

PEOPLEFUND 2007 ANNUAL REPORT



PEOPLEFUND



207 CHALMERS AVENUE

AUSTIN, TEXAS 78702

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www.PeopleFund.org



PeopleFund

MISSION

PeopleFund creates economic **opportunity** by helping people:

Build healthy small businesses

Purchase safe and affordable homes

Achieve financial security and independence

You can see it in their eyes.
Opportunity is the seminal American value.



Every one of us is connected to a powerful story of opportunity handed down through family and friends. We have inherited stories of hard work, saving, education, and dreams. Our stories guide and motivate us. Opportunity has helped each of us to prosper.

PeopleFund is founded on the belief that by creating opportunity we can foster the immense talent and promise inherent in those who dare to dream. We invest deeply in our community – providing affordable loans and counseling to ventures that create jobs, generate wealth, provide care for our children, and develop green technologies. We have invested almost \$17 million in under-served areas of Central Texas and we are growing. Over the next 3 years, we plan to invest over \$10 million in small business growth and innovation. We invest in opportunity.

PeopleFund has broadened our focus toward the tremendous demand for safe and affordable homes. We have launched our first affiliate, PeopleTrust,

to expand opportunities for homeownership. More than 40% of Austin families cannot afford a median priced home. Working parents who serve our community as home care attendants, teachers and fire fighters cannot afford a secure home for themselves and their children. Over the next 3 years, we plan to provide 400 homeownership opportunities for these hard working families.

A home speaks to our roots and our stability. PeopleFund is currently planning the development of our own permanent home in East Austin. Located in the Chestnut Neighborhood, PeopleFund's Center for Economic Opportunity will be a place where our community can gather to meet each other, learn new skills and realize their dreams.

We believe in the power of Opportunity. We continue to be inspired by you, our partners, supporters, clients and colleagues. Thank you for joining us in this journey.


Margo Weisz
Executive Director


Cloteal Davis Haynes
Board Chair



PEOPLEFUND CLIENT
RCR AUTO REPAIR
DELPHINA CHAVEZ

Summary: Master Mechanic Delphina Chavez knows and loves her work.

Impact: PeopleFund helped RCR Auto Repair purchase necessary equipment and institute financial controls to help the business run smoothly.

OPPORTUNITY



INNOVATE



PEOPFUND CLIENT
ECOLOGY ACTION OF TEXAS



Summary: Austin's First Recycling Center, Ecology Action is a leader in educating and empowering Texans to create a healthier environment.

Impact: PeopleFund's equipment loan has allowed Ecology Action to more than double its plastic recycling capability which increased efficiency, improved revenues, and helped create a healthier environment.



PEOPLETUND CLIENT
ROSY'S IN-HOME HEALTH CARE SERVICES, INC.
SUNNY AND ROSEMARY UZUH

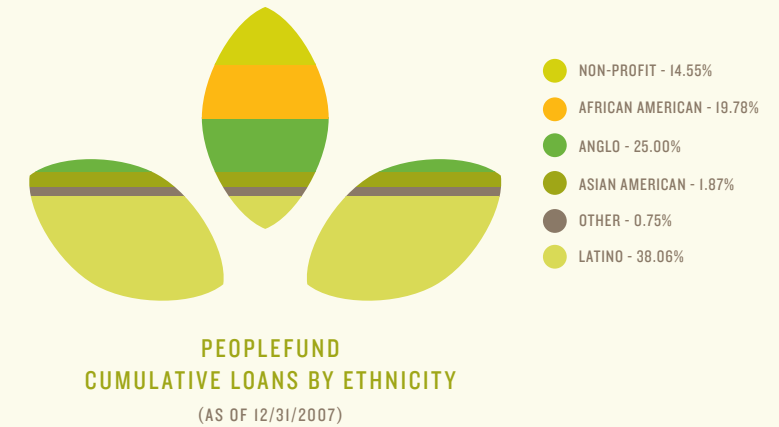
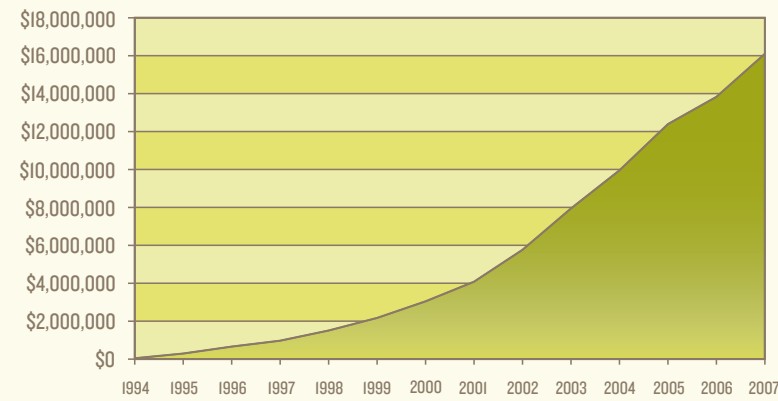


Summary: Rosy's In-Home Health Care Services, Inc. provides a variety of valuable nursing services to for Medicare and Medicaid Patients. These services include: private duty nursing, personal case assistance services, occupational & speech therapy and rehabilitation.

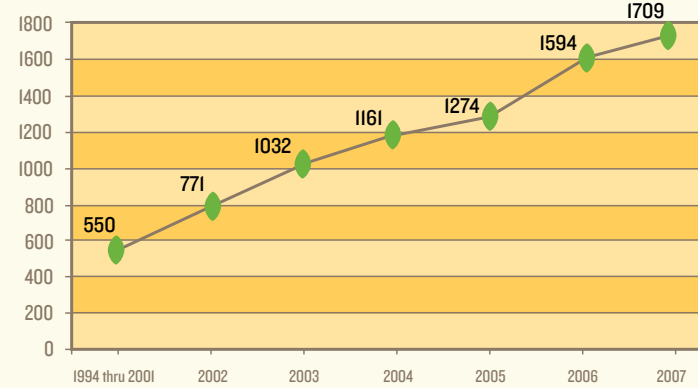
Impact: PeopleFund helped the Uzuh's secure a line of credit allowing the company to secure a contract with Medicare. Rosy's now employs over 100 certified nurses and nursing assistants who serve the Austin community.



**PEOPLEFUND
CUMULATIVE DOLLARS INVESTED**
(AS OF 12/31/2007)



**PEOPLEFUND
CUMULATIVE JOB CREATION**
(AS OF 12/31/2007)

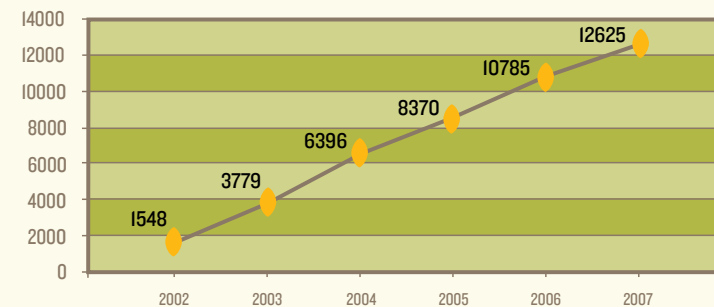


**PEOPLEFUND
DOLLARS INVESTED BY CATEGORY**
(AS OF 12/31/2007)



- CONSTRUCTION AND CONTRACTING - 15%
- GREEN AND SUSTAINABLE ENTERPRISES - 4%
- HOUSING AND FAMILY SUPPORT - 2%
- EDUCATION AND CARE FOR YOUTH - 11%
- TECHNOLOGY AND MANUFACTURING - 15%
- SERVICE - 30%
- ARTS AND CULTURE - 3%
- RETAIL - 10%
- COMMUNITY VENTURES AND NON-PROFITS - 6%
- HEALTH CARE - 4%

**PEOPLEFUND
CUMULATIVE TECHNICAL ASSISTANCE HOURS**
(AS OF 12/31/2007)



The People of PeopleFund

STAFF

PeopleFund

Anne Adams, Director of Development and Communications
 E. Nicole Thompson Beavers, Development Associate
 Barbra Boeta, Community Lender
 J. Toufic Chahin, Community Lender
 Tanya Ladha, Outreach and Communications Coordinator
 Jaime Noyola, Director of Lending
 Mary Palmer, Office Manager
 Yubelly Pérez, Loan Administrator
 Debra Peterson, Finance and Accounting Manager
 Margo Weisz, Executive Director
 Brad White, Enterprise Developer

PeopleTrust

Kelly Weiss, Executive Director
 Ramon Valeriano, Homeownership Director

BOARD OF DIRECTORS

PeopleFund

Cloteal Davis Haynes, Haynes–Eaglin–Waters – Board Chair
 Eugene Sepulveda, Entrepreneurs Foundation of Central Texas – Past Chair
 Pat O’Beirne, Regions Bank – Treasurer/Secretary
 Jack McDonald, Perficient, Inc. – Vice Chair, Strategic Initiatives
 Adrian Neely, Triad Building Maintenance/C&D Recycling – Vice Chair, Community Outreach
 Debbie Ramirez, Graves, Dougherty, Hearon & Moody, P.C. – Vice Chair, New Building
 F. Gary Valdez, Focus Strategies Investment Banking – Vice Chair, Capital Campaign
 Sue Coulter, Wells Fargo Bank
 Mandy Dealey, Community Activist
 Francie Ferguson, NeighborWorks
 Doug Hartman, Hartman and Associates
 D. Bryan Jones, Moximity, Inc.
 Mark Nathan, Austin Strategies (2005-2007)
 Randi Shade (2001-2007)
 Carmen Tawil, Corridor Television

PeopleTrust

Margo Weisz, PeopleFund – Board Chair
 Michael Cook, Winstead, Sechrest & Minick, P.C.
 Donald Kendrick, Wells Fargo Bank
 Jim H. Walker, Sustainable Indicators Project



The People Who Support PeopleFund

INVESTORS

BANKS

Bank of America
 F.B. Heron Foundation
 Guaranty Bank
 IronStone Bank
 JPMorgan Chase Bank
 United States Treasury, CDFI Fund
 Washington Mutual
 Wells Fargo Bank

CONTRIBUTORS

BUSINESSES

Applied Materials
 Atlantic Trust
 Austin Area Urban League
 Austin Lumber Company, Inc.
 Austin Revitalization Authority
 Baker Botts, L.L.P.
 Balcones Recycling, Inc.
 Blue Dahlia Bistro
 Bryant Wealth Investment Group
 Capital I.D.E.A.
 Capital Metropolitan Transportation Authority
 Catellus Development Group
 Cencor Urban
 Centerpoint Ventures

CGE, Inc.
 Comerica Bank
 Community Investment Corp.
 Compass Bank
 Concrete Industrial, Inc.
 Constructive Ventures, Inc.
 Deloitte & Touche USA, L.L.P.
 DiFiore Financial and Tax Consultants
 Door Number 3
 Eagle Bank
 Ernst & Young, L.L.P.
 Esperanza Development
 Focus Strategies Investment Group
 Frameworks Community Development Corporation
 Franklin Bank
 Frost Bank
 G&G Autobody
 Gracy Title Company
 Grande Communications
 Graves, Dougherty, Hearon & Moody, P.C.
 Greater Texas Federal Credit Union
 Greg Hamilton Campaign
 Harris and Eliza Kempner Fund
 Haynes–Eaglin–Waters
 HEB
 L2 Cartage

Lawyer Referral Service of Central Texas, Inc.
 Lone Star Ready–Mix, L.P.
 Matt Mathias & Co.
 Mitchell & Colmenero, L.L.P.
 Momark Development, L.L.C.
 NetSpend Corporation
 One World Foods/Stubb’s Legendary Kitchen, Inc.
 Origin Partners
 Perficient, Inc.
 ProArts Collective
 Prosperity Bank
 Raymond James & Associates
 Regions Bank
 RockStar Ink
 Ron Davis Campaign
 Schooley Mitchell Telecom Consultants
 St. James’ Episcopal Church
 Texas Capital Bank
 Texas Certified Development Co., Inc.
 Texas Perspectives, Inc.
 Triad Building Maintenance
 United Way Capital Area
 urbanspace Realtors
 Vinson & Elkins, LLP
 Wachovia Bank
 Waddell and Reed Financial Advisors
 Walkie Talkie Productions

The People Who Support PeopleFund, con’t.

CONTRIBUTORS

FOUNDATIONS

A Glimmer of Hope Foundation
 Boucher Family Foundation
 F.B. Heron Foundation
 MFI Foundation

INDIVIDUALS

Jason and Caroline Alexander
 William Terry Bray
 Justin Brogna
 Gregory Brooks and Margo Weisz
 Suzee Brooks
 Christopher Brown
 Lorelei Brown
 Philip Burks
 Gregory Cantu
 Joe and Tana Christie
 George and Mary Elizabeth Cofer
 Scott Collier and Kala Philo
 J. Rowland Cook and Diane Ireson
 Sue Coulter
 Susan Dawson and Ken Mannas
 Mandy Dealey
 Ken DeAngelis
 John Denier
 John and Rhonda Dirvin
 Amy Everhart
 Ray and Mary Margaret Farabee
 Cary Ferchill and Sherri Greenberg
 Frances Ferguson
 Frank Fernandez
 Molly Flack
 Pat Flanary
 Roland Galang
 Peter Gasper
 Cody George
 Jackie Goff
 Raul Gonzalez
 Kerry Hall
 Michael Harper and Jed Duhon
 Doug and Julie Ann Hartman
 Myron Hess
 Karen Holody
 Ora Houston
 Lila Igram
 Admiral Bobby Inman
 Van Jobe
 Drew Johnson
 Richard Jung
 Jeffrey D. Katz
 Randall Kempner
 Margaret Keys
 Greg and Cindy Kozmetsky
 Josephine D. Krouse
 Brandy Logan
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 Cheryl McVay
 The Meredith Family
 Juan Meza
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 Nona Niland
 Bettye Nowlin
 Jaime Noyola
 J. Reymundo Ocañas
 Gail Papermaster
 Joyce Pohlman
 Debbie Ramirez
 Rene Reyes
 Jeffrey Richard
 Andy Robinson
 Ana Rodriguez
 Geronimo Rodriguez
 Representative Eddie Rodriguez
 Paul S. Ruiz

William and Patty Schaub
 Jeannene Schelski
 Margaret Shaw
 Randi Shade and Kayla Shell
 Jessica Smith
 Rody Snodgrass
 Karen Sortino
 Roy and Suzi Sosa
 Alfred Stanley and Dr. Kathleen Guido
 Brad Stein
 Dr. Patricia Tawada
 Carmen Tawil
 Joe Terracina
 Steven Tomlinson and Eugene Sepulveda
 Steven Tomlinson and Eugene Sepulveda (in memory of Thurmond Woodard)
 Bryan Treat
 Kathy Tyler
 Fil Valderrama
 Madge Vásquez
 Ben Vaughn
 Dr. Gregory Vincent
 Scott Way
 Matt and Lauren Whelen
 Andy and Karen White
 Jeff and Lori Whitmire
 James Williams
 Gavin Wilson
 Robert Wilson
 Marc and Suzanne Winkelman
 W.R. (Peck) Young
 Dana Younger

IN-KIND

Ace Custom Tailors
 Alamo Drafthouse
 Brian Alesi
 Austin Childrens’ Museum
 Austin Community College - Eastview Campus
 Austin Museum of Art
 Ballard’s Landscaping
 Ballet Austin
 Black Butterfly
 Book Woman
 Chaparral Ice Center
 Cookies in Bloom
 Coronado Studio
 Curves
 DataVise, Inc.
 Dell Foundation
 Dona Emilia’s South American Bar & Grill
 Driving Personality
 Eddie V’s Edgewater Grille
 Four Seasons Hotel
 Guero’s Taco Bar
 HEB/Central Market
 Hoover’s Cooking
 Hut’s Hamburgers/Frank & Angie’s Pizzeria
 Jo’s
 Juan Meza
 Kneadz
 Live Oak Brewery
 Lonestar Riverboat
 Magnolia Café
 Myo Massage
 Paint Care and Body
 Kari Perkins/Estrella Bridal
 Pilates Center of Austin
 Radisson Hotel & Suites - Townlake
 Pamela Ross @ Hairy Situations Salon
 Ruby’s BBQ on Guadalupe
 Rude Mechanicals
 Russell Korman Fine Jewelry & Watches
 Ruta Maya
 Poo-Pourri by S2 Synergy
 Sara Felix

Save Our Springs Alliance
 Anita Stoll
 Taj Palace
 Carmen Tawil
 Texas Coffee Traders
 The Belmont
 The Bob Bullock Texas State History Museum
 The Hills Fitness Center
 The Texas Observer
 Monique Thompson/Partylite
 Tesoros Trading Company
 Uchi
 Susan Wallace
 Waterloo Records
 Westbank Dry Cleaning
 Women & Their Work
 Yoga Yoga
 Zachary Scott Theatre Center

LOAN COMMITTEE REPRESENTATIVES

Marion Alpern, Wachovia Bank
 Theresa Alvarez, Wells Fargo Bank
 Patrick Basinski, Baker Botts, L.L.C.
 Bernie Bernfeld, Wachovia Bank
 Justin Brogna, Compass Bank
 Rodrigo Castillejo
 Adam Chong, Wachovia Bank
 Kathy Estes, Frost Bank
 Rene Flores, ABC Bank
 Sue Frye, Frost Bank
 Corey Gaskill, First State Bank
 Ken Gates, Frost Bank
 Luisa Gavino–Martinez, Wells Fargo Bank
 Joe Gonzalez, Eagle Bank
 Earl Grant, E&G Associates
 Matt Hull
 Mark Johnson, Wachovia Bank
 Daniel Lewis, Wells Fargo Bank
 Monica Medina, Frost Bank
 Anna Sanchez, Wells Fargo Bank
 Kyle Spears, IronStone Bank
 Joe Terracina, The Interface Financial Group
 Madge Vásquez, Wachovia Bank
 Gavin Wilson, Gavin Wilson Consultin

PROFESSIONAL SUPPORT

American Realty, Project Manager (new building)
 Baker Botts, L.L.C., Legal Counsel
 Dandy Idea, Graphic Design
 Employee Incentive Plans, Inc., Benefits Administrator
 empowered media, Inc., Website Designer
 Hairston, Johnson and Associates, Benefits Administrator
 The Law Firm of Don McCord, Legal Counsel
 The Lawrence Group, Architect (new building)
 Montemayor Hill and Associates, Auditor
 Network Logistic, Inc., IT Support
 Shoehorn Design, Graphic Design
 WaterStreet Investment Consultants, L.L.C., Investment Consultants

VOLUNTEERS

INSTITUTIONS AND PROGRAMS

Capital Area Council of Governments (CAPCOG)
 St. Edward’s University, Capstone MBA Program
 Texas RioGrande Legal Aid, LAMP Program
 The University of Texas @ Austin McCombs School of Business Student Consulting Initiative Competition
 The University of Texas @ Austin School of Law

The People Who Support PeopleFund, con't.

VOLUNTEERS

INDIVIDUALS

Kelly Atkinson
Michael Berg
Dan Brotman
Lisa Byrd
Sache Cantu
Edgar Cardenas
Felix Chavez
Kelty Christman
Council Member Sheryl Cole
Marta Cotera
Jeff Eckel
Jason Esdorn
Tim Eubanks
Chiquita Eugene
Jessica Flores
Sheila Gladstone
David Goldstein
Rosemary Guzman
Hopeton Hay
Paul Hilgers
Ora Houston
Brian Kelsey
Dianna Lewis
Minister Emanuel Limuel, Jr.
Shea Little
Andy Martinez
Marianne Martinez
Council Member Mike Martinez
Byron Marshall
Melissa Miller
Kara McGregor
Adrian Neely
Maura Nevel
Jessica Nieri
Kala Philo
Lise Ragbir
Jeffrey Richard
Robert Tillotson
Gavin Wilson

CLIENTS

Aaeros Travel, Inc.
ABC Erosion Control
Above All Entertainment
Advanced Auto Repair
Advantage Preparatory School
Airport Chiropractic
All Star Body Shop, Inc.
All Tune & Lube
Alliance Chemical
Answer360, Inc.
Any Baby Can
Apartments Unlimited
Apparent Technologies
Armor Affiliates
Ascend Health Services
Austimpactors, L.L.C.
Austin American Awning
Austin Area Heritage Council
Austin Automation and Instrumentation, L.L.C.
Austin Biofuels, L.L.C.
Austin Custom Screens
Austin Tire Company
Aztec Custom Screen Printing
Aztlán Dance Company
Ballard's Landscaping Co.
Believe In Me Project, Inc.
Benitez Construction
Biên Hòa
Big Red Sun
Blue Dahlia Bistro
Central Texas Pallets
CGE, Inc.
Charisse Services, Inc.
Church of God Seventh Day
Circle B Trucking

Clifford R. Jones, D.D.S.
Concrete Industrial, Inc.
Congregation Elim, Inc. (Church of God 7th Day)
Cookies in Bloom
Coronado Studio, Inc.
Corrective Chiropractic
Cueva's Transportation
Curra's Long Bar and Grill
Custom Rock Works
Cycled Plastics, LTD, L.P.
D/A Auto Repair
DataVise, Inc.
Doña Emilia's South American Bar and Grill
Duncan Business Machines, Inc.
East Side Baptist Church
Ecology Action of TX
El Mundo Newspaper
El Otro Lado
EmanciPet
Empanadas La Boca
EMR Construction
Exterior Cleaning Systems, L.L.C.
First Choice Women's Home Health
Floor Access
Fuentes Construction
G&G Auto Body & Paint, Inc.
Greater Mount Moriah Primitive Baptist Church
Griot Media
Growing Imaginations
GT Components Harmony Construction
Hill Country Support Services
Ideal Learning Center
Iron Lion Staffing
Janet's Solar Electric
Jody's Lightning Flag & Banner
John's Body Shop
JR Ventures
Juan in a Million
Kingdom Seekers
Kristy Lira Bookkeeping & Tax Service
Hill Country Garden and Sprinkler Supply
L2 Cartage, L.L.C.
La Mexicana Bakery
La Prensa Newspaper
LDH Technology
Lone Star Ready-Mix, L.P.
Magic Land Child Development Center
Mail & More
Margarita's Tortilla Factory
Melendrez Brothers Trucking, Inc.
Micro-Media Solutions
Mobile One Auto Access.
NadaMoo!
Napier & Associates
National Assn. Of Child Care Professionals
National Graphics

NYOS Charter School
OriGen Biomedical, Inc.
P.D.Q. Masterlube
Paint Care & Body-Sales, Inc.
Pak Soft
Palacios Neon, Inc.
Practical Care Continuum
Primavera Montessori School
Push-up Foundation
R.I.T., Inc.
Rainbow Ice Cream, Inc.
RCR Auto Repair
Robbie Messenger dba Messenger Refrigeration
Rosewood Oaks Primary
Rosie's Day Care
Rosy Health Care Services, Inc.
Russell's Bakery & Coffee Bar
RZ Communications
S2 Synergy
Salon Aqua Blue
Speedway Copy & Printing
St. Rague Ethiopian Orthodox Tewahdo Church
Stokes Imaging
Stoned Windshield Repair
Stream Studios Web Architects
Sunshine Learning Center
Sure Score, Inc.
Tapestry Dance Company
Tejas Contractors, Inc.
Texas Empowerment Academy
Texas Toddlers Child Care
The Felix Chavez Agency
The Great Outdoors
The Personnel Store
The Windsor School
Timpone's Fresh Foods
Tool and Instrument Makers
TransMedia Resources
True Light Day Care Center
Tu Casa de Muebles
Urban Styles
Vina Pharmacy
Wallace Lawn Care Landscaping
White Bird Montessori School, Inc.
Wilkinson Woodworks, Inc.
Willie Thomas/Xpress Lube & Car Washes
Zoombaz Smoothie/Coffee Bar
True Light Day Care Center
Tu Casa de Muebles
Urban Styles
Vina Pharmacy
Wallace Lawn Care Landscaping
White Bird Montessori School, Inc.
Wilkinson Woodworks, Inc.
Willie Thomas/Xpress Lube & Car Washes
Zoombaz Smoothie/Coffee Bar

Ground-breaking Opportunity



Architect-The Lawrence Group

In December 2008, PeopleFund will break ground on its Center for Economic Opportunity.

By the Numbers



STATEMENT OF FINANCIAL POSITION Year Ended December 31, 2007

	2007	2006
CURRENT ASSETS		
Cash and Cash Equivalents	\$1,225,976	\$1,467,896
Current Portion of Loans Receivable, Net of Allowance for Loan Losses of \$98,663 and \$109,834, respectively	1,001,530	1,190,341
Investments	2,433,472	1,419,823
Grants Receivable	44,015	47,600
Accrued Interest Receivable	26,825	32,7786
Other Receivables	6,131	13,831
Total Current Assets	4,737,949	4,172,277
Loans Receivable, Net of Current Portion for Loan Losses of \$253,706 and \$285,147	3,046,873	3,090,311
Furniture and Equipment, Net of \$104,857 and \$94,623 in Accumulated Depreciation	40,558	29,191
Total Assets	\$7,825,380	\$7,291,779
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$43,991	\$38,826
Current Portion of Long-Term Debt	\$250,000	0
Long-Term Debt	2,350,000	2,900,000
Total Liabilities	2,643,991	2,938,826
NET ASSETS		
Unrestricted	4,181,389	4,312,828
Board Designated	954,875	0
Temporarily Restricted for Capital Campaign	45,125	40,125
Total Net Assets	5,181,389	4,352,953
Total Liabilities and Net Assets	\$7,825,380	\$7,291,779

STATEMENT OF ACTIVITIES Year Ended December 31, 2007

	2007	2006
REVENUE		
Grants	\$803,500	\$250,000
Loan Interest and Other Loan-Related Fees	530,592	571,025
Contributions, Including In-Kind Services of \$48,400 and \$31,715	110,331	230,047
Investment Earnings	162,899	77,082
Contract Income	175,000	0
Management Fee	34,500	0
Other	3,055	13,197
Net Assets Released from Restriction	0	0
Total Revenue	1,869,086	1,141,351
EXPENSES		
Program Services	810,022	893,434
General and Administrative	96,668	80,615
Fundraising and Development for Grants, Loans and Contributions	138,960	115,880
Total Expense	1,045,650	1,089,929
Change in Net Assets	823,436	51,422
Beginning Net Assets	4,312,828	4,301,531
Ending Net Assets	\$5,136,264	\$4,352,953

Note: 2007 Financial Reports audited by Montemayor Hill and Associates, P.C.