Dear Friends,

We are pleased to present Community First Fund’s 2022 Annual Report, highlighting the organization’s growth and impact over the past year.

As we celebrate our 30th anniversary, we acknowledge that the world has experienced significant changes since 1992. Through the years we relied on our passion to advance our mission and commitment to impact the communities we serve. From our expansion in Philadelphia, to our Covid-19 relief funding, and as we launch our new credit union, we continuously envision and build toward a more equitable and just future.

This year, as we reflect on our three decades of service, we are centered around our core value of innovation. Using creativity and ingenuity to solve complex community challenges is embedded in our legacy, and guides our future.

In 2022 we officially launched Community First Fund Credit Union – a pioneering and much needed financial services company which expands our ability to serve individuals and families along with the business owners we’ve worked with for so many years. Our credit union is rooted in our legacy and mission to create opportunities to build economic sustainability for thousands of families, many of whom are not yet connected to responsible consumer financial products and services. As a proud Minority Depository Institution, we are building our capital resources to offer personal loans, home mortgages and beneficial deposit accounts particularly for populations who have not accessed traditional financial institutions.

Community First Fund’s fiscal year ended June 30th and while we faced economic challenges and ongoing effects of the pandemic, over the past year we provided $28 million in loans. Of the loans, 93% were made to African Americans, Latinos, and Asians, and 88% were provided to entrepreneurs and business owners with moderate to low income. The businesses we financed created and retained nearly 1,183 jobs and produced close to 379 units of affordable housing; we provided over $3 million in mortgages to first-time homebuyers.

We are grateful for your support over the past thirty years and for your continued commitment that allows us to impact the lives of families and entrepreneurs that live and work in our communities. We look ahead to the next thirty years of continued impact and economic justice.

Thank you,

Daniel Betancourt
President and CEO, Community First Fund and Community First Fund Credit Union

Jonathan Bowser
Chair, Community First Fund

Marilyn Brown
Chair, Community First Fund Credit Union

30 Years of Innovation and Growth

On our 30th anniversary, we pause to reflect on decades of impact and innovation. Over the years, we have become a regional force as a driver of equitable economic and community development: we provide small business loans and services to entrepreneurs, we offer catalytic capital for projects that have the power to change neighborhoods, and through our newly launched credit union, we serve families on their journey to achieve sustainable financial prosperity.

We strive to build vibrant communities and break down barriers to access to capital for people who have historically faced discrimination. Our $487 million in loans and investments made across our eastern Pennsylvania market since our founding in 1992 have supported small businesses and created jobs. These financing activities have advanced our mission and created positive community change by improving access to affordable housing, increasing educational opportunities, creating access to healthy foods, and providing access to healthcare and other essential community services. We continue to look for innovative ways to serve our clients’ changing needs and advance our mission.

At our heart, we are a civil rights organization. We were founded by visionaries like Jim Hyson, who led a coalition of African Americans and Latinos to advance equal opportunity in central Pennsylvania, and Luis Mora, founder of FINANTA, a loan fund providing capital to immigrant entrepreneurs in the greater Philadelphia region. These individuals, in partnership with other community leaders, understood the transformative power of access to responsible financial services for underserved populations. When our two organizations came together in 2020, our aligned mission and leveraged-strength transformed us into a formidable force against economic injustice.

As we look ahead to the next thirty years, our innovation and creativity will continue to drive our unwavering commitment to our mission and its service to our community.

Thank you,

Daniel Betancourt
President and CEO, Community First Fund and Community First Fund Credit Union

Jonathan Bowser
Chair, Community First Fund

Marilyn Brown
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As we look ahead to the next thirty years, our innovation and creativity will continue to drive our unwavering commitment to our mission and its service to our community.
Impacting Our Community Since 1992

Community First Fund provides the financial resources and educational tools necessary to help low income communities and people, especially People of Color, create economic opportunity for themselves, their families and their communities. Community First Fund’s commitment to supporting high impact projects in our region has resulted in the following 30 years of success.

63% of loans to business owned by People of Color
85% of loans benefit low income people and communities
42% of loans to women owned businesses

11,097 business and community development projects financed
$92 million in financing to community service organizations
9,968 child care opportunities financed
9,674 educational opportunities financed
$24 million in financing to healthy food providers

71,321 jobs created and retained
3,255 affordable housing units financed
$487 million of loans and investments

464 first time homebuyers supported
11,097 business and community development projects financed
$92 million in financing to community service organizations
9,968 child care opportunities financed
9,674 educational opportunities financed
$24 million in financing to healthy food providers

71,321 jobs created and retained
3,255 affordable housing units financed
$487 million of loans and investments

464 first time homebuyers supported
As Community First Fund strives to build vibrant communities, we understand that in order to truly achieve equitable economic development, we must offer a diverse array of products and services to meet the communities’ emerging financial needs.

We first began working with Aaron Camera, a Latino construction manager and owner of Monarch Development LLC, fifteen years ago when we provided him with a small business loan for early stage capital. Soon after, we helped Mr. Camera with a new line of credit to support Monarch’s ability to bid on more extensive projects and hire new employees. Most recently we provided the company with a multi-million-dollar financing package to support the construction of a new community facility in Lebanon, PA. For many months our team worked with Monarch and local community leaders to complete the project which includes a grocery store that provides healthy foods to local residents and a health clinic that offers vital health resources to the neighborhood.

Mr. Camera is one example of the thousands of entrepreneurs and community developers we have grown along with over the past 30 years who use their creativity and ingenuity to build vibrant communities through equitable economic development.
Impact Through Access to Capital

Community First Fund recognizes the critical role childcare and early education centers play in enriching and directing the trajectory of a child’s future.

We understand how access to quality education centers is paramount for the stabilization of families who frequently hold several jobs to make ends meet. Over our 30-year history we have provided dozens of loans to childcare providers located in private homes and early education centers. As our communities rebound from the economic challenges caused by the pandemic, our advocacy for resources has enabled us to provide grants and forgivable loans to many of these centers that are still challenged with reduced cash flow. We’ve also supported larger centers such as Watch Us Grow, based in the City of Allentown, and founded by Manual Calcano and Jeresky Martinez. Community First Fund became the center’s financial partner in 2017 when they initially developed plans for expansion. Since then, we supported their financing needs by providing a commercial mortgage to purchase and renovate a new building, allowing the center to double in capacity and offer 24-hour care. Centers like Watch Us Grow help build vibrant communities through their care of hundreds of children whose parents work alternate shift schedules. We will continue to work with providers of early childhood care and education as part of our commitment to creating innovative solutions for the community.

Even as we grow and have the ability to make larger loans, we never lose sight of the needs of entrepreneurs looking to start their first business. Small businesses are the economic engines in the economy and help to create the unique identity and vibrancy in neighborhoods. Over the years, we have worked with thousands of restaurants, bodegas, beauty salons, and barbershops. For 30 years we have paired our peer lending and small business loans with one-on-one business and financial technical assistance, ensuring entrepreneurs have the information they need to create a business plan or help build their credit. An important component of these services is our Affinity Group Lending program, designed by the founder of FINANTA in Philadelphia. Working predominately with recent immigrants, we create lending circles, which help entrepreneurs access capital and build their credit in the United States. We provide each group with robust business training and financial counseling.

One entrepreneur who utilizes this program is Mamie Sardnee, owner of Woodland Produce, a neighborhood grocery store which provides healthy foods and African specialty goods. Originally from Liberia, Ms. Sardnee received her first loan in 2014 to help start up her store. Since then, she has been part of ten circles which has allowed her business to grow and create new jobs. Most recently, Community First Fund provided her with a commercial mortgage to purchase a building that sits directly across the street from her store, supporting her expansion plans. That is true sustainable business growth.
A New Credit Union for Our Community

Chartered in 2021, Community First Fund Credit Union officially opened our first branch location in the City of Lancaster, on Martin Luther King Day, January 2022.

The new credit union significantly expands our ability to serve our community. With the addition of this credit union we have become a full-service financial center. As a federally insured depository institution, can we create new opportunities for community residents to take financial control over their personal finances and build sustainable wealth for their families for generations to come. An important aspect of the credit union is that every member owns a “share” of the company. This model ensures that the credit union’s mission is focused on continued support for the community.

Leo Rodriguez, who owns a hair salon in Lancaster City, has been a Community First Fund client since 1993 and recently became a member of the credit union. Over the years he has used our business loan services and technical support programs to create business plans, and worked on renovations to the salon. Leo stated that becoming a member of the credit union was an easy decision, as he believes in keeping his money local. He looks forward to continued collaboration with the organization that has helped him professionally for his entire career.

Our credit union provides access to affordable financial services from an institution people trust. In addition to our consumer and business savings and checking accounts, we offer personal loans, home equity loans, and residential home mortgages. As we move forward, we are creating a new bilingual financial education program to support our members. The education program will help to inform individuals and families about how they can make sound choices in managing their money.

With our first branch serving the Lancaster community, we plan to expand and open additional branches across the markets we serve in the years to come.

Leo Rodriguez, entrepreneur, client and new credit union member.
Transformative Growth

During fiscal year 2022, Community First Fund maintained strong performance and financial health. The core loan fund increased 16% in the fiscal year, rising to $130 million in loan capital.

Our overall portfolio performance has remained strong with net loan losses of -0.3% during the fiscal year. This performance is a direct result of our solid underwriting processes and the strong communication and one-on-one business technical assistance that our lending team provides our borrowers. Our net asset position rose to $59 million, a 21% increase from last fiscal year. Our net asset ratio of 41% ensures that we have resources for continued growth and reserves for the protection of our investors. Trends in income and expense are returning to pre-pandemic levels. During Covid-19, Community First Fund disbursed hundreds of millions of dollars in emergency funding that provided relief to thousands of small businesses across our market. Our current financial and portfolio position ensures that Community First Fund is able to continue to deliver our lending products and services to our customers for years to come. In January 2022, Community First Fund Credit Union opened its doors with assets totaling almost $3.5 million.

COMMUNITY FIRST FUND FINANCIAL DATA (AS OF JUNE 30, 2022)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tr>
<td><strong>FINANCIAL POSITION DATA</strong></td>
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<tr>
<td>Total Assets</td>
<td>$116,338,760</td>
<td>$129,236,529</td>
<td>$142,543,266</td>
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<td>Total Liabilities</td>
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<td>$80,678,923</td>
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<td>Total Net Assets</td>
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<tr>
<td>Total Liabilities and Net Assets</td>
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<td>$129,236,529</td>
<td>$142,543,266</td>
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<table>
<thead>
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<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tr>
<td><strong>STATEMENT OF ACTIVITIES DATA</strong></td>
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<tr>
<td>Total Income</td>
<td>$17,334,075</td>
<td>$44,982,456</td>
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<td>Total Expenses</td>
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<td>$34,860,383</td>
<td>$7,832,071</td>
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<tr>
<td>Change in Net Assets</td>
<td>$4,115,176</td>
<td>$10,122,073</td>
<td>$9,958,997</td>
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<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tbody>
<tr>
<td><strong>TOTAL CAPITAL UNDER MANAGEMENT</strong></td>
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<tr>
<td>Loan Capital</td>
<td>$103,575,093</td>
<td>$112,639,057</td>
<td>$130,330,286</td>
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<td>New Markets Tax Credits</td>
<td>$90,000,000</td>
<td>$90,000,000</td>
<td>$75,000,000</td>
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<tr>
<td>Credit Union</td>
<td>—</td>
<td>—</td>
<td>$3,499,430</td>
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<tr>
<td>Total Capital Under Management</td>
<td>$193,575,093</td>
<td>$202,639,057</td>
<td>$208,829,716</td>
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</table>

**THE CHARTS BELOW REPRESENT FISCAL YEAR 2022 DATA (IN MILLIONS)**

**CAPITAL UNDER MANAGEMENT**

- Equity Equivalent
- Net Assets
- Investment Capital
- Credit Union
- New Markets Tax Credits

**LOAN AND INVESTMENT PORTFOLIO BY TYPE IN DOLLARS**

- Small Business
- Consumer Mortgage
- Business Real Estate
- Housing Development
- Community Services
- New Markets Tax Credits

**FINANCING CAPITAL BY SOURCE**

- Net Assets
- Financial Institutions
- Religious Organizations, Corporations, Individuals
- Government & Other
- New Markets Tax Credits

**THE GRAPH BELOW REPRESENTS NINE YEARS OF TRANSFORMATIONAL GROWTH**

**ASSET GROWTH**


$20,000,000 | $40,000,000 | $60,000,000 | $80,000,000 | $100,000,000 | $120,000,000 | $140,000,000 | $160,000,000 | $180,000,000

Community First Fund holds an outstanding Aeris rating of Four Star AA Policy Plus. This is an indication that our impact alignment is among the best in the industry, our financial performance is strong, and our policy and advocacy efforts are being recognized.
Investing In Our Growth

Investors

(Cumulative as of 6/30/2022)

Adina Abramowitz
ACNB Bank
The Annie E. Casey Foundation
ASSETS
Bank of America
Bank of Bird-In-Hand
Bank of Springfield
Black Vision Fund
Margaret S. and David T. Bradley
Bryn Mawr Presbyterian Church
Bryn Mawr Trust
James and Janet Stauffer
Coalitions
QNB Bank
PNC Bank
Peoples Bank
Noah Bank
John A. Moore
Mercy Partnership Fund
Malvern Federal Savings Bank
Cinthia M. Kettering
Noel Karasin
Institute for Leadership Education
Ferree Foundation
Joseph Centeno
James E. and Linda J. Buerger
Bryn Mawr Trust
Bryn Mawr Presbyterian Church
Margaret B. and David T. Bradley
Black Vision Fund
Daniel Betancourt
Bank of America
ANNUAL REPORT 2022
30 YEARS OF IMPACT THROUGH INNOVATION
City Limits Realty
Citizens Bank
City of Lancaster
Commonwealth Cornerstone Group
Credit Builders Alliance Fund
Customers Bank
Episcopal Diocese of Central PA
Faith United Church of Christ
Ferreer Foundation
Fulton Bank
Alexandra, III and Molly S. Henderson
Institute for Leadership Education
Jonathan Bank and Trust Company
Noel Karasin
Cinthia M. Kettering
Christine K. Kind
Lancaster County Community Foundation
Erika E. Lauffer
M&T Bank
Malvern Federal Savings Bank
Mercy Partnership Fund
John A. Moore
National Association for Latino Community Asset Builders
Noah Bank
Opportunity Finance Network
PA Department of Community and Economic Development
Patricia King Family Foundation
Penn National Holding Company
Peoples Bank
PNC Bank
Paul and Andrew Porter
QNB Bank
Reinvestment Fund
Santander Bank
Sisters of St. Francis of Philadelphia
Jonathan and Marsha Stanley
James and Janet Stauffer
TD Bank
Traditions Bank
Trust Bank
U.S. Department of Agriculture
U.S. Department of the Treasury, CDFI Fund
U.S. Small Business Administration
U.S. Bank
Wells Fargo
Wells Fargo Foundation
D. Douglas Whiting
Woodforest National Bank
WSFS Bank
Donors
(As of 6/30/2022)
ACNB Bank
William and Susan Adams
Lenin Agudo
The Annie E. Casey Foundation
Anonymous
Armstrong World Industries, Inc.
Sara Baker
John Balassir
The Bancorp
Link Bank
Barney Sanders
Barra Foundation
Dylan Bauer
Daniel and Karen Beck
Glady’s Benjamin
Leslie Benoille
Berks Alliance
Bucks County Community Foundation
Bertz, Hess & Co., LLP
Daniel Betancourt
El Betancourt
Elise Betancourt
Elizabeth Betancourt
Emely Betancourt
Esther Betancourt
Pablo Betancourt
Nancy Bieber
Jill and Roy Bollinger, Ill
Catherine Bonser
Jacqueline Bortner
Stuart Brooks
Amber Brotzman
Marylyn Brown
Denise Browning
James E. and Linda J. Buerger
Chad Bumbaugh
Calvin and Janet High Family Foundation
Max and Tina Campbell
Capital One
Cargas Systems
Chip, Jr. and Rebecca Cargas
Michael R. Carper
Christe Casciano
Citizens Bank
City of Philadelphia
City of York
City Limits Realty
Cocina Mexicana
Richard Clemmer
Kassandra Colón
Samuel T. Cooper, Ill
Lucy Cortez
Hugh Cowdin
John Cox
Annalisa Cnnell and Neil Gussman
Credit Builders Alliance
Tracy Daniels
Rachel Davis
Peggy Dawson
Christopher Derrickson
Danielle Derrickson
Patrick Derrickson
Paul and Elizabeth Derrickson
Jim and Ruth Devenney
Natalia Domiguez Buckley
James Ebb
Reverend Dr. Gregory Edwards
PetE Pagan
Jonathan Encarnacion
Roxanna Encarnation
George and Alexandra Escalera
Teresa Eustace
Expanding Black Business Credit
Kenneth and Diane Falk
Alba Fernandez
Ferreer Foundation
The Food Trust
Amanda Foster
Jami Frey
Phil and Pati Frey
Fulton Forward
Gregory Furman
Claudia Galdamez
Gates Foundation
Lynne Geib
F. Edward, III and Natalie Geiger
Richard Ginder
Hazel Geracimos
Judy Gitomer
Lawrence McComie
Lawrence McNeary
Anna McClure
Marilyn Brown
Mariana Hinojosa
Anne Hitchens
Habib Hoda
Grace and Deborah Stern
Cynthia Hopper
Stoess Family Fund
Delma Davis
Suzanne M. High Family Fund
TDF Foundation
Brenden Moxson
James R. Mox, Jr. and Joan M. Brodeh
Linda Morales
Arthur Morris
Amanda Mosaos
Don and Becky Murphy
Heidi Nafis
Vanessa Neri
Network for Good
Ethiopia Nigatu
Indah Nurtiasari
Opportunity Finance Network - Grow with Google Small Business Fund
George Pabon
Apphion Pappion
Benjamin Parra
Andrew Pauls-Thomas
Antonio Pelocho
Pennsylvania Council of the Arts
Pennsylvania Housing Finance Agency
Sonny Phan
The Philadelphia Foundation
Philadelphia Industrial Development Corporation
Dr. Carl and Mrs. Ellen Pike
Mark Pinsky
PNC Bank
Pamela and Andrew Porter
The Regional Foundation
Frederick Rivera
Craig and Dianne Roda
Rodgers Family Charitable Fund
Meralis Rodriguez
Lisa Rose
Timothy Roseboro
S&T Bank
Michael Galazar
Karl Salavatore
Santander Bank
Charlie Santiago
Peter Santiago
Steven Santiago
David and Donna Schankweller
John and Mercedes Scott
Nate Scott
Phaedra Scott
Sarah Shearer
Victor and Elias Sheronos
Lloyd and Donna Shields
Belkis Shindell
David and Jennifer Silber
Melissa Siska
Spring Point Partners
Najee Sprul
MacDonald Stacks
David and Colleen Stameshkin
Jonathan and Marsha Stanley
Steel Works Construction
Georgia and Deborah Stern
Cynthia Hopper
Stoess Family Fund
Delma Davis
Suzanne M. High Family Fund
TDF Charitable Foundation
Tides Foundation
Tory Burch and Bank of America Capital Program
Robert Totaar
Truist Bank
Trust Investment
Vincent Tseng
Katherine Tyler
U.S. Department of the Treasury, CDFI Fund
U.S. Small Business Administration
Unibel Bank and Trust
Semra Uysal
Nancy Val Kambouglos
Leo Villa Mil
Larry Trotter
Lydia Walker and Cristian Ardon
Larry Wagner
Nancy Val Kambouglos
Lisa Villa Mil
Larry Trotter
Lydia Walker and Cristian Ardon
Malcolm Weaver
Jim Weber
WellSpan Health
Wanda Winger
William Penn Bank Foundation
John ang John Woodell
Woodforest National Bank
WFS
Wyoming Foundation
York County Community Foundation
Joseph Steno
Larry Zook
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Lawrence McComie, Vice Chair
Charlie Santiago, Treasurer
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Natalia Domiguez Buckley
Samuel T. Cooper, Ill, Esq.
Rev. Dr. Gregory J. Edwards
Jonathan Encarnacion
Dana Hanchin
Carlos Lopez
R. Eric Menzer
Antonio R. Pelosi
David A. Schankweller
Vincent Tseng
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Pedro Rivera, Vice Chair
Jonathan Bowser, Treasurer
Oswald R. Carper, Secretary
Daniel Betancourt, President and CEO
Jason O’Malley
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Daniel Betancourt, President and CEO
Joan M. Brodeh, Senior Executive Vice President
Anthony Pappion, Senior Vice President
Michelle Betancourt, Chief Credit Officer
Dagan Dodik, Senior Vice President,
Chief Lending Officer
Anthony Pappion, Senior Vice President, Chief Financial Officer
Cindy Stewart, Chief Human Resources Officer
OUR REGION OF IMPACT

OFFICES IN PHILADELPHIA, LANCASHER, YORK, HARRISBURG, READING, ALLENTOWN

30 YEARS OF IMPACT THROUGH INNOVATION