



**Community Investment Corporation** • Chicagoland's Leading Multifamily Rehab Lender

# DEVELOPMENTS

## 2010 Investors

- Bank of America
- JPMorgan Chase Bank NA
- Citi Community Capital
- The Northern Trust Company
- Harris NA
- Charter One
- PNC Bank
- U.S. Bank National Association
- Fifth Third Bank
- The PrivateBank
- MB Financial Bank
- First Midwest Bank
- Cole Taylor Bank
- North Shore Community Bank & Trust Co.
- Allstate Bank
- Lake Forest Bank & Trust
- Seaway National Bank of Chicago
- Bridgeview Bank
- Oxford Bank & Trust
- Standard Bank and Trust Company
- First Savings Bank of Hegewisch
- Inland Bank and Trust
- Amalgamated Bank of Chicago
- Associated Bank of Chicago
- Banco Popular North America
- Delaware Place Bank
- First Eagle Bank
- Forest Park National Bank
- Republic Bank of Chicago

## cic investors renew loan pool for five more years

At a time when many financial institutions are curtailing credit and neighborhoods are ravaged by an epidemic of foreclosures, CIC has successfully bucked the trend by announcing the renewal of its lending pool of up to \$400 million over the next five years. The loan pool will fund rehabilitation of 10,000 affordable rental units – enough to house 25,000 people – primarily in low- and moderate-income areas of the region where credit is scarce.

“In many of the neighborhoods where we lend, we are the only game in town,” said CIC President Jack Markowski. “Direct credit from other institutions, whether they are large multinational banks or smaller community lenders, has been in short supply. But our history proves that lending in these communities has been and will continue to be good business.”

The \$400 million revolving loan fund pools capital supplied by over 30 institutional investors, including Bank of America, JPMorgan Chase, Citibank, Northern Trust and Harris Bank. The fund provides loans to borrowers who rehab affordable housing in buildings with six or more units. Loans from this new funding pool will be designated for borrowers rehabilitating affordable multifamily rental housing in Cook, DuPage, Kane, Lake, McHenry and Will Counties.

“CIC provides vital capital for multifamily housing,” said Kris Jurmu, Senior Vice President of Bank of America. “They have local experience with the neighborhoods, the submarkets, the lots, and the buildings. We are pleased to provide funding to support this effort, because of CIC’s financial strength, market knowledge, and their proven track record in the area of affordable housing.”

Bruce Taylor, Chairman of Cole Taylor Bank, one of the original investors in the CIC loan pool, noted “We are proud of our long-term relationship with CIC. We are very impressed with their success in the midst of one of the most difficult environments anyone could have imagined.”

CIC and its investors celebrated with a reception hosted by Bank of America at the Modern Wing of the Art Institute of Chicago June 29.



Presenting a \$400 million “check” and surrounded by other CIC investors are, from left, **Gene Godbold**, Commercial Real Estate Banking president for Bank of America Merrill Lynch; **Gary Washington**, PNC Bank senior VP and CIC chairman; CIC President **Jack Markowski**; Chicago Mayor **Richard M. Daley**; and **Bruce Taylor**, chairman of Cole Taylor Bank.

# Three **cic** borrowers take home **Good Neighbor Awards**

Since 1992 the Chicago Association of Realtors has sponsored the Good Neighbor Awards to recognize quality real estate projects. For years CIC has been a leader in promoting the Awards to borrowers and consequently has a long list of winners to its credit.

This year was no exception. At a dinner reception at Navy Pier in late May, three CIC borrowers were presented Good Neighbor Awards for their exceptional completed projects in the Residential/Multi-Unit Renovation category:



**John Brauc** received his second Award in as many years with his purchase and renovation of 2909-19 East 78th Street, a 31-unit building which he had redeemed from foreclosure. The rehab required new roofing, wrought iron fencing, tuckpointing, entryway/hallway repair, and upgrades to decorating, electrical service and energy efficiency. In addition, 10 units required new flooring, wall work, kitchens, baths and appliances. Landscaping and security cameras were added, completing the transformation of the building from the worst on its block to an attractive walk-up that offers top-notch finishes and rents affordable to those with very low income.



2909-19 East 78th Street



7940 South Greenwood

**Michel Ruiz and Rick Sumera** of Greenwood Property Holdings purchased a 36-unit California style apartment complex in two buildings at 7940 South Greenwood which were half vacant and considered to be the worst on the block. Focusing on upgrades which would increase tenant appeal, they added new flooring, kitchen cabinets, appliances, bathroom medicine cabinets and vanities, wall repair, and painting/decorating. Rents for this property also are affordable to very low-income renters, and at press time the buildings were leasing up briskly because they now are seen as neighborhood assets.

**Mark Fenzel** of Copper Realty LLC purchased a 12-unit building which had deteriorated throughout the previous decade to the point where it had become a blight in its densely populated neighborhood. Fenzel, a developer who creates quality rental units that attract long-term tenants, did a gut rehab but also changed the floor plan at 8127 South Ingleside to create three 4-bedroom, 2-bath duplexes which utilized previously unused ground-level space and eliminated several less desirable one-bedroom units.



8127 South Ingleside



8127 South Ingleside



The Chicago chapter of the Institute of Real Estate Management (IREM) awarded CIC Director of Training **TAFT WEST** its annual Premier Education Award for outstanding commitment to enhancing the education of the property management community. The Award recognizes Taft's work in extending the CIC Property Management Training program, which has taught over 5,000 landlords and managers since its beginnings in 1999.

## TIPS FROM TAFT

# Landlord “summerization” checklist

By Taft West, Director of CIC Property Management Training

Summer is finally here; it's a great time to catch up on building maintenance. Failing to systematically look for potential problems is only inviting disaster – or at the very least, huge repair bills. A small fix here and a thorough cleaning there can keep a building and everything in it running smoothly. And just as you “winterize” your building, you should “summerize” it too.

Generally, the best time to examine a building's exterior is warm (not scorching) weather. The best time to examine the indoor systems is when they are not in use.

### ✓ Exterior Maintenance Checklist

- Check for carpenter ants and wasp nests
- Lubricate door and window locks and hinges
- Check wood surfaces for deterioration
- Check windows, replace cracked panes
- Clean screens, repair any damage
- Check wood porch beams and fences for insects or decay
- Repair damage or wear in walks and driveways
- Clean debris from storm drains
- Re-seed bare spots in lawn
- Touch up exterior paint
- Check roof surfaces for winter damage
- Check surface brick, spot-point as needed.

### ✓ Interior Maintenance Checklist

- Check, repair interior apartment and common-area cracks in walls
- Check and repair plumbing leaks
- Replace loose sealant around tubs, showers and tile floors
- Clean dingy tile grout
- Inspect electrical cords, switches, outlets and ceiling fixtures for wear or damage
- Inspect stove and refrigerator door gaskets, replace as necessary
- Drain sediment from hot water heaters
- Clean or change air conditioning and furnace filters
- Check pressure levels in fire extinguishers, service as needed
- Check smoke and carbon monoxide detectors and batteries
- Ask the Fire Department to conduct a fire safety drill.

## CIC ENERGY SAVERS PROGRAM

- FREE energy audit
- Low-cost CIC energy loans
- Save up to 40% on energy costs

**Call a CIC Loan Officer for details.**

# Saves you money year after year!

## “I realized that I enjoy working with numbers”

### How did you get into this kind of work?

My first job after high school was working at the Federal Reserve Bank of Chicago in the check department for six years. I operated a proof machine that encoded all checks that passed through the Federal Reserve banking system from other banks in the Midwest. At the end of the day, batches of checks that you processed had to balance with your tape, and you could not leave until it did. I found it challenging to find my error and to help others balance their tapes to the check batches. That's when I realized that I enjoy working with numbers.

### How did you come to work at CIC?

After marriage and giving birth to my daughter, I took the required courses on accounting principles at the Illinois School of Commerce. Upon completion, I got a job working at 27th and Wells at Metro Music's warehouse. I worked there as the bookkeeper keeping track of timesheets, invoices and store sales. Although it was a fun job because sometimes we would meet celebrities and get free promos and concert tickets, there was no chance to grow. In 1979, a job agency steered me to Community Services and Research Corporation – now known as CIC. I got hired as a receptionist and later promoted to single-family loan officer, loan processor and finally bookkeeper. So, while CIC was growing, I did too, within the company.

### What's your favorite part of working at CIC?

My favorite part of my job at CIC is working with a great supervisor who allows me the flexibility to work independently. This makes a good atmosphere to be productive

and available for my co-workers. I find it rewarding to know that I can make their job easier so they can better serve our clients. Sure, I have my moments when it is “crunch time,” but by the end of the day I know I've done my best.

### What changes do you see on the horizon?

The sky is the limit for a company such as CIC. There will always be a need to provide and preserve housing. CIC's mission always has been to revitalize neighborhoods and meet the needs of communities. CII (CIC subsidiary Community Initiatives, Inc.) has ventured into receivership of troubled buildings, and they are doing a great job. In my opinion, there is going to be even more need for experienced property managers to maintain rental buildings.

### What is something interesting about you that most people don't know?

I grew up in the Chatham area where my grandparents lived and owned their property for 40 years. They always had hoped that the property they owned would remain in the family. My grandmother stayed in the two-flat for three years after my grandfather passed away but later moved in with my aunt in 1999. My husband and I purchased the property in 2000 and took seven months to have it gutted and rehabbed. In the fall of that year, we had an open house for both families, and my grandmother was the guest of honor. The smile on her face brought tears to my eyes because it made her so happy that her wish to pass on the legacy was a reality. So, it is my wish to pass the torch to my grandchildren some day!



Sheila Willis, CIC Bookkeeper, longest-serving CIC employee

# cic loans: good for the tenants, the building, the owner, and the neighborhood



Jack Markowski

The big news here at CIC is the commitment of 30 financial institutions to provide \$400 million for the acquisition and rehabilitation of multifamily rental housing throughout the Chicago area (see page 1). Over the last two years, while economic conditions have deteriorated and credit has become increasingly scarce, CIC has continued to finance affordable multifamily housing. In fact, CIC set records for loan originations in 2008 and 2009. With the renewed commitment of our investors, CIC will be able to finance 10,000 affordable rental units over the next five years. Thanks to all of our investors for their ongoing commitment to CIC, to Chicago, and to affordable housing.

When CIC makes a loan to rehab an individual building, it's good for the building, good for the owner, and good for the tenants. But, perhaps most important, it's good for the neighborhood. With a CIC investment in a multifamily building, physical conditions improve and new ownership brings a fresh commitment to the community. Often the CIC loan is used to change a deteriorated problem building into an asset for the neighborhood, and it leads the way to overall improvement. This year, the Chicago Association of Realtors recognized CIC borrowers **John Brauc**, **Mark Frenzel**, and **Michel Ruiz** and **Rick Sumera** at the annual Good Neighbor Awards (see page 2). Congratulations to these multifamily building owners for making a difference in their communities.

Congratulations also to CIC Bookkeeper **Sheila Willis** (see page 4). CIC's longest-serving employee, Sheila embodies the skills and dedication to affordable housing and community development that characterize so many CIC employees and make CIC a great place to work.

For property owners, summer is a great time to catch up on building maintenance. In this newsletter, CIC's award-winning **Taft West** provides a few ideas on "summerizing" your buildings (see page 3).



**Mayor Richard M. Daley** makes a point in conversation with Cole Taylor Bank Chairman **Bruce Taylor**; First Deputy Commissioner **Ellen Sahli** of the Chicago Department of Community Development; and CIC President **Jack Markowski** at the June 29 Note Purchase Agreement celebration.

And finally, a challenge: If you haven't yet taken advantage of the resources offered by **Cook County Energy Savers Fund**, we must ask, "Why?" Are you against a free energy audit performed by the Center for Neighborhood Technology? Are you against reducing your utility bills by 30% or more? Are you against accessing low-cost financing to implement the cost saving energy recommendations? Summer is the ideal time to undertake the energy conserving measures that will help position your building to perform more efficiently over the next year. Contact CIC to find out more.

A handwritten signature in black ink, appearing to read 'J. Markowski'.

Jack Markowski  
CIC President



# cic RATE WATCH

## Adjustable Rate

5.625% for 3-year ARM\*  
6.250% for 5-year ARM\*

CIC adjustable-rate loans typically have a 20-year term, with a 25-year amortization. Rate adjustments are capped and there is no prepayment penalty.

**\*Rates as of June 24, 2010**  
All rates and terms subject to change.

Call us for latest rates  
**312.258.0070**

## Property Management TRAINING

### Thursdays

**Jul 15, 22, 29 / Aug 5 • 6-9pm**

LOYOLA UNIVERSITY  
1001-25 W Loyola Ave, Chicago  
free, sponsored by Rogers Park CC

### Monday-Thursday

**Aug 9-12 • 6-9pm**

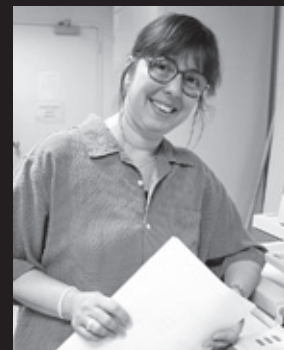
SOUTH HOLLAND  
COMMUNITY CENTER  
501 E 170th St, South Holland  
\$40 in advance, \$50 at the door

### Monday-Thursday

**Sept 13-16 • 6-9pm**

UNIVERSITY CENTER  
525 S State St, Chicago  
\$40 in advance, \$50 at the door

*For more information,  
call CIC or visit*  
**[www.cicchicago.com](http://www.cicchicago.com)**



**CAROL  
BATELLI**

Carol Batelli, who passed away April 29 after a long illness, was a familiar smiling face to all who encountered her in CIC's servicing department since 1994. She had a gentle yet wry sense of humor, and a ready laugh with staff and clients alike. "Some customers would want to talk only to Carol because she made them feel at ease, like part of the family," said her supervisor, Janet Micheletto. "In all my past experience in lending institutions, I have not witnessed such an outpouring of caring from clients. She truly was one of a kind." Carol will be missed.