



2022

Annual Report



## A Letter From Our CEO


In the face of uncertainty around the ongoing fallout of the COVID-19 pandemic, inflationary trends and other current issues, throughout 2022 Impact Seven sought to bring stability and development to Wisconsin communities through marshaling resources for job-creating business ventures, essential community facilities such as schools and medical clinics, and new housing affordable to low-income residents and working families.

Impact Seven received a number of exciting new investments in support of our mission in 2022. A grant from the US Treasury CDFI Fund is expanding our impact in Kenosha through lending for housing and business startups and expansions to advance a more equitable approach to community economic development. In addition, Impact Seven received \$6 million in seed capital from the Wisconsin Economic Development Corporation (WEDC) for the Housing Opportunity and Mobile Education Solutions (HOMES) project to produce 120 apartments affordable to working families in partnership with Northwood Technical College and local employers that will provide on-site training in advanced manufacturing skills. In addition, a \$55 million allocation of New Markets Tax Credits (NMTCs) awarded in 2022 will attract significant private investment for manufacturing, medical facilities and healthy foods projects in the most distressed and historically disinvested communities in the state, further expanding our impact.

We continued to grow our business financing in 2022 to meet community needs. Inflationary pressures caused many community and economic development projects throughout the







state to face sudden financing gaps as the costs rapidly increased. Impact Seven's flexibility with loan terms means that our financial products can be uniquely structured to meet the needs of valuable community development projects that otherwise would not be able to move forward. In 2022, Impact Seven provided financing for the expansion of Omnia Wood Products, LLC., a manufacturer of high-end wood fuels for the home barbeque and smoker industry. The business' growth will support the creation of dozens of new, living-wage jobs in a low-income rural community in eastern Wisconsin.

We also looked to the future in 2022, as Impact Seven engaged in organizational strategic planning to set our direction and focus for the three coming years, focusing on readiness to respond to a variety of challenges. One area of certainty is continuously rising demand for housing that is affordable for working and low-income families across the state. In order to expand our capacity to advance the development of affordable and workforce housing, Impact Seven made significant investments in expanding our housing development team in 2022 and the development of new loan products to enhance the capacity of other affordable housing developers in Wisconsin.

Since 1970, Impact Seven has delivered housing and economic development to Wisconsin communities in collaboration with many valuable partners. Positively advancing community development requires innovation, flexibility and focused dedication to sustainable solutions in a way that is responsive to local needs and current socioeconomic conditions. Impact Seven's achievements in 2022 reflect our organizational commitment to investing in Wisconsin's communities.

**Brett Gerber**  
President and CEO



# FUNDERS & INVESTORS

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Associated Bank  
Bremer Bank  
CDFI Fund, U.S. Department of the Treasury  
Cinnaire  
City of Kenosha, WI  
City of Middleton, WI  
City of Milwaukee, WI  
Community Development Bank  
Federal Home Loan Bank of Chicago  
HOME Consortium  
IFF  
Johnson Bank  
JP Morgan Chase Bank

Midwest Minnesota CDC  
National Equity Fund  
NeighborWorks America  
Opportunity Finance Network  
Otto Bremer Trust  
PNC Bank  
Redstone Capital  
Time Federal Savings Bank  
Town Bank  
Tri City National Bank  
UnitedHealth Group  
USBank  
U.S. Department of Agriculture - Rural Development Administration

U.S. Department of Health and Human Services - Office of Administration for Children and Families – Office of Community Services  
U.S. Department of Housing and Urban Development  
U.S. Economic Development Administration  
U.S. Small Business Administration  
Wells Fargo  
West Bend Mutual Insurance Company  
Wisconsin Department of Administration - Division of Energy, Housing and Community Resources  
Wisconsin Economic Development Corporation  
Wisconsin Housing and Economic Development Authority

# PARTNERS

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The 30th Street Industrial Corridor Corp.  
Aeris  
Aging and Disability Resource Center of Barron, Rusk and Washburn Counties  
Anderson Webb, LLC  
Ashland Area Development Corporation  
Barron County ARC  
Barron County Economic Development Corporation  
Barron County Job Center (West Central Wisconsin Workforce Development Board)  
Barron County Veterans Service Office  
Boys and Girls Club of Barron County  
Calumet County Bank  
CAP Services  
CDFI Coalition  
CDFI Fund, U.S. Department of the Treasury  
City of Park Falls, WI  
Couleecap of La Crosse  
Entrepreneur Fund  
Forward Community Investments  
Forward Service Corporation  
Glenn Solsrud

Gorman and Company  
GROW South Dakota  
HKS Holdings, LLC  
Housing Authority of the City of La Crosse  
The Hunger Task Force of La Crosse  
Independent Living Resources  
Indianhead Community Action Agency  
Jefferson County Veterans Service Office  
Jefferson County Aging & Disability Resource Center  
Lakeshore Community Action Program  
VIA Community Development Corporation  
Local Initiatives Support Corporation - Milwaukee  
Lutheran Social Services of Wisconsin and Upper Michigan  
Martin Luther King Junior Economic Development Corporation  
MetroPlains, LLC  
Midwest Minnesota Community Development Corporation  
Milwaukee Area Workforce Investment Board  
Milwaukee County

Milwaukee County Housing Division  
Milwaukee Economic Development Corporation  
Minocqua Associates  
NeighborWorks America  
Northwood Technical College  
Opportunity Finance Network  
Rapoza Associates  
Regional Business Fund  
Rule Enterprises, LLC  
Town Bank  
Tomah VA Medical Center  
WestCAP  
Wisconsin Business Development Finance Corporation  
Wisconsin Council for Affordable and Rural Housing  
Wisconsin Economic Development Corporation  
Wisconsin Housing and Economic Development Authority  
Wisconsin Housing Preservation Corporation  
Wisconsin SBDC Network  
Wisconsin Women's Business Initiative Corporation



# 2022 PROJECTS











## Omnia Wood Products

Omnia Wood Products, doing business as Smokey Woods, is based in rural Crivitz, Wisconsin and manufactures premium wood chunks, chips, sticks and pellets for the high-end home grill and smoker market. Impact Seven provided the financing, including New Markets Tax Credits, for the purchase of an existing building as well as additional working capital to expand sales and production that will drive the creation of 40 new jobs. In addition, Impact Seven received US Dept of Health and Human Services Community Economic Development funding to support Omnia Wood Products' hiring at least 21 low-income people in living wage, family-supporting jobs with quality fringe benefits.

Omnia Wood Products' expansion is an important contribution to the community and economic development of a distressed rural area of Wisconsin.

**TOTAL PROJECT COST >>> \$4.8 Million**











## Great Harvest Bread Company

Investing in local entrepreneurs is essential for community revitalization. Impact Seven provided financing for a new Great Harvest Bread Company location in Beaver Dam, Wisconsin owned by a local couple who is committed to the revitalization of Beaver Dam and have invested in multiple other local businesses that provide desirable community amenities, revitalize vacant or blighted buildings, and add to the character of the downtown area. The new bakery put two vacant historic buildings back to productive use and will create 11 new jobs.

**TOTAL PROJECT COST >>> \$1.3 Million**











## Pre-Development Loans for Affordable Housing

Impact Seven recently launched a new loan product to finance the pre-development stage of new, low-income, multifamily housing creation projects to meet developers' cash flow needs during the capital-intensive phase prior to construction. Funding from the US Treasury CDFI Fund supported the expansion of this loan product, enhancing developers' capacity to produce urgently needed affordable housing in Wisconsin.

In 2022, Impact Seven closed \$2.8 million in pre-development loans that supported the development of 599 new apartments affordable for low-income individuals, families, seniors and military veterans in urban and rural areas throughout Wisconsin. Two projects involved the adaptive reuse of vacant former school buildings, one project created 133 new apartments for low-income persons who are elderly, and two properties include apartments set aside for residents who are transitioning out of homelessness. These new affordable housing properties represent essential assets that will serve their communities for years to come.

*\$2.8 Million in 10 Loans Closed*



*599 New Affordable  
Apartments Created*









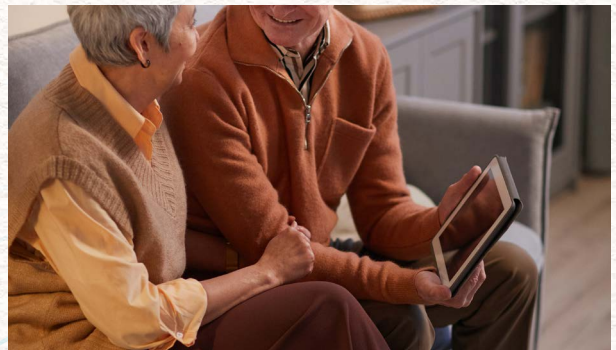
## Harvey Dueholm Villa

Harvey Dueholm Villa is a multifamily building with 24 apartments affordable to working families in Centuria, Wisconsin. Impact Seven developed the property over twenty years ago and began a comprehensive rehabilitation to address capital needs and update building and apartment features to preserve health, safety and livability for residents over the long term. Local contractors are performing the work to preserve needed affordable apartments in a small, rural town.

**TOTAL PROJECT COST >>> \$2.4 Million**



*24 Affordable  
Apartments Preserved*





# IMPACT HIGHLIGHTS



**\$270 Million**

*Total Economic Impact  
of 2022 Lending*



**\$26.6 Million**

*Loans Closed*



**329**

*Jobs Created  
or Retained*



**659**

*Affordable Housing  
Apartments Created  
or Preserved*



**1,563**

*Affordable  
Apartments  
Managed*



**133,396**

*Square Footage of  
Commercial Real  
Estate Financed*



**84%**

*Loans Previously  
Turned Down  
by Banks*



**\$4,101**

*Annual Household Cost  
Savings of Affordable  
Housing Residents*



# 2022 FINANCIALS

## Consolidated Statement of Financial Position

Total Assets . . . . .	\$214,889,434
Total Liabilities . . . . .	\$58,197,972
<b>TOTAL NET ASSETS</b>	<b>\$156,691,462</b>

## Consolidated Statement of Activities

Total Revenues . . . . .	\$29,293,823
Total Expenses . . . . .	\$22,220,377
<b>CHANGE IN NET ASSETS</b>	<b>\$7,073,446</b>

## CDFI Highlights

Gross Loans Receivables . . . . .	\$59,375,826
Net Charge-Offs as % of Loan Portfolio . . . . .	0.00%
Loans > 90 Days Past Due (12/31) . . . . .	\$0.00
Loan Portfolio . . . . .	\$204,549,891
Deployment Ratio * . . . . .	78.5%

\* Includes Commitments, Real Estate and Other Mission-Related Investments





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This Institution is an  
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**FHLBank**  
Chicago



**OPPORTUNITYFINANCE**   
NETWORK

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