investment Program, Inc.
Merrill Lynch NMTC Corporation
Metropolitan Life Insurance Company
Mizuho Corporate Bank of California
MLBUSA Community Development Corporation
Ninevah Trust
Norman L. & Deirdre F. Cram Trust
Northern Trust, NA
Ridgewood Savings Bank
Sachs Foundation
Signature Bank
Silicon Valley Bank
Sisters of Charity of the Incarnate Word
Sisters of St. Joseph in California
SSM International Finance, Inc.
Trinity Health Corporation
U.S. Trust Company, N.A.
Wachovia Bank
Washington Mutual
Wells Fargo

FINANCING PARTNERS
California Charter Schools Association
Catholic Healthcare West
Century Housing Corporation
Citi Community Capital
City of New York Department of Housing Preservation & Development
Clearinghouse CDFI
Enterprise Foundation
Exchange Bank
Fund for Schools and Communities
General Board of Pension & Health Benefits of the United Methodist Church
JPMorgan Chase Bank
L.A. Charter School New Markets CDE
Mercy Loan Fund
NCB Capital Impact
Nonprofit Finance Fund
Opportunity Fund
San Francisco Mayor’s Office of Community Development
Self-Help Credit Union

HARNESSING COMMUNITY INVESTMENT
Strategic Capital
Mendelsohn
Day Foundation
Beverly & Mike Morton Family Foundation
Parson's Foundation

CHILD CARE
The Aspen Institute
California Community Foundation
City and County of San Francisco
The David and Lucile Packard Foundation
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Nancy Falk
Fannie Mae Foundation
First Republic Bank
Ford Foundation
Treating Exchange-Endowment
The Gaddly Trust
Global Ministries, United Methodist Church
Hamni Bank
HSBC Bank USA, N.A.
Impact Community Capital, LLC
JPMorgan Chase Bank
Katherine Perls Trust
MacArthur Foundation
Manufacturers Bank
The Mechanics Bank
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Metropolitan Life Insurance Company
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Silicon Valley Bank
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Wachovia Bank
Washington Mutual
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San Francisco Mayor’s Office of Community Development
Self-Help Credit Union
LIIF FAMILY

HOUSING AND COMMERCIAL REAL ESTATE LOAN COMMITTEE
Steven Fayne, Committee Chair
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Nancy Strohl, Child Care Law Center

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Ingrid Mezquita, First 5 San Francisco
Michele Rutherford, San Francisco Department of Human Services
Juanita Santana, San Francisco State University Head Start Program
Dolores Smith, Children’s Council of San Francisco
Maria Luz Torre, Parent Voices
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Wendy Trull, New York City Administration for Children’s Services
David Raynor, Leviticus 25:23 Alternative Fund, Inc.
Silvia Kuper Saferstein, Therapy & Learning Center
Brian Segel, HSBC Bank USA, N.A.
Letisha Wadsworth, Child Development Support Corporation
SELECTED FINANCIAL DATA

### Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$58,856,318</td>
<td>$28,862,256</td>
<td>$44,263,433</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>$19,409,846</td>
<td>$19,056,035</td>
<td>$9,382,133</td>
</tr>
<tr>
<td>Notes receivable</td>
<td>$90,392,647</td>
<td>$90,392,365</td>
<td>$70,499,767</td>
</tr>
<tr>
<td>Allowance for loan losses</td>
<td>(6,499,600)</td>
<td>(6,797,105)</td>
<td>(5,385,057)</td>
</tr>
<tr>
<td>Other assets</td>
<td>$8,805,495</td>
<td>$3,892,918</td>
<td>$3,925,237</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$151,954,544</strong></td>
<td><strong>$135,212,472</strong></td>
<td><strong>$122,685,513</strong></td>
</tr>
<tr>
<td><strong>Liabilities and net assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes payable</td>
<td>$100,397,151</td>
<td>$90,014,280</td>
<td>$88,744,710</td>
</tr>
<tr>
<td>Funds held in trust</td>
<td>$8,434,442</td>
<td>$14,379,518</td>
<td>$4,800,175</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>$5,304,428</td>
<td>$1,599,519</td>
<td>$1,294,321</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$114,336,021</strong></td>
<td><strong>$106,993,317</strong></td>
<td><strong>$94,839,206</strong></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$21,077,695</td>
<td>$17,354,361</td>
<td>$15,991,069</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>$16,410,828</td>
<td>$10,864,794</td>
<td>$11,855,238</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$37,488,523</strong></td>
<td><strong>$28,219,155</strong></td>
<td><strong>$27,846,307</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$151,954,544</strong></td>
<td><strong>$135,212,472</strong></td>
<td><strong>$122,685,513</strong></td>
</tr>
</tbody>
</table>

### Statement of Activities

<table>
<thead>
<tr>
<th>FOR FISCAL YEAR</th>
<th>2008</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and investment income – net</td>
<td>$7,938,300</td>
<td>$7,202,013</td>
<td>$16,332,468</td>
</tr>
<tr>
<td>Technical assistance and consulting</td>
<td>$8,083,690</td>
<td>$5,794,143</td>
<td>$2,637,125</td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>$9,824,369</td>
<td>$3,994,974</td>
<td>$3,670,475</td>
</tr>
<tr>
<td>Other</td>
<td>$1,613,727</td>
<td>$1,770,262</td>
<td>$1,812,688</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>$27,460,086</strong></td>
<td><strong>$17,561,872</strong></td>
<td><strong>$13,272,765</strong></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program expenses</td>
<td>$15,333,386</td>
<td>$13,789,873</td>
<td>$10,092,690</td>
</tr>
<tr>
<td>Supporting expenses</td>
<td>$2,727,332</td>
<td>$3,399,351</td>
<td>$3,630,492</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$18,060,718</strong></td>
<td><strong>$17,189,224</strong></td>
<td><strong>$13,723,182</strong></td>
</tr>
<tr>
<td>Change in unrestricted net assets</td>
<td>$3,723,334</td>
<td>$1,631,292</td>
<td>$952,414</td>
</tr>
<tr>
<td>Change in temporarily restricted net assets</td>
<td>$5,676,034</td>
<td>$(990,444)</td>
<td>$(1,028,831)</td>
</tr>
<tr>
<td><strong>Change in total net assets</strong></td>
<td><strong>$9,399,368</strong></td>
<td><strong>$3,722,848</strong></td>
<td><strong>($450,417)</strong></td>
</tr>
</tbody>
</table>

### Total Capital Under Management

**FOR FISCAL YEAR IN MILLIONS**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Capital</td>
<td>$106</td>
<td>$106</td>
<td>$164</td>
<td>$194</td>
<td>$200</td>
</tr>
<tr>
<td>Total Available Capital</td>
<td>$562</td>
<td>$562</td>
<td>$562</td>
<td>$562</td>
<td>$562</td>
</tr>
</tbody>
</table>

### Cumulative Lending by Program Area

**SINCE INCEPTION THROUGH JUNE 30, 2008**

- Affordable Housing: 18%
- Top-Performing Schools: 6%
- Quality Child Care: 7%
- Other Community Facilities: 69%

### Child Care Grants

**FOR FISCAL YEAR IN MILLIONS**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.4</td>
<td>$1.3</td>
<td>$3.0</td>
<td>$5.1</td>
<td>$5.5</td>
<td></td>
</tr>
</tbody>
</table>
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Imelda Tanega, Finance Associate

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Matt West, Data Analyst, CCFF

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Constructing Connections

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Constructing Connections

Ellen Deker, Program Officer

Constructing Connections

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