

Bank Announces Promotions

Community Capital Bank is pleased to announce the following promotions:



Jorge Fernandez

Jorge Fernandez has been promoted to vice president and branch manager of the bank's 111 Livingston Street branch in downtown Brooklyn. Previously he was assistant vice president and branch manager. Mr. Fernandez is responsible for managing the branch activities and developing banking relationships with small businesses in downtown Brooklyn.



Sheila L. Kennedy

Sheila L. Kennedy has been appointed to vice president of Corporate Affairs and corporate secretary and is responsible for developing and directing strategies to enhance relations with shareholders, government officials, legislators, and community and civic organizations. She previously served as executive director of the bank's board of directors.



Charles D. Lockley

Charles D. Lockley has been promoted to vice president and commercial loan officer. He was previously assistant vice president and commercial loan officer. As a commercial loan officer, Mr. Lockley is responsible for generating business throughout the New York City area, targeting low- to moderate-income communities, small businesses, start-ups, nonprofit organizations, and churches.



Weiguang Wang

Weiguang Wang has been promoted to vice president and controller. She joined Community Capital Bank as assistant vice president and controller in 2002, and previously worked as a financial analyst for the 1199 National Benefit and Pension Fund 2000 and as an accountant at St. Vincent Medical Center.



Michael Antonio Figueroa

Michael Antonio Figueroa has been promoted from loan administrator to assistant treasurer, loan administrator. In his position, he administers the real estate portfolio, which requires him to provide commercial real estate loan officers with updated information, and he closes commercial real estate and NYSERDA loans.



Corin C. Simon

Corin C. Simon has been promoted to assistant treasurer from branch operations supervisor. In her position she is responsible for bank reconciliation and resolving any discrepancies that occur.



Sandra E. Weiss

Sandra E. Weiss has been promoted to vice president and commercial real estate loan officer. Prior to joining Community Capital Bank, Ms. Weiss was an assistant vice president at United Northern Mortgage Bankers, Ltd. and commercial loan officer at Coastal Commercial Corp.

BOARD OF DIRECTORS

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Nelson Gisbert
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Nancy Hoving
Director

Frances Levenson
Director

Christian D. Wallace
Director



Report from the President and CEO

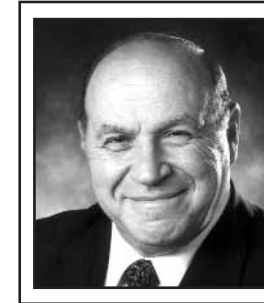
Nearly four years ago, the New York State Banking Department designated Sunset Park a Banking Development District as part of a statewide initiative to promote economic development in communities in need of greater banking services. Since Community Capital Bank's new Sunset Park Branch was located within the district, the branch was eligible to receive a deposit of \$10 million in State funds that remains on our books today and continues to benefit our institution.

I am delighted to report that New York City recently introduced a Banking Development District program that mirrors the State program and, as a result, Community Capital Bank received a \$5 million deposit in general City funds in April. Like the State initiative, the goal of the City's program is to support banks that provide banking services, economic development, and job growth in neighborhoods with few or no banks. In exchange, the City and State receive below-market interest rates on their deposits.

The Daily News highlighted these banking initiatives by featuring Community Capital Bank in a May 24 article that recognized how our branch is benefiting from these programs and how we are passing these benefits on to businesses in the Sunset Park community. The article, "Big boost for small banks" highlights our bank's relationship with two of our customers—Vahl Engineering and Barile Fire Protection. For your convenience, we have inserted the article (on page 5) in this issue of our newsletter.

I want to thank the members of the City's Banking Commission—New York City Comptroller Bill Thompson, Martha Stark, commissioner of the New York City Department of Finance, and Robert Lee, deputy commissioner of the New York City Department of Finance—for introducing the City's Banking Development District program.

I'm also pleased to share with you that Community Capital Bank was instrumental in the creation of the City program. With the help of Community Capital Bank board member Bill Howell, Community Capital Bank's board of directors and management team met with the Banking Commission and I was invited to testify at a formal hearing. I want to thank Bill



Charles F. Koehler

for his leadership and for positioning Community Capital Bank to become the driving force behind this program that will help banks and communities throughout the city.

In this issue of Community 1st, we're also celebrating the accomplishments of two of our customers, Les Enfants Montessori School and Kosova Realty, and I'm also pleased to announce that Community Capital Bank received a \$1.5 million Bank Enterprise Award from the U.S. Treasury's Community Development Financial Institutions (CDFI) Fund for increasing the bank's lending in low- and moderate-income neighborhoods.

Finally, I want to thank you, our customers, for sharing your hopes and dreams with us. We look forward to continuing our banking relationship with you in the future.

New Look for CCB

Community Capital Bank has launched a new advertising campaign that features photographs of its branch staff and the slogan, "We've Brought the Community Back Into Banking." Developed by Niles Communications Group, Inc., a minority-owned, full service graphic communications and marketing company based in New York City, the ad campaign includes new signage within the branches and on bus shelters surrounding the branch locations, print ads in newspapers and journals, and brochures detailing the benefits of the bank's commercial loan and savings and checking account products. To view the entire campaign, turn to page 7.



Community Capital Bank

“We've Brought the Community Back Into Banking”

Astoria School Celebrates New Building and Award

Queens Borough President Helen Marshall, the management team from Community Capital Bank, and officials from the Small Business Development Centers at two Queens colleges joined the staff and children from Les Enfants Montessori School recently to celebrate the school's 24,000 square foot expansion and its induction into the Small Business Development Center Hall of Fame for 2004.

Children attending Les Enfants Montessori School, the only Montessori school in Astoria, greeted Ms. Marshall with flowers and sang songs in English, French, and Spanish.

"This is like dessert for me," Ms. Marshall said. "When I look at the children, it is sheer joy for me because I am an early childhood teacher. This is a very special kind of a business. We don't have oil wells or gold in this city, but our greatest natural resource is our people. From the minds of people, everything has evolved. You have been giving students a good educational foundation that will help them for years to come."

Ms. Marshall and other dignitaries cut a ribbon to formally celebrate the opening of the school's new four-story building that features a 300-seat auditorium on the ground floor, three classrooms on each of the upper floors, and backyard and rooftop playgrounds. The new building was financed by Community Capital Bank, designed by architect Angelo Costa, and constructed by Cow Bay Contracting.

"You are here to see what we at Les Enfants have done in the field of education," said Ester Riveros, who as school director runs Les Enfants with her husband, José, the school administrator, her daughter Samantha, the teacher director, and her son, Erik. "Alone we would have never fulfilled our dreams. Rosa Figueroa, of the York College Small Business Development Center, introduced us to Mr. John Tear, senior vice president of Community Capital Bank, who introduced us to Mr.

Charles Koehler, the president of Community Capital Bank, who introduced us to Ms. Gina Bolden-Rivera, senior vice president of Community Capital Bank, who worked hard to secure for us the loan for this building. This project proves that perseverance and the desire to succeed can take you anywhere you want to go."

Mr. and Mrs. Riveros had dreamed of addition since 1980, when they bought a small building on a 50- by 170-foot lot at 29-21 Newtown Avenue in Astoria, where they opened Les Enfants Montessori School. Their idea was to expand the school by erecting a larger building behind the original facility, but they were unable to secure a construction loan until Rosa Figueroa, then with the York College Small Business Development Center and now acting director of the LaGuardia Community College Small Business Development Center, suggested that Mr. Riveros call Community Capital Bank and submit an application for a mortgage to finance the expansion.

Community Capital Bank made the loan that has enabled the school to grow from 27 students to 90 students ranging from 18 months to 6th grade with room to accommodate more children. The new building was completed in September 2002 and the original building has been renovated and is now being used by the school's youngest students.

"We're extremely proud of Ester and Jose and what they've been able to accomplish," said Charles F. Koehler, president and CEO of Community Capital Bank. "This is a great tribute to our customers who we had a great deal of faith in. This was your dream and you shared it with us. This is a great tribute to your perseverance."

Mrs. Riveros said that because of Mr. Koehler and Community Capital Bank, the dream of a new building became a reality. "Hundreds, thousands of children we are going to serve in the future," she said. "See

the things you can do if people believe in you."

In recognition of the school's success, Les Enfants Montessori School was inducted into the Small Business Development Center Hall of Fame for 2004 during a ceremony held in Albany on March 31. Helping the school celebrate its award and its accomplishments at the recent ribbon-cutting and reception were Ms. Figueroa and Alfred Titone, the current director of the York College Small Business Development Center.



Queens Borough President Helen Marshall, center, cuts the ribbon to celebrate the opening of Les Enfants Montessori School's new 24,000 square foot building. Also shown are left to right: Rosa A. Figueroa, acting director of the LaGuardia Community College Small Business Development Center; John Tear, senior vice president of Community Capital Bank; Gina Bolden-Rivera, senior vice president and chief credit officer of Community Capital Bank; Jennifer Hardy-Spencer, assistant vice president of Community Capital Bank; José Riveros, director of Les Enfants Montessori School; Erik Riveros; Mark D'Alonzo, vice president of Cow Bay Contracting; Charles F. Koehler, president and CEO of Community Capital Bank; Ms. Marshall; Greg Poinson of Community Capital Bank; Ester Riveros (front, right) director of Les Enfants Montessori School, and children from the school.



News Notes

Charles F. Koehler, president and CEO of Community Capital Bank, has been elected to serve as chairman of Brooklyn Economic Development Corporation (BEDC). He will take the helm of the organization at BEDC's board meeting in September. Mr. Koehler has served on BEDC's board of directors since 2000. BEDC, a private, nonprofit organization, was established in 1979 to stimulate Brooklyn's economy and create job opportunities for the borough and its residents. BEDC has evolved into a multi-service, business-consulting agency, serving more than 1,000 clients annually and offering comprehensive economic development services. More information is available at www.bedc.org.

Gina Bolden-Rivera, senior vice president and chief credit officer, was named one of five Women of Distinction by the Bronx County Gender Fairness Committee. The award was presented during Women's History Month in March to the honorees for making a difference and overcoming odds to excel in their fields and in their communities. Ms. Bolden-Rivera also was named Woman of the Year by the Brooklyn Division of the Madison Square Boys & Girls Club in June.

Sandra Weiss, vice president, coordinated a breakfast meeting for the New York State Energy Research Development Authority (NYSERDA) in April. The breakfast featured four panelists who discussed Community NYSERDA's programs including the New York Energy SmartSM Loan Fund. New York Energy SmartSM Loans are loans offered by Community Capital Bank that finance energy-efficient projects at a low fixed rate of 2.5 percent for ten years.

Announcements

Bank Announces Growth and Net Profit for 2003

Community Capital Bank's assets grew by 36 percent to \$135.9 million in 2003, and the bank recorded a net profit of \$512,000 for the year, Charles F. Koehler, the bank's president and CEO reported at the annual stockholders' meeting on April 21.

Mr. Koehler also announced that the bank's board of directors voted to pay an annual dividend of \$0.15 per share to stockholders of record as of March 31, 2004. The dividend was payable on June 15, 2004. The bank paid a dividend of \$0.10 per share last year.

In addition, total deposits at Community Capital Bank rose in 2003 to \$112.1 million from \$78.8 million in 2002. Mr. Koehler reported that the bank received a \$5 million deposit from the City of New York under a program created by City Comptroller William C. Thompson, Jr., to encourage economic development in areas needing banking services, and that the bank continues to maintain a \$10 million deposit in New York State funds under a similar program offered by the state.

The bank's loan portfolio grew to nearly \$83 million in 2003 compared to last year's portfolio of \$72 million, and Community Capital Bank reported a 0.46 percent return on assets (ROA) and an 8 percent return on equity (ROE).

Mr. Koehler cited Community Capital Bank's new Small Business Administration (SBA) lending unit as an example of the type of strategic investments the bank made in 2003. Last year the SBA unit enabled the bank to more than double its SBA-guaranteed loans to 66, an achievement for which the bank received the SBA's Silver Award. Community Cap-

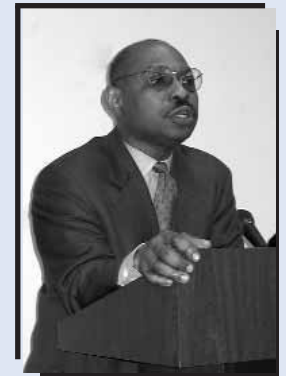
ital Bank was ranked the ninth largest SBA lender in the New York City area in 2003.

"The SBA-guarantees have been a tremendous vehicle for our institution and they help fund our mission to serve underserved communities," Mr. Koehler said, adding that although many banks are now offering SBA-guaranteed loans, Community Capital Bank is unique because it tailors its loans for each customer.



Charles F. Koehler

Mr. Koehler credited the Community Reinvestment Act (CRA) for the renaissance New York City has experienced in the last several decades and recalled the devastation in the Bronx where he grew up. "Neighborhoods were destroyed because the financial community did not invest in their communities," he said.



Alric B. Nembhard

"CRA has made this city come back to what it is today. We're proud to say that Community Capital Bank has received outstanding ratings for over achievement in CRA compliance since its existence."

As the bank moves forward, Mr. Koehler said, "Our goal at Community Capital Bank is to continue helping New Yorkers in all five boroughs build affordable housing, start and grow businesses, and create successful communities."

In other business, the following directors were re-elected for one-year terms expiring in 2005: Dr. John E. Carrington, Keiko I. DeLille, Nelson Gisbert, Nancy Hoving, Amaziah (Bill) Howell, Mr. Koehler, Sarah S. Kovner, Robert O. Lehrman, Frances Levenson, Alric Nembhard, chair, Gina L. Bolden-Rivera, and Christian D. Wallace.

Community Capital Bank Receives \$1.5 Million Treasury Award

Community Capital Bank has received a \$1.5 million Bank Enterprise Award from the U.S. Treasury's Community Development Financial Institutions (CDFI) Fund in recognition of its success in increasing loans to customers in economically distressed communities throughout New York City, Charles F. Koehler, president and CEO of Community Capital Bank, announced.

"We're thrilled that we've been recognized by the CDFI Fund for our accomplishments," Mr. Koehler said. "The Bank Enterprise Award is designed to encourage banks to lend money in low- and moderate-income communities, which is something we do each and every day because it's part of our mission."

In addition, Community Capital Bank also was recognized by the CDFI Fund for making loans to several New York City certified CDFIs, which are community-based organizations that finance housing, small business development, and community services to help stabilize neighborhoods and alleviate poverty.

This year, the CDFI Fund awarded \$17 million to 49 banks and thrifts nationwide through the Bank Enterprise Award Program, which was introduced in 1994 to provide an incentive to FDIC-insured banks and thrifts to increase either their level of support to certified CDFIs; to increase their provision of loans, investments, and financial services in distressed communities, or both. Community Capital Bank has received the Bank Enterprise Award many times and in previous years has used funds from the awards to invest in technology and network expansion.

Customer Profiles

Community Capital Bank Helps Entrepreneur Realize the American Dream



Brian Rexhepi

When Brian Rexhepi immigrated to the United States from Kosovo in 1984, he didn't know what to expect.

He began working as a handyman and later started a construction business, but it was a meeting with a loan officer from Community Capital Bank that changed his life.

"I started real estate borrowing with Community Capital Bank eight years ago," said Mr. Rexhepi, who runs Kosova Realty and now owns five buildings in the Bronx with 250 apartments. "Community Capital Bank helped me buy my first building and I just bought two more two weeks ago."

He traces his good fortune to a friend introducing him to Gina Bolden-Rivera, senior vice president and chief credit officer for

Community Capital Bank, who gave him the real estate loan for his first building.

"It was really scary," he said. "I was afraid I would not be able to afford to pay the bills. But I'm doing good, so now I have five buildings that I bought with loans from Community Capital."

Mr. Rexhepi credits his success in the real estate business to his character traits—being honest and straightforward—and his relationship with Community Capital Bank. "I'm a very good businessman," Mr. Rexhepi said. "I pay my bills. They love me and I love them."

Mr. Rexhepi said he has continued to do business with Community Capital Bank over the years because the staff is nice and responsive. The result has been a partnership that has enabled him to realize the American Dream.

"I'm doing very good in this country," Mr. Rexhepi said. "I have my buildings, I own a house, and I have a 20-year-old daughter in college."

CCB Provides Line of Credit to BEDC for Loans to Entrepreneurs with Disabilities

A line of credit from Community Capital Bank will enable Brooklyn Economic Development Corporation (BEDC) to begin making loans to entrepreneurs with disabilities through its ABLE (Alternative Business Loans to Entrepreneurs) Fund.

Initially, the loans will be offered to BEDC's clients who are participating in its LAUNCH Program, which provides entrepreneur training to individuals who have a mental health diagnosis. When BEDC's entrepreneur program for people with physical disabilities begins in Fall 2004, clients from that program also will be eligible to borrow from the loan fund.

Loans for the ABLE Fund will be made through BEDC's lending arm, the Regional

Economic Development Assistance Corporation (REDAC). Community Capital Bank is providing funding for the loans through a line of credit to REDAC, and a grant from the Abilities Fund is financing a loan loss reserve fund to mitigate the risk. The Abilities Fund is the first and only nationwide community developer targeted exclusively to advancing entrepreneurial opportunities for Americans with disabilities. It delivers training, technical assistance services, and advisory supports to individuals with disabilities and the organizations that support them, and helps entrepreneurs obtain the funding they need to launch or grow a small business. More information is available at www.abilitiesfund.org.

Technical Assistance Program Launched

Community Capital Bank has received a technical assistance grant from the Empire State Development Corporation to help women and minority businesses succeed by improving their marketing and promotion skills.

As part of the program, Community Capital Bank presented the workshop "Understanding How to Market and Promote a Restaurant" to restaurant owners on June 8, 2004 (see related article "Speakers Share Recipes for Restaurant Success at Recent Workshop" on page 4) and will sponsor additional workshops in the future. In addition, the team will coordinate one-on-one technical assistance for women and minority entrepreneurs with Community Capital Bank loan officers.

Gina Bolden-Rivera, senior vice president and chief credit officer for the bank, is heading the program with the assistance of Greg Poinson, special projects business advisor. Mr. Poinson joined Community Capital Bank last spring after working for several years at JP Morgan Chase & Co. He is a graduate of Florida A&M University.

More information about the technical assistance program is available from Mr. Poinson at Community Capital Bank, 718-306-1733.



Gina Bolden-Rivera

Speakers Share Recipes for Restaurant Success at Recent Workshop

"Know your market, that's the most important advice a restaurant owner will ever receive," a 22-year veteran of the restaurant business told participants at "Understanding How to Market and Promote a Restaurant," a workshop presented recently by Community Capital Bank and Brooklyn Economic Development Corporation (BEDC).

"Before you open the door, you have to know who you are," said Irene LoRe, who has co-owned of Aunt Suzie's Restaurant on 5th Avenue in Park Slope, Brooklyn, for 18 years and also owned another restaurant at a different location. "If you don't know who you are, you don't know who your market is. If you don't know who your market is, you're not going to succeed."

Ms. LoRe said that Aunt Suzie's has succeeded for 18 years because she and her partner know that their target market is the neighborhood surrounding the restaurant. And, the restaurant has survived because Aunt Suzie's continues to offer an experience that is unique from the other, newer, often more expensive restaurants on 5th Avenue.

She also suggested that the workshop participants choose their restaurant name care-

fully to ensure that it reflects the market they plan to target. For example, her restaurant is named Aunt Suzie's in order to convey family, home cooking, neighborhood, and competitive pricing.

The second half of the workshop was devoted to the types of promotion and marketing techniques restaurants can use.

Ms. LoRe said because her market is the neighborhood of Park Slope, she distributes flyers to homes surrounding her restaurant with menus that highlight home delivery and feature coupons, sends birthday cards containing coupons to customers, mails newsletters to customers, reaches out to local Parent Associations, partners on projects with organizations like the Prospect Park Alliance to raise her restaurant's profile in the community, and participates in food-centered events like Brooklyn Eats, which is sponsored by the Brooklyn Chamber of Commerce. She also pointed out that restaurants with a different target market will need to use other marketing techniques to reach their customers.

Gail Donovan, principal of Donovan Commu-

nications, gave a presentation on the difference between advertising and public relations and how both can be used effectively to promote restaurants, particularly in community-based marketing. She suggested that neighborhood restaurants invite the local media and elected and community officials to ribbon cutting ceremonies for restaurant openings, community events, and annual activities surrounding well-known historical events related to the countries where the food served originated. Following the events, press releases and photographs can be sent to community papers.

Ms. Donovan also encouraged the participants to piggyback on publicity generated for borough-wide restaurant promotional activities by participating in events sponsored by the Borough President's office or the Brooklyn Chamber of Commerce and local events such as street fairs sponsored by merchants associations.

Charles F. Koehler, president and CEO of Community Capital Bank and president-elect of the BEDC board, also spoke to the participants and praised them for taking the initiative to open a restaurant. He said that Community Capital Bank makes many loans to restaurants and diners and that it is critical that restaurant owners put together effective business plans and try to anticipate everything that can go wrong. "We're insistent on people focusing on the business plan," he said.

The planning prior to the restaurant opening is one of the biggest problems restaurant owners have, Mr. Koehler said he has observed. Many owners may have a lease for several months but are unable to open and begin earning money to pay the rent because they underestimated the amount of time required to get the necessary permits. To help with this transition, Mr. Koehler advised getting a good attorney and good financial advice, which can come from their banker.



Greg Poinson, center, and Irene LoRe, right, co-owner of Aunt Suzie's restaurant in Park Slope, Brooklyn, shown here with Clara Cornelius, who attended the "Understanding How to Market and Promote a Restaurant" workshop.

AMERICAN EXPRESS ↑ + 30 cents \$49.63	BOEING ↑ + 48 cents \$43.40	CITIGROUP ↑ + 6 cents \$45.34	DISNEY ↓ - 37 cents \$22.68	GENERAL ELECTRIC ↑ + 42 cents \$30.65	GENERAL MOTORS ↓ - 38 cents \$43.08	IBM ↓ - 29 cents \$87.13	J.P. MORGAN CHASE ↑ + 17 cents \$36.08	3M ↑ + 72 cents \$82.92	PROCTER & GAMBLE ↑ + 22 cents \$106.91
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Big boost for small banks

By DANIEL DUNAIEF
DAILY NEWS BUSINESS WRITER

Charlie Koehler, CEO of Brooklyn's Community Capital Bank, and clients like Henry Dieken's Vahl Engineering are thriving on some new sources of cash.

In the last eight months, the city and state have deposited \$15 million at the Sunset Park branch of Community Capital at a very cheap rate.

Those deposits are "very significant to the bank," said Koehler, whose branch operates where "there's nobody near us."

The city and state are participating in a program that's designed to ensure individuals and small businesses in less affluent areas still have access to quality banking services at affordable prices.

So, the city and state have deposited a total of \$100 million at low rates with banks in Jamaica, Roosevelt Island, East Harlem, and Staten Island.

Some of that money has come from de-

Funds from city, state

posits at some of the city's largest and wealthiest banks — J.P. Morgan Chase and Citigroup.

These funds help small banks generate enough loans to make their branches profitable, while also providing them with flexibility to offer new products or services.

"We passed along some of those savings in areas like free checking, and we also had a higher-yielding CD," said Deborah Wright, CEO of Carver, which has two branches in this low-rate deposit program.

A new Carver branch in Jamaica recently announced it had received a \$10 million deposit from the city.

Most of these banks are parts of the

communities they serve.

Dieken, whose Vahl Engineering offices are within a few blocks of Community Capital, said the branch dramatically improved his banking service after his former bank told him it wasn't interested in lending to manufacturing firms.

Some of Dieken's 45 employees can "run the bank to take out money. It's very convenient. They

offered us free checking, free ATM cards, and all that happy stuff."

Another Sunset Park business owner, Nancy Walby, also found Community Capital accommodating. When she applied for a loan for her fire protection business, Community, closer to her 22-person company than any other

branch, not only provided the funds, but offered twice what she sought.

"When we went for a line of credit, they said, 'We think we can give you more money,'" said Walby. "Banks don't tend to say this."

For the city and the state, the millions they deposit as part of this program are well protected.

"We ask that they provide collateral," said Denise Pease, the city's assistant controller for commercial banking. "We're not going to damage the city's resources or revenue stream in any way."

Still, officials recognize it's filling a key gap.

"Banks don't readily open branches in underserved areas of the city," said Diana Taylor, state superintendent of banks. "It's perceived that there's not much money there and that's usually true."

The state and city deposits act as an "incentive program, which helps get bankers interested," she said.