



2006 Annual Report

In 2006 ADC trained 65 entrepreneurs. We **leveraged** business investment now totaling \$5.7 million. Our micro-lending fund **exceeded** \$1 million. ADC **partnered** in the development of Midtown Global Market, the largest public market in Minnesota. Four ADC clients **purchased** commercial real estate in 2006. 44 business clients **attained** Islamic-compliant financing. ADC **trained** 102 families via our Homestretch curriculum. Thirty percent have **achieved** the American dream of home ownership, twice the national Homestretch average. We also **built** capacity to help partner organizations **serve** growing African communities in greater Minnesota.

ADC's mission is to work within African communities in Minnesota to start and sustain successful businesses, build assets, and promote community reinvestment. To our clients, we are "your guide to financial success in America."

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2002-
2003

Community listening sessions identify need for culturally sensitive services.

ADC established as the Twin Cities' – and likely the United States' – first community development corporation for African immigrants and refugees.

2004

ADC received first major funding.

First full-time staff, programs begin.

3 homeowners trained, 32 entrepreneurs trained.

2005

Loan fund begins: \$25,000, 1 client.

Islamic financing program begins.

88 homeowners trained, 91 entrepreneurs trained to date.

2006

Midtown Global Market opens as largest public market in Minnesota. ADC is one of four developers involved.

Loan portfolio grows to \$1 million, 50 clients.

ADC Financial Literacy Center opens in Minneapolis.

187 homeowners trained, 128 entrepreneurs trained to date.

2007

ADC to introduce personal finance training, business accounting services, and new partnerships in greater Minnesota.

Introduction



Minnesota, like the nation, is struggling to deal with the economic pressures and opportunities of immigration. ADC's role in this big picture is to create answers on the opportunity side. Our work has corroborated studies showing that increasing the rates of self-employment and home ownership among "new Minnesotans" contributes to the revitalization of neglected neighborhoods and links

mainstream businesses with the state's estimated \$6 billion ethnic economy.

According to a recent report by The Minneapolis Foundation, 13 percent of Minnesota's foreign born residents in the 2000 Census were from Africa – a higher percentage than any other state in the country. Most Africans have come to Minnesota over the past generation as refugees fleeing civil strife in Somalia, Liberia and the Sudan. Other relatively large African populations recently arrived include Nigerians, Ethiopians, and Eritreans. This influx will likely continue. Minnesota offers immigrants an established African population, a strong economy, a good quality of life, educational opportunities, and unskilled jobs that don't require fluency or literacy in English.

Unfortunately, Minnesota's economic development community is ill-prepared to help African immigrants and refugees. This is unintentional. In an era of budget cuts at every level of government, mainstream community development corporations lack the funds to expand their services to meet the complex needs of African immigrants. They also lack the motivation to seek out non-traditional clients: Minnesota's down-payment assistance funds already cannot keep up with existing demand from mainstream clients.

ADC was created to fill this gap, and we have achieved spectacular early success. Both in providing services and building capacity, our hard-working staff and diverse board have transformed ADC from a one-person, half-time operation just three years ago to a precedent-setting, highly networked corporation. We're well known in the Twin Cities as an effective partner to public and private community development, and we are on the verge of providing expanded services to cities in greater Minnesota.

Hussein Samatar, Executive Director

Vision

In 2006, ADC's board of trustees elevated **Mahmoud Bah** to its presidency, succeeding nonprofit veteran Tim Mungavan and bringing an African face to the lead for the first time. A senior financial consultant for Ameriprise with a master's degree in economics, Bah had been serving on ADC's loan committee. The native of Sierra Leone says ADC is ready to expand the services offered to Minnesota's pan-African diaspora of immigrants and refugees, including members of this community living beyond the Twin Cities.



“The broad idea that gave rise to ADC is dealing with the community's lack of education about wealth building in America. We began by listening. There were many stories from would-be entrepreneurs who were growing frustrated by their lack of success despite repeated efforts. They were working very hard, but they simply were not prepared to do business in the American way. Africans were also lagging behind other immigrant groups in rates of home ownership, creating a reciprocal problem for entrepreneurship, as home equity is very often the source of business financing.”

“As a direct response, ADC was programmed to answer the basic questions of ‘how one can start and sustain a business or buy a home,’ to help find resources and to give ongoing technical assistance. In a short time, we have built our own loan fund and some very innovative financing tools. But we do not simply push for the end result of obtaining financing. Through our training programs, we make sure our clients understand the issues and have a clear plan. So far, we have been very capable at reversing the pattern of wasted wealth due to ill-advised business starts, and we have had great results in preparing people to purchase homes.”

“Because of ADC's efforts, I think there is far more awareness that the African community is an emerging market that is helping itself to succeed. ADC has provided the face of this upward mobility. This recognition only feeds the demand for ADC's effective approach, and so we have little choice but to grow. There are still many needs we have yet to address as an organization. We recognize that not everyone will want to start a business. There is a rising professional class, for example. So ADC's next step will be to help the community learn to invest in the market, save for retirement and children's education.”

“Our value here, and our unique role as a community developer, is our sensitivity to the cultural divide that separates African immigrants from the mainstream. Through continued listening and dialogue, we will know what the specific challenges are, and only then can we pursue results that shrink the divide. In the next year, we will be organizing more community forums and will be looking for ways within our planned capacity to offer more services. Look for more of the partnership efforts that have proven their value so far, including new outreach to communities beyond the Twin Cities that are interested in creating local solutions.”

Programs

Business development

Increasing the vitality of African businesses in Minnesota by providing workshops, technical assistance, financing assistance and micro-lending.



Home ownership

Increasing home ownership opportunities for African immigrants by developing and delivering culturally sensitive education, counseling, and related support services.



Financial literacy

Increasing understanding of the American financial system, especially credit-worthiness. In 2007, we will debut training for savings and investment.



Results, results, results!

In 2004, the African Development Center had no funding but plenty of good intentions... It has since transformed into a resource for aspirational African immigrants.

– Twin Cities Daily Planet
June 20, 2006

- In 2006 ADC trained **65 entrepreneurs** through workshops and technical assistance. We also received invitations to serve growing African communities in East St. Paul and five smaller cities in greater Minnesota.
- Since 2005, ADC has leveraged **\$5.7 million** in business loans through private financial institutions, government programs, other community development nonprofits and its own micro-lending fund, now exceeding \$1 million.
- ADC is a partner in the **Midtown Global Market**, the largest public market in Minnesota. Five ADC clients have opened businesses there to date.
- Four ADC clients purchased **commercial real estate** in 2006, up from two each in 2005 and 2004.
- Since 2005, 44 business clients attained **Islamic-compliant financing**. We are now working to set up a similar mechanism for home loans.
- Maintained a default rate of 10%, a figure **in line with bank averages** for commercial lending and well below the default rates in emerging markets.
- ADC trained 102 families via our Homestretch curriculum, with value-added financial literacy training. Thirty percent of these families have purchased a home, **more than doubling** the national Homestretch average of 14 percent.

Blazing trails: profit-based financing for Islamic clients

ADC has quickly gained prominence as a market-driven, integrative force for African immigrants and the American financial system.

Minnesota is home to 155,000 African immigrants and refugees, including the largest Somali community in the Western world. While religious faith in no way determines which clients we serve, the majority of African immigrants in Minnesota are Muslims. Because Islamic doctrine prohibits interest-based financial transactions, many of our clients face a compelling

ethical challenge when dealing with banks to obtain financing.

In response, ADC worked with local partners to develop a profit-based commercial loan program compliant with Islam. This national precedent has enabled the start-up or expansion of 44 business ventures in the Twin Cities since the program debuted in 2005.

Although not fully developed for modern business, Islamic finance has become a widely used and flexible tool in international finance.

Islamic financing 101

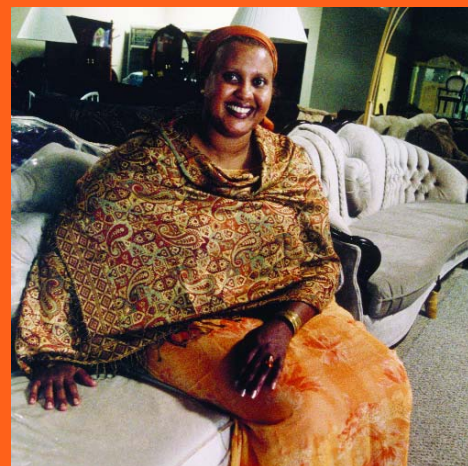
Islam requires that all parties to a financial transaction share the actual profit or loss of a venture – thus, guaranteed compensation such as interest is forbidden. To achieve return on investment, lenders must share the risk. Islamic finance is sometimes said to be asset-based instead of currency based. An investment is structured on an exchange of assets. Money is just the payment mechanism.

Advocacy



Addressing many regional audiences in banking and public finance, ADC executive director

Hussein Samatar has become a leading advocate for the development of financial products and services compliant with Islam. ADC's own commercial micro-lending fund has made extensive use of profit-based financing, enabling business starts critical both to growing entrepreneurship among African immigrants and revitalizing inner-city commercial corridors in the Twin Cities.



Room to grow: ADC Financial Literacy Center



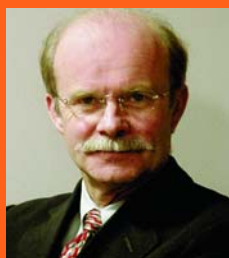
ADC's operations began during 2004 in Minneapolis' Cedar-Riverside neighborhood, the heart of the Twin Cities' African immigrant and refugee population. The West Bank Community Development Corp donated a room inside the historic Bailey Building. It barely fit a single desk.

Following a year of capacity building, ADC rented a suite in the building just large enough to squeeze in its growing staff of five, conducting workshops and training at other locations made available by partner organizations.

The need for program space was answered early in 2006, when a neighboring tenant moved out. ADC leased and remodeled the 1,100-square-foot suite, more than doubling the size of its offices.

Now open as a statement of the upward mobility ADC represents, the Financial Literacy Center provides computers for new services and training in business management and personal finance, a conference room, administrative space and a reception area.

Upward mobility by design



Our new Financial Literacy Center, opened in November 2006, deepens ADC's business development training and will host new services in business accounting and personal finance. When space became available next door to ADC's offices, executive director Hussein Samatar approached the renowned Minneapolis designer **David Shea** about how to get the most impact for his modest budget. Samatar had become acquainted with Shea during the development of the Midtown Global Market. ADC

was on the development team, and Shea, Inc. led the interior design. Shea, whose credits include such famous venues as the Dakota Jazz Club and Chambers Hotel, agreed to design the Financial Literacy Center pro bono. "I liked that ADC understands how good design sets the tone for an organization's success," said Shea. "We are happy to be adding to the effectiveness of a very bright and hard-working nonprofit."



Success!

ADC's success is really the success of our clients. We like nothing better than to tell their stories of talent, persistence and adaptation to their home in Minnesota.



A global market

In June 2006, two years of hard work culminated in the grand opening of the **Midtown Global Market**, Minneapolis' largest public market and the centerpiece of the \$190 million redevelopment of a derelict inner city property containing the second largest building in Minnesota. ADC was one of four local community developers that teamed to deliver the Global Market, a stunning achievement for our young organization.



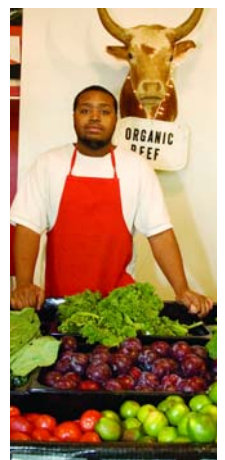
For years, Midtown has witnessed its share of challenges, and the vacant Sears Tower has been one of its most visible symbols of neglect. Built with art-deco boldness by the retailer that defined the growth of the American standard of living, the building was shuttered in 1994, a sign of the inner city's dwindling prospects. Despite oppressive crime and widespread neglect, immigrant small business took hold in Midtown, inspiring major reinvestment and ending decades of stalled efforts to improve the beleaguered commercial district. Today, the rebirth of the Sears Tower certifies the rebirth of Midtown.

— Midtown Community Works



If the most illuminating way to experience new cultures is through their cuisines, then the new Midtown Global Market is like a ticket around the world for the hungry and curious. More than 50 independently owned vendors, including restaurants, bakeries, produce markets, farm stands and gift shops, display the many cultures that have come to call the Twin Cities home. Set in the beautifully renovated historic Sears building, which nearly met its fate with a wrecking ball, the market features Himalayan dumplings, hard-harvested wild rice, Mexican wedding cake cookies, Somalian pastries, Scandinavian candies, Middle Eastern cheese and olives, Asian noodles, and Midwestern fresh eggs, cheese and bison meat. And these are just a few of the delights awaiting the adventurous palate.

– USA Today Travel, Nov 7, 2006



Her turn to shine



For years, **Faduma Hashi** made deserts for several restaurants in Minneapolis while raising seven children and supporting relatives in her native Somalia. Then came her turn to shine. Her first restaurant, Starlight Café, opened in June 2006 in the new Midtown Global Market in Minneapolis and, with service as sweet as the baked goods for sale, has become one of the busiest attractions there.

Hashi knew she should plan properly for business success. She had

successful role models in her cousins Sade and Jamaal Hashi, owners of the popular Safari and Safari Express restaurants in Minneapolis. They referred her to ADC after their own experience with our organization.

We helped Faduma with training, financing and ongoing technical assistance. And in recognition of her extraordinary hard work and acumen in operating her business, Faduma received an ADC Achievement Award in 2006.



Dollars and sense

**“If I become a millionaire
I won’t forget ADC.”**

– Linda Caldwell

Linda says it’s wonderful to make money and help people. She hopes that in five years, she will be able to open a laundromat or a gas station.

Linda Caldwell, a Liberian immigrant, was struggling to raise three children in New Jersey. Uncertainty surrounded her every step. How would the family make ends meet? What long-term prospects did she and her kids have in the crowded, tough streets? Linda, a single mother, had few advantages in life, but she knew the value of good advice. Hearing about the higher quality of life in Minnesota from friends, she moved her family here in 1999. In 2004, Linda took another adventurous step by enrolling in an ADC business development workshop.

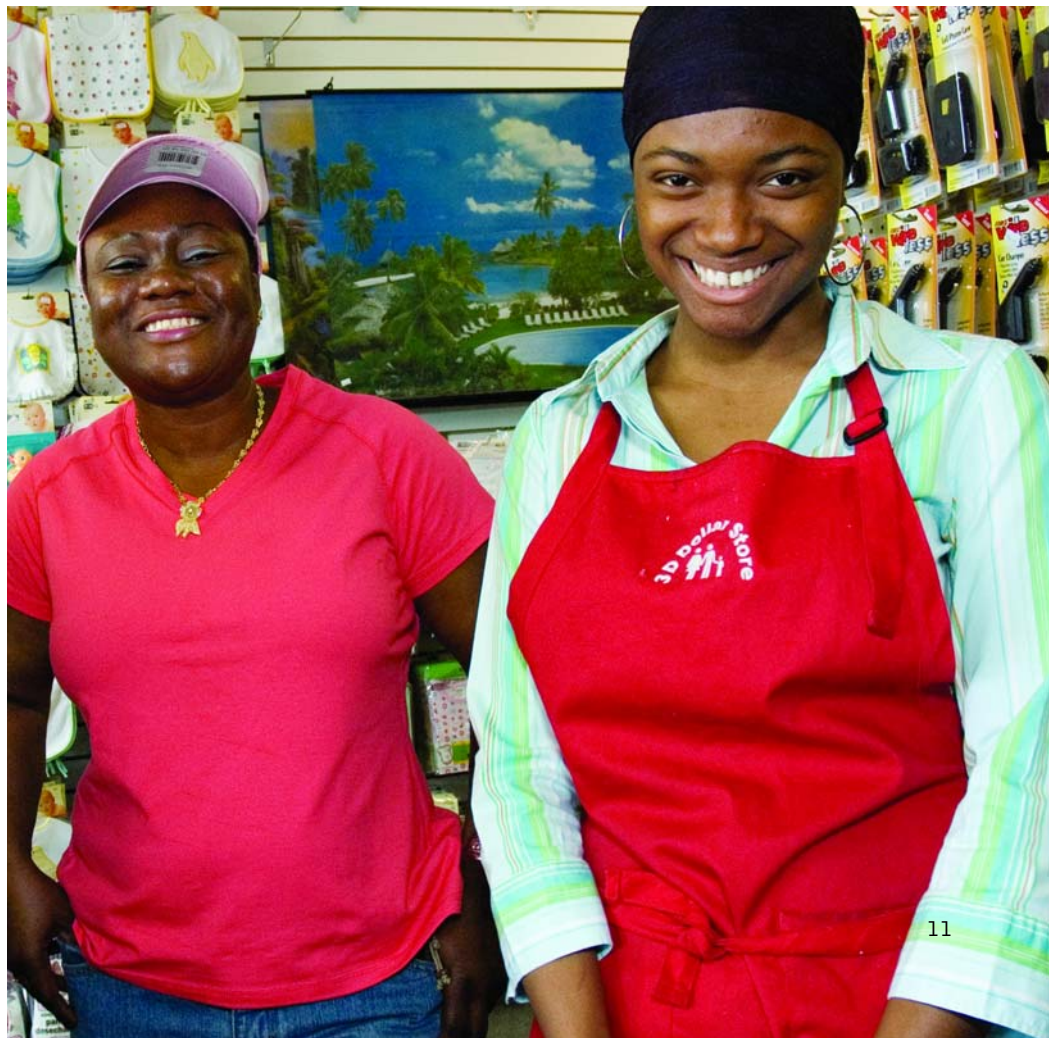
Today, her journey from obscurity to empowerment has achieved a long-held dream. In January 2006, Linda opened the 3-D Dollar Store in a new shopping center in the Minneapolis suburb of Brooklyn Park. Its curious

name, says Linda, prompts inquiries from customers that she is always proud to answer.

“The three D’s are my children, Davidlyn, D’Arcy and Duchaine.”

Davidlyn Moore, 20, is the company CEO. She completed ADC training with her mother and helped plan the business.

ADC Loan, Investment & Technology Manager Hussein Farah led the business development workshop they attended and has counseled them every step of the way since. He packaged start-up financing for 3-D Dollar, helped search out the location, arranged pro-bono legal services and advised on contracting with vendors. And later in 2006, they were presented with an ADC Achievement Award.



Community hero

“Since opening in 1998, I’ve taken only two days off: the birth of my son and daughter,” says **Bruck Nerayo**, who can be found from early morning to late in the evening behind the counter of his Cedar-Riverside coffee shop.

While selling East African coffees and teas, Bruck’s is famous throughout the Twin Cities African community for what is always provided freely: respect, good conversation, and connections to jobs, services and other resources.

“When someone needs a job or house, or to get an education or find a doctor, they ask me where to look,” says Bruck. “When the cab companies need drivers, they call me. When there’s trouble in Africa, it gets debated here. News travels through this shop faster than any newspaper.”

The bright-eyed Ethiopian native has lived in Minneapolis for 25 years and has an extended family in town that has come to include his customers.

“My regular customers think of this place as theirs,” says Bruck. “This is important because many immigrants don’t have a lot. Some need encouragement. Others need a reality check because they’ve heard so many exaggerated stories about America. New guys just getting in town can meet those of us who have been here for a while and, hopefully, learn from our experience.”

How important is one shopkeeper to the life of a community? When he runs a bit late in opening the shop, his house is flooded with calls asking whether he’s OK.



“His word is like gold in our community. We could not ask for a better friend than Mr. Bruck Nerayo.”

**– Hussein Samatar,
ADC executive director**

“Even during the worst snow storms when nobody goes out, I find a way to open the café,” says Bruck. “I want to be here just in case there is one person wanting a coffee or having a problem I can help with.”

In difficult times and good, with little fanfare, Bruck has put community first.



“Bruck is a rock in the storm for many new arrivals here,” says Mihailo Temali, director of the Neighborhood Development Center, a partner of ADC that also recognized Bruck for community service in 2006.

This year the popular hangout got an interior renovation and added a patio financed through the African Development Center, which has offices above the café.

“After sending so many people upstairs for help with business matters, I decided to send myself last year,” says Bruck. “I knew how to keep my business going, but ADC showed me how to look good on paper, which is what you need to grow.”

He says his new understanding of accounting and credit will eventually help him buy his own building with a bakery and game room.

Meanwhile, Bruck’s understanding of his community has helped ADC grow. Since completing his ADC training, Bruck has returned as a motivational speaker in ADC’s business development workshops. And, in 2006, he accepted the invitation to join ADC’s board.

Feeling at home

“Before class, I didn’t have any clue. I had the dream but not the courage.”

– Sadiyo Warsame

Ms. Warsame purchased her first home with help from ADC.

Sadiyo Warsame sends much of her earnings to family in Somalia and Kenya and dreams of bringing her brother and mother to Minneapolis. In the meantime, she hosts an uncle and three nephews in a townhouse she purchased in 2006 with help from ADC’s home ownership and financial literacy training.

She says ADC helped her understand the economic reality of home buying – planning a budget, attaining mortgage financing and government-sponsored down-payment assistance, and avoiding the trap of predatory lending. Instead of the six-bedroom house she dreamed of providing for her and her family, she purchased the three-bedroom home she could reasonably afford.

“This is my first step, and now I see it is a wise one. A larger house comes next.”

At her ADC training, she met her agent, Rashid Omar of Medina Realty, and mortgage broker Adel El-Huni of Wells Fargo Bank. They helped her find and close on her home within a month of her completing the ADC curriculum.

Having a place of her own, she says, has not only made her feel more American, but also restored a sense of the world she has not experienced since leaving Somalia in 1997. Among the most disorienting aspects of her new life here was renting an apartment.

“Back home nobody has rent. Now I’m feeling like I’m at home.”



Moving on



“If you have morals, you will succeed. Don’t lose your hope.”

– Hussein Ahmed Ali

In 2006, Hussein became the first ADC borrower to repay his loan in full.

A refugee flees one life to find another. Arriving in the United States, African doctors often emerge from the transition as cabbies, teachers as maintenance men, farmers as shop keepers.

Hussein Ahmed Ali left behind a family transportation business in Somalia and has remade himself, seven years later, as the owner of a transportation business.

Having assumed things must change, that his American profession would be more humble than the one he left, he had trained at Minneapolis’ Dunwoody Institute as a plumber’s helper, then took a job at a delivery company.

Then, one day in 2005, a friend referred him to ADC, and the vague picture of entrepreneurship lingering in his mind attained full form. He completed a business development workshop, established Qale Transport and financed the purchase of a dump

truck through a Sharia-compliant ADC loan in 2006. At first he attempted to sell his services direct to customers, who often proved incredulous, believing – as he himself was tempted to believe – that an African could not own his own truck. Not deterred, he decided to work through a broker, and the jobs came flowing in.

Six months of hauling construction waste yielded enough profit for Hussein to make his next determined move. He sold the dump truck, repaid the ADC loan, and used a second ADC loan to help finance a truck tractor that he can use in hauling and delivery.

Hussein says he plans to own ten trucks serving all of Minnesota in the next five years.

How to explain his American success? Hussein points to spiritual rather than practical reasons.

“If you have morals, you will succeed,” he says. “Don’t lose your hope.”

Partners/sponsors



ADC is a critical resource for integrating the African communities of Minnesota with American financial systems and civic structures.

Accordingly, we've energetically forged partnerships with other community organizations, banks and financial professionals, allowing us to pool resources and connect clients to the financing they need. The outcomes, including the Midtown Global Market, have been amazing.

Our thanks to one and all of our partners, as well as the array of generous sponsors that are helping our organization increase its effectiveness. We share and honor your vision that catalyzing markets among the state's growing ethnic communities delivers benefit to us all.

Partners

City of Minneapolis - Community Planning and Economic Development (CPED)
Confederation of Somali Communities in Minnesota
Common Bond Communities
Community Neighborhood Housing Services
Emerging Markets Homeownership Initiative (EMHI)
Federal Reserve Bank of Minneapolis
Freddie Mac
Home Ownership Center
KFAI Community Radio
Lake Street Council
Latino Economic Development Center
Leadership Empowerment and Development Group (LEAD)
LegalCORPS
Minneapolis Consortium of Community Developers (MCCD)
Minnesota African Women's Association (MAWA)
Minnesota Housing Finance Agency
Neighborhood Development Center
Nonprofits Assistance Fund
Oromo Community of Minnesota
Powderhorn Park Neighborhood Association
Powderhorn/Phillips Cultural Wellness Center
Powderhorn Resident Group
Project for Pride in Living
Reba Free, LLC
Riverside Resident Resource Center
Somali Action Alliance
Triangle Park Creative
Wells Fargo
West Bank Community Development Corp.
Women's Foundation of Minnesota

Sponsors

Abdigadir Ali
The Bush Foundation
Carl and Eloise Pohlad Family Foundation
Catholic Campaign for Human Development
Lonnie Dunbier
Fannie Mae
F.R. Bigelow Foundation
First Universalist Foundation
Freddie Mac
Greater Twin Cities United Way
Grotto Foundation
HECAT (Homeownership Education, Counseling and Training)
HRI, Inc.
Kandiyohi Development Partners
Marquette Financial Companies
The McKnight Foundation
The Minneapolis Foundation
Otto Bremer Foundation
Rashid Omar
Payne-Lake Community Partners
The Jay and Rose Phillips Family Foundation
Katie Pierson
Devon and Dave Pohlman
Evan Reminick
The Saint Paul Foundation
Saint Paul Travelers Foundation
Barry Siebert
Smith Partners, PLLP
Richard Todd & Patricia Haswell
Twin Cities LISC
U.S. Bancorp Foundation
Urban Initiative Loan Program
Valspar Foundation
Xcel Energy Foundation

A friend of ADC

by Paul Fate

I had the privilege to be the founding director of Payne-Lake Community Partners (PLCP), created in 2004 to accelerate revitalization of two of the Twin Cities' inner-city commercial corridors and their surrounding neighborhoods. PLCP channels investments from Living Cities, an amazing coalition of 17 foundations, financial institutions and federal departments.

Through partnerships with local organizations, PLCP promotes an integrated approach to community development that builds mixed income, multi-cultural communities that work. In this process we discovered a new generation of economic developers reflective of the emerging immigrant communities in Minneapolis and St. Paul. African Development Center was among these and truly has proven a standout in its production and potential.

In 2004, ADC had just opened for business and had for staff only its founder and director, Hussein Samatar. But in Hussein it was easy to see ADC's potential. Here was a Somali refugee who, upon arriving in Minneapolis, had in short order learned English, earned an MBA, become a top lender for Wells Fargo Bank, and had even been recognized in the Twin Cities business journal's "40 under 40" list of young stars.

He had achieved the American dream, but as a commercial banker he saw too many cases of other African immigrants and refugees falling short. So he set aside the promise of individual



wealth to build community assets.

Hussein told me, "ADC is going to make this community bankable." And, with single-minded determination, he built an organization that has pursued this goal admirably. In a few short years, ADC has earned the trust of funders, attracted similarly able staff and launched successful programs that others are now rushing to emulate. Each client's success increases reinvestment in the community.

I consider having provided ADC with significant funding to be among the best investments PLCP has made. Moreover, my relationship with ADC and its leadership has been a highlight in my career.

"Hussein told me, 'ADC is going to make this community bankable.'"

Paul Fate directed Payne Lake Community Partners from 2004-2006. He is now the President and CEO of CommonBond Communities.

Financials

Micro-lending is big

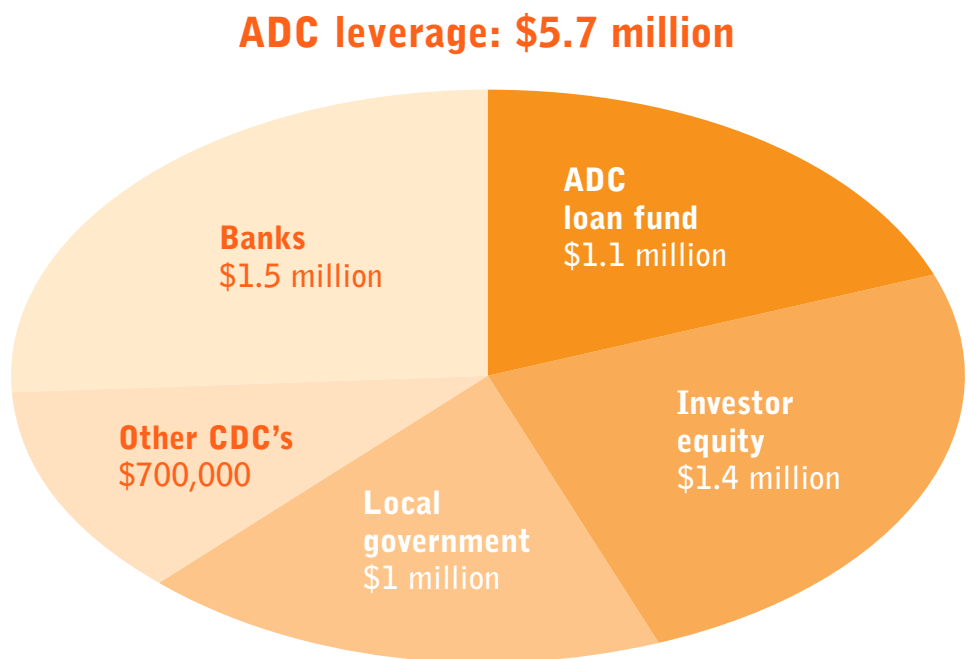
In the Twin Cities, the micro-lending movement has picked up steam as micro-lenders and a supporting cast of foundations, nonprofits, bankers and public agencies have... helped to launch restaurants, groceries, salons, gift shops and other new small businesses in the Twin Cities area. These enterprises, often owned and operated by new immigrants, are reinvigorating commercial corridors along University Avenue in St. Paul and Franklin Avenue and Lake Street in Minneapolis.

In the Twin Cities, four micro-lenders—the Minneapolis Consortium of Community Developers (MCCD), the African Development Center (ADC) in Minneapolis, and the Neighborhood Development Center (NDC) and WomenVenture in St. Paul—will make about 180 micro-loans combined this year. Altogether, they have made more than 1,100 micro-loans over almost three decades... The 2-year-old ADC is coming on fast with 58 loans so far, including 35 this year.

— St. Paul Pioneer Press
December 3, 2006

ADC was founded in 2003 on a \$10,000 budget. In 2006, our operating budget topped \$500,000. Even more dramatic is the capital we've mobilized for our clients. In 2005, we became Minnesota's first ethnic-based community developer to deploy its own loan fund. This portfolio, which debuted at \$25,000 and one client, has grown to exceed \$1 million and 50 clients within 1.5 fiscal years. Using ADC micro-loans as leverage, we have packaged business financing totaling \$5.7 million.

ADC's 2006 audited financial statement is available at adcmnnesota.org.



Major funders

Bigelow Foundation	Phillips Foundation
Bremer Foundation	St. Paul Travelers Companies
Bush Foundation	US Bancorp Foundation
LISC	Wells Fargo Foundation
Minnesota Housing Finance Agency	Western Initiative for Neighborhood Development (WIND)
Payne-Lake Community Partners	Xcel Energy
Minneapolis Foundation	

2006 statement of activities and changes in net assets

Support and revenues

Contributions	\$481,167
Government grants	\$133,750
Program service fees	\$80,900
Interest income / loans	\$18,582
Interest income / cash accounts	\$267,550
Miscellaneous income	\$1,171

TOTAL SUPPORT AND REVENUES	\$727,386
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Expenses

Program services	\$304,432
Management and general	\$119,623
Fundraising	\$37,700
TOTAL EXPENSES	\$461,755
CHANGE IN NET ASSETS	\$265,506

NET ASSETS / BEGINNING OF YEAR	\$295,191
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NET ASSETS / END OF YEAR	\$560,822
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2006 statement of financial position

Assets

Cash	\$142,039
Cash/restricted	\$256,567
SUBTOTAL	\$398,606

Accounts receivable	\$18,205
Contributions receivable	\$312,500
Loans receivable	\$985,036
Prepaid expenses	\$303
Office and computer equipment, less accumulated depreciation	\$91,760

TOTAL ASSETS	\$1,807,520
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Liabilities and net assets

Accounts payable	\$20,727
Funds held for loans	\$14,990
Undisbursed loans	\$22,882
UIP loan participations	\$452,604
MCCD loan participations	\$283,536
NDC loan participations	\$84,300
CPED loan participations	\$36,524
Deferred profit on loans	\$73,635
Note payable	\$250,000
TOTAL LIABILITIES	\$1,246,698

Unrestricted net assets	\$223,322
Temporarily restricted net assets	\$337,500
TOTAL NET ASSETS	\$560,822

TOTAL LIABILITIES AND NET ASSETS	\$1,807,520
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ADC staff & board



Hussein Samatar

Founder and Executive Director

Hussein has 10 years of experience in commercial and corporate lending, small business financing, business plan writing, financial reporting, and community economic development. Prior to his work with ADC, Hussein was a Senior Lender/Special Projects Manager for Western Initiative for Neighborhood Development and Neighborhood Development Center in St. Paul. He was a commercial banker for Wells Fargo in Minneapolis (1996-2003); a Humphrey Institute Policy Fellow in 2003; serves on numerous boards; and speaks five languages. Hussein is a HomeStretch-certified Homeownership/financial Literacy Workshop instructor.



Hussein Farah,

Loan, Investment and Technology Manager

Hussein is ADC's primary contact for business development clients. He manages ADC's loan portfolio, now valued at more than \$1 million. In addition, he conducts home ownership and financial literacy workshops. Prior to his work at the ADC, Hussein was the Database and Financial Administrator at the Jane Goodall Institute in Maryland and held IT positions at Guidant Corporation in St. Paul, Central Technologies in Milwaukee and Hadaad Advanced Technology Co. in Kuala Lumpur, Malaysia. He holds a BS in Economic and Management Sciences from the International Islamic University in Malaysia and is fluent in six languages.



Stephen Wreh-Wilson

Home Ownership and Financial Literacy Director

Stephen has 14 years of organizing and advocacy experience. He served as National Director of the Peace and Justice Commission in his native Liberia. In the United States, he has trained in immigration law, human rights advocacy and conflict-resolution. Stephen has worked with African immigrants and refugees through the Midtown Greenway Coalition, New Millennium Publications, and the African Assistance Program. Steve is a licensed real-estate agent and conducts home ownership workshops. He holds a B.A. in Political Science from the University of Liberia and an MA in Communications from Edinboro University in Pennsylvania.



Nasibu Sareva

Business Advisor/Senior Lender

Nasibu provides technical assistance, loan packaging and general advisory services to small and emerging businesses. He will also lead ADC's 2007 launch of business accounting services for our clients. Nasibu previously worked at Pricewaterhouse-Coopers as a field researcher. He has also worked as an administrative assistant, business analyst, staff accountant and marketing researcher for various organizations. A native of Tanzania, he holds a BA in accounting from the International Islamic University in Malaysia, and an MBA in accounting from Lincoln University in Jefferson City, Missouri.

**Shukri Yusuf***Office and Program Administrator*

Shukri applies her experience with diverse cultures, public relations and management to keep ADC's office running smoothly. Her many responsibilities range from greeting visitors to assisting with educational workshops. She excels not only as a model of efficiency within ADC. The owner of a small business, she is also a role model of African immigrant entrepreneurship. She holds an Associate Degree in Computer Engineering from St. Paul College.

**Nimo Farah***Community Organizer*

Nimo joined African Development Center in 2006 as a summer intern and quickly progressed to her current role of organizing outreach to clients and the community at large. She currently works part-time while attending the University of Minnesota, where is a senior majoring in Global Studies and African American and African Studies. Nimo anticipates graduating from college and expanding her community service work within ADC.

Interns**Bodhari Abdi**, University of Minnesota**Victor Llanque Zonta**, Macalester College**Edinam Agbenyeke**, Macalester College**Diego Ponce de León Barido**, Macalester College**Volunteers****Zuhur Ahmed**, University of Minnesota**Naima Bashir**, University of Minnesota**Harriet Oyena**, community volunteer**Board of Trustees****Mahmoud Bah**, *President*Financial Advisor,
Ameriprise Financial Services**Tim Mungavan**, *Vice President*Executive Director,
West Bank Community Development
Corporation**Verge Granger**, *Treasurer*

Business owner

Jo Ann Vano, *Secretary*President of the Board of Trustees,
KFAI Fresh Air Radio**Atum Azzahir**Executive Director,
Phillips/Powderhorn Cultural
Wellness Center**Paul Jones, Esq.**

Fredrickson and Byron, LLP

Bruck Nerayo

Business owner

Warsame Hassan

Minneapolis Public Library

Alison HalleyVice President,
Community Development &
Specialized Lending
Wells Fargo Bank, N.A.**Loan Committee****Alison Halley**Vice President,
Community Development &
Specialized Lending
Wells Fargo Bank, N.A.**Mahmoud Bah**Financial Advisor,
Ameriprise Financial Services**Sara Goettsch**Commercial Lending Officer,
Franklin National Bank**Farooq Bhatti**Business Banker,
Associated Bank**Jeff Alexander**

Restaurant consultant

Bisrat Alemayehu

Business owner

Accountability

ADC has accomplished much in a short time. We have excelled as a sprinter, but what does this mean for the long-distance trek of improving the economic situation of our clients and Minnesota-based African immigrants and refugees as a whole? This was a question being asked not only by our staff and board, but also by the many organizations that have funded our programs. Because we place the highest emphasis on accountability to our community, we dedicated significant energies in 2006 to discovering the answer, commissioning a comprehensive organizational evaluation by Rainbow Research.

We have published this evaluation, along with success stories, financial statements, and other relevant data, in several media – a quarterly newsletter, an email list-serve, an annual report and numerous presentations given each year to community groups, financial institutions and others. Much of this material has been featured in news coverage of our organization, and all of it is available on our website, adcmminnesota.org.

**African
Development
Center**
of Minnesota



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