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# Around the Neighborhood

**Investor Profile**

## Coming Full Circle: Serving Immigrants & Children

*Substandard housing... Degrading day labor jobs... Discrimination and fear...*

This was the reality faced by newly arriving immigrants from Germany and Ireland as they entered New York in the mid-1800's. This too was the reality that drew the Sisters of St. Dominic of Amityville, New York to begin their ministries of service to the poor. Some 153 years later, the Amityville Dominicans continue to offer outstretched hands in solidarity to another wave of immigrants seeking to begin their lives anew.

The Amityville Dominican Sisters are long-standing Member investors

in the Leviticus Alternative Fund and were part of the inspiration that created this loan fund to promote economic development and affordable housing in low-income communities. Beyond their investment capital, the Sisters invest their human resources in Leviticus by holding positions on the Board of Directors and also serving on the Finance Committee. Linda Hincken, Chief Financial Officer for the Amityville Dominicans, was just elected to a 3-year Board term.

Rooted in Queens and Brooklyn, and Suffolk and Nassau counties, the sisters number 588 members, including those



*2-year old Alijah enjoys playing at KinderTowne, on the grounds of Amityville Dominicans.*

serving in Puerto Rico, Colombia and the Dominican Republic. They are historically recognized as teachers and health care providers, with a special

*Continued on page 2*



## Rally Cry for a "Better New Jersey"

Community-based groups added their voices to the political debate in New Jersey in support of Gov. Jon Corzine's proposed budget. The June 15, 2006 rally drew 1,500-plus supporters, including some Leviticus borrowers, who urged legislators to adopt the proposed budget that includes \$12.5 million to improve shelters and increases in funding to alleviate hunger.

**Borrower Profile**

## "Affordable Housing" in a Hot Real Estate Market

It was their modus operandi; purchase the worst house on the block, renovate it and then rent apartments to local working families who otherwise could not afford the area's rental rates. As Gordon Albert, Executive Director of the Interfaith Council for Action, Inc. (IFCA) is quick to point out however, those days are few and far between.

"Guess what? The worst house on the block is now worth a half-million dollars," he explains, of the land value boom in Ossining, New York. Ossining's reality is one mirrored in just about every community that the Leviticus Fund serves in what is referred to as the inner-ring, "first"

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compassion for children and orphans. Their current ministries are broader, including parish-based outreach, social justice, adult work-force education and literacy, child care, ecology, social services, senior services, as well as education.

Another characteristic of the Sisters is their charism of preaching, not just with words but also witness. And in fact that desire to give witness, specifically thru the Tri-State Coalition for Responsible Investment (CRI), is the foundation upon which the Leviticus Fund was built. Both CRI and the Interfaith Center for Corporate Responsibility, which also includes Leviticus Member investors, are instrumental in directing their religious investments to influence corporate policies that advocate economic justice and environmental stewardship. The ability to focus their investments – through shareholder resolutions and community development – is a dual strategy that is benefiting many economically distressed communities in New York, New Jersey and Connecticut.

As testament to its mission, the Amityville Dominicans

have come “full circle” on yet another aspect of their outreach – specifically to children of low-income families. KinderTowne is an intergenerational child care center on the grounds of the Amityville motherhouse that provides a happy, nurturing place for local children and employment opportunities for women in the area. A \$200,000 loan from the Leviticus Fund helped finance the renovation of the former auditorium to the current multi-classroom, child-friendly center.

There are 47 children in the program, ranging in age from 6 weeks to 5 years old. Art projects and other activities with the children are organized with senior Amityville Dominicans and residents from Dominican Village, which is a retirement community adjacent to the Sisters’ property.

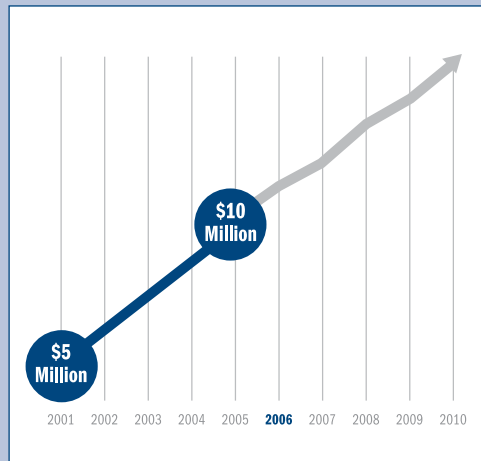
“We always had orphanages in our convents,” said Sr. Margaret Krajci, Executive Director of Benincasa Family Services, which oversees KinderTowne. “So many of our sisters were thrilled when they learned that the babies were coming back. We’ve come full circle.” ■

## Pathways Ahead

### Board Sets Growth Target

In a strategic planning process over the last several months, the Leviticus Board of Directors has considered the Fund’s prospects and is on the verge of setting an aggressive growth target for the next five years. In a full day planning session on April 20th, facilitated by consultants from the Opportunity Finance Network, growth was the primary topic. Over the past 5 years, Leviticus has doubled in size from roughly \$5 million to \$10 million. What is the right growth target for the next five years, and what are the staff, marketing and operational changes necessary to bring it about? These are the issues that staff and board committees will be considering over the summer before submitting a five-year plan to the board in the fall.

Another strategic change the board has endorsed is the development of a lending program for the conversion of manufactured home communities from rental, investor-owned to cooperative, tenant-owned. Manufactured housing owners who rent the land for their homes often live in uncertainty about the future of their communities and are subject to the whims of landlords. Purchasing the land cooperatively can provide many benefits to homeowners including the chance to build real estate assets for their future. As with all of our housing lending, the bottom line for us is to help low-income families increase their housing options and their assets. ■



### Board Changes

**Kathleen Walsh Murnion**, Leviticus Associate Member since 1990 and a Board Member since 2001 was elected in June to a 3-year term as President of the Leviticus Board of Directors. Ms. Murnion will be joined on the Executive Committee by **Geri Hable Mulligan** as Vice President, **Doug Salvati**, who has been re-elected Treasurer, and **Br. Hank Sammon**, FMS as Secretary. These new officers will lead Leviticus through what are expected to be three years of exciting growth.

Outgoing Board President, **Sr. Peggy Scarano**, OP leaves Leviticus after 9 years of board service including 3 years as President. Sr. Peggy has served for over 20 years on the Leviticus Development Committee. Also leaving the board after 6 years of service are **Sr. Mary Doris**, OP and **Bill Robb**. All three departing board members have led the Fund through an important period of growth. The Leviticus staff and board thank them for their service and their commitment to community development finance.

Replacing the three outgoing board members are **Robert Grabel**, Director of Development for Turnaround for Children, Inc.; **Sr. Elizabeth Hasselt**, OP, Executive Director of Encore Community Services; and **Linda Hincken**, Chief Financial Officer of the Dominican Sisters of Amityville. ■

## Housing *Continued from page 1*

suburbs found in New York, New Jersey and Connecticut. These older communities – typically developed after their center city – are racially diverse, include some of the most expensive housing stock and reveal a growing divide between affluence and poverty. As the Brookings Institute’s “One-Fifth of America” report reflected earlier this year, “Expensive housing presents mounting struggles regarding affordability, especially as poverty increases in these places despite a decrease nationally.”

IFCA’s history is marked by innovative “firsts” within Westchester. It is the oldest neighborhood preservation organization in the county. It started the first family shelter, co-founded a low-cost primary health care center known as Open Door, and created the first Interim Lead-Safe House in collaboration with New York Medical College. Its staff includes trained social workers that provide counseling and case management, and earlier this year offered a free tax assistance program helping low-income families in Ossining recoup \$150,000 in refunds. IFCA also holds a position on Ossining Village’s Comprehensive Plan Committee entrusted to review and guide future municipal directives – including land use and housing.

IFCA’s housing inventory includes ownership and management of 107 affordable rental housing units in Ossining, including six in Tarrytown and 16 in Croton. It also has acquired and rehabilitated 21 buildings in the



*Renovations to 8 Broad Avenue in Ossining have transformed this 140-year-old building into safe, clean and affordable apartments for local families.*

last three decades. A new addition in February – a three-family house on Broad Avenue in Ossining for families at 60 percent of median income – was possible with a \$160,000 acquisition loan from the Leviticus Fund. It is the first *new* property that IFCA has purchased in eight years.

Broad Avenue is IFCA’s third loan with Leviticus, and it posed a unique opportunity for the community-based group. Virtually abandoned, the house fell into disrepair and foreclosure. The bank holding the delinquent mortgage was anxious to sell, but clearly not as anxious as IFCA to acquire the property for low-income families. A quick turnaround on the Leviticus loan secured the building’s purchase, and initial renovations by IFCA staff have transformed the 140-year-old building into safe, clean and affordable apartments for two families. Renovations to the third apartment, plus necessary exterior work, will

be done thru a pending \$100,000 HOME loan from Westchester County.

“The Broad Avenue 3-family home would not have even happened if the building had not sold for \$164,000”, Mr. Albert explained. “You can’t even buy a co-op for that amount of money.”

Given a competitive housing and land market, balanced against the 200-plus families on its waiting list, IFCA’s Board of Directors and staff are retooling their strategies for the future. The organization has two of its buildings on the market and will use the sale proceeds to acquire other properties that can generate a greater number of housing units.

“The Board’s direction is very strategic. We’ll be doing business in a very different way going forward,” Mr. Albert said of the pending land sales. “It will give us the power to explore a number of development scenarios that in recent years we’ve not been able to do.” ■

## Welcome, and Thank you...

### To our new Associate Members:

Sisters of St. Francis of the Providence of God,  
Pittsburgh, PA

### To our new Investors:

The CDFI Fund of the U.S. Treasury Department  
Washington Mutual

### To our Associate Members who have increased their loans:

Bernadette Cronin-Geller  
Angelo & Joan Nunez, Jr.  
Joseph A. Regotti & Jeannemarie H. Walsh  
Douglas & Jennifer Salvati

### To our Associate Members who have renewed their loans:

Carmelite Sisters of Charity  
Center for Spirituality and Justice  
Barbara Christwitz  
Bernadette Cronin-Geller  
Nancy & Joe Cruickshank  
Victoria DiLucia  
Sr. Marilyn Dunn, OP  
General Board of Global Ministries  
Mary & Daniel Howard  
Toni & Robert King  
Jeanne Lazar  
Lynne M. Gerber Trust  
Margaret A. Mariani

Katherine Marschall  
Kathleen Murnion  
Angelo & Joan Nunez  
Lester & Frances Poggioli  
Joseph A. Regotti &  
Jeannemarie H. Walsh  
Jennifer & Douglas Salvati  
Sisters of Charity, NJ  
Sisters of St. Joseph, CA.  
St. Angela’s Community  
The Katherine Thulen Trust  
Kathleen M. Worthington



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Take Action!

**The Global Warming Working Group** of Interfaith Center for Corporate Responsibility (ICCR) works with corporations in those sectors most directly responsible for greenhouse gas emissions: oil and gas; electric power; automotive; and appliance manufacturing. Through dialogue and shareholder resolutions, ICCR members press companies to measure, monitor and reduce their total greenhouse gas emissions, and to position themselves strategically to profit from opportunities under new regulatory programs. **Visit <http://www.iccr.org>**

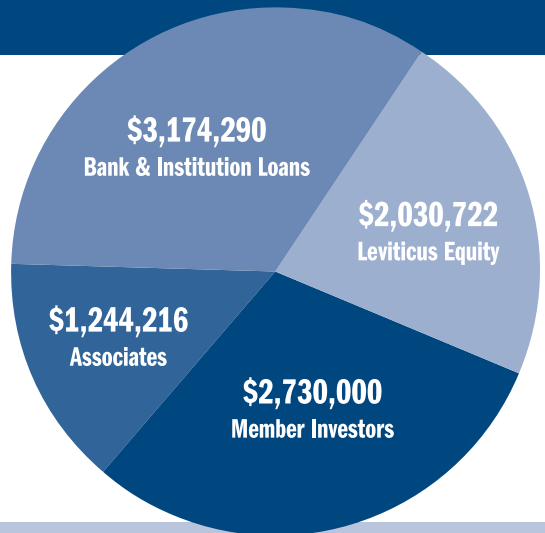
**Tri-State Coalition for Responsible Investment (CRI)** is an alliance of Roman Catholic institutional investors primarily located throughout the New York metro-politan area. The members utilize their power as shareholders to hold corporations accountable to social and environmental concerns. **Visit <http://www.tricri.org>**

For information about **Leviticus Fund**, call 914.606.9003 or e-mail us at [info@leviticusfund.org](mailto:info@leviticusfund.org), or visit our web site at [www.leviticusfund.org](http://www.leviticusfund.org)

**Leviticus Fund... at a Glance** [As of 5/31/06]

<b>Loan Capital</b>	<b>\$9,179,228</b>
Sources:	
81 Member Investors	\$2,730,000
62 Associates	\$1,244,216
9 Bank & Institution Loans	\$3,174,290
Leviticus Equity	\$2,030,722

<b>Current Lending and Commitments</b>	<b>\$7,195,789</b>
Sources:	
3 Loan Commitments	\$1,802,000
33 Loans	\$5,393,789



Since 1984		To date 2006
797	<b>Number of Housing Units</b>	26
213	<b>Number of Transitional Housing Units</b>	12
\$15,885,291	<b>Cumulative Lending</b>	\$851,776
\$92,329,877	<b>Public and Private Dollars Leveraged</b>	\$2,648,881