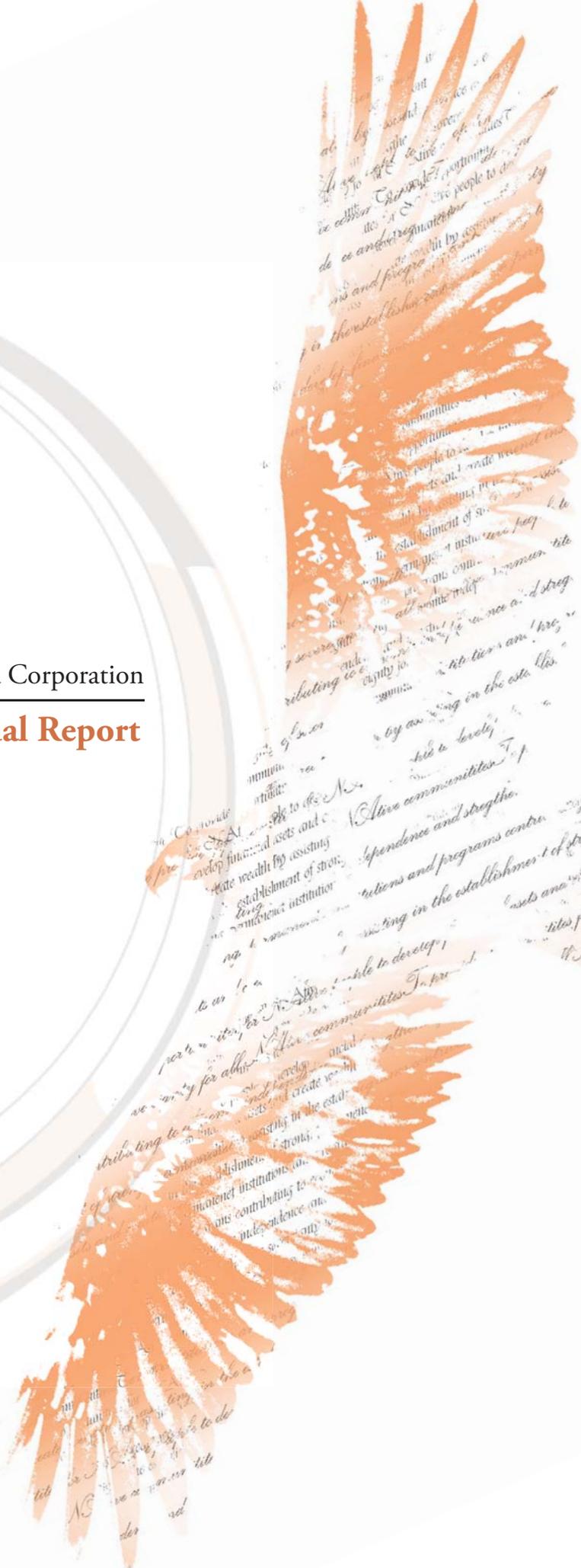


First Nations Oweesta Corporation

2014 Annual Report



*Gizhe Manidoo
(Creator)*

*I'iw nama'ewinan, maaba asemaa, miinwaa n'ode'winaanin gba-bagidinimaagom.
(We offer our prayers, tobacco and our hearts)*

*Miigwech gda-igom n'mishomissinaanig miinwaa n'ookomisinaanig jiinaago gaa-iyaaajig, noongom
e-iyaaajig miinwaa waabang ge-iyaaajig.*

(Thank you for the Grandfathers and Grandmothers of yesterday, today and tomorrow)

*Miigwech manidoog iyaaajig noodinong, iyaaajig nibiing, iyaaajig shkodeng miinwaa iyaaajig akiing.
(Thank you spirits of the winds, water, fire and earth)*

*Miigwech manidoog iyaaajig giuwedinong, waabanong, zhaawanong miinwaa epangishimok.
(Thank you spirits of the north, east, south and west)*

*Daga bi-wiidokawishinaang wii mino bimaadiziyang.
(Please help us live a good life)*

Ahow!

-Miigwech (Thank You) Prayer

In Memoriam



*A. David Lester
Muscogee Creek
BOARD MEMBER EMERITUS*



*Siobhan Oppenheimer-Nicolau
BOARD MEMBER EMERITUS*



Introduction

First Nations Oweesta Corporation (Oweesta) was incorporated in December 1999 as a subsidiary of First Nations Development Institute (FNDI). As the nation's premier intermediary for Native community development financial institutions (CDFIs), Oweesta (from the Mohawk word for money) helps build strong Native institutions and programs through professional services designed to build local capacity, provide powerful tools for Native community development and promote economic sovereignty.

Oweesta's mission is to provide opportunities for Native people to develop assets and create wealth by assisting in the establishment of strong, permanent institutions and programs, contributing to economic independence and strengthening sovereignty for all Native communities. Oweesta accomplishes this mission by following an integrated asset-building strategy. Specifically, Oweesta provides training, technical assistance, investments, research and advocacy to help Native communities develop an integrated range of asset-building products and services including financial education and financial products. Asset-building tools stimulate reservation economies by providing tribal members the opportunity to acquire financial management skills and build and accumulate assets through small business creation, home ownership, education, etc. Through this approach, Native communities across the country are beginning to emerge from the cycle of dependency that has spanned generations, and are building healthy reservation economies with the goal of achieving economic sovereignty.

"Oweesta's mission is to provide opportunities for Native people to develop financial assets and create wealth by assisting in the establishment of strong, permanent institutions and programs contributing to economic independence and strengthening sovereignty for all Native communities."

-First Nations Oweesta Mission

"Our vision is that Native communities are able to retain their deeply-held cultural values while enjoying sustainable economies and a rich quality of life for all community members"

-First Nations Oweesta Vision

2014 Board of Directors



Michael E. Roberts | Board Chairman
Tlingit



Marguerite Smith | Vice Chair
Shinnecock



Shyla Sheppard | Secretary
Mandan/Hidatsa



Donald Sampson | Treasurer
*Confederated Tribes of Umatilla
Indian Reservation*



B. Thomas Vigil
Jicarilla Apache



Susan Jenkins
Chactaw



Gelvin Stevenson
Cherokee



Benny Shendo Jr.
Jemez Pueblo



Chandra Hampson
*Winnebago/ White Earth
Chippewa*

Executive Director Message



First Nations Oweesta is pleased to present our activities for 2014, we have had an incredible year! Oweesta has continued accessing the field and have released two new publications this year. Our Financial Education and Asset Building (FEAB) department conducted research of tribal government programs and Native nonprofits in order to better understand best practices and the impact of financial education and asset-building programs in Indian Country. As a result of those findings, the Snapshot 2014: Financial Education and Asset-Building Programs Serving Native Communities was distributed on a national venue to our clients and supporters across the CDFI industry.

Oweesta also conducted research of Native CDFIs across the country to assess the need for capital in order to serve their farmers and ranchers, as well as to participate in lending efforts to support healthy food projects within their tribal communities. We also released Food Financing Efforts 2014: Native CDFI Support of Farmers and Ranchers as a direct result of the data collected in that measure.

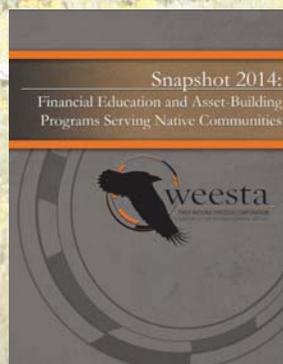
We are also very pleased to announce that we have received funding under the CDFI's Funds Healthy Foods Financing Initiative. As our research of the Native CDFI field indicated a desperate need for specified funding to serve agricultural projects, Oweesta is the first Native American organization to receive this funding under the Treasury Department's issuance. We have created the Native Fresh Food Fund (NF3) as a direct result of this opportunity. As part of the NF3 initiative, Oweesta will begin offering two new loan products specifically targeted at healthy food interventions. These products will provide low-cost financing to help local Native CDFIs and community entities support fresh food projects in food deserts on Indian reservations throughout the U.S. Projects may include retail grocers and microenterprises, not-for-profits including community gardens, farmers' markets, food cooperatives and small scale farmers that offer healthy food alternatives. As a secondary target, the NF3 initiative will provide financing to support distribution businesses that link Indian Country's local agricultural economy with retail outlets. We are very excited to launch this new loan product, and offering the financial capital and outlet to support these efforts for our tribal members and their communities across the nation.

I am so very honored to be working for such a wonderful organization, with a mission that I live and breathe every day. We have a phenomenal team that works tirelessly issuing the support, capital and everlasting belief in Native communities. We all sincerely believe in our tribal community's strength and determination to make their respective communities stronger, healthier and more prosperous, all while balancing our cultural values so very integral to our existence.

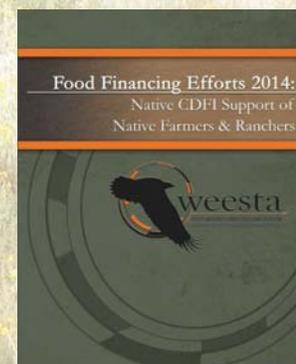
I would like to thank all our supporters, constant believers, and partners in this work. We couldn't do it without you!
Miiigwetch,

Chrystel Cornelius
Executive Director
First Nations Oweesta

2014 Publications FEAB Snapshot 2014



Food Financing 2014



Organizational Report

First Nations Oweesta has had a new board member addition within the last year, Ms. Susan Jenkins, who is replacing Sioban Oppenheimer, who passed away during this time-frame.

Oweesta has taken an active stance in assessing the Native CDFI industry within the last two years, with particular emphasis on evaluating the capital needs of Native CDFIs, as well as the effects of asset-building programs throughout Indian Country. From creation and programmatic start in 1999, the organization has worked within hundreds of Native communities in assisting with Native CDFI creation and sustainability measures for private business sector development efforts. Oweesta has also worked with tribal entities in creating and implementing asset-building programs in order to serve tribal membership.

- Since inception, Oweesta has made 52 loans totaling more than \$8.2 million with an average weighted interest rate on portfolio: 3.52% with no loans currently past due. Oweesta has doubled its lending efforts and has more than \$5.5 million in the loan pipeline for Native CDFIs.
- Oweesta currently has 24 social investments with an average weighted cost of borrowed capital of approximately 2%, many investors provide capital at below market rates.
- For every \$1 invested in Oweesta, the organization is able to work with the local Native CDFIs and leverage at a rate of about 20 to 1 (\$20 to \$1)- that means investments in early stage Native CDFIs helped raise significant additional funds for their work.

Federal Grants

CDFI Fund NACA-	\$750,000
Healthy Food Financing Initiative-	\$500,000
ANA SEEDS-	\$1,500,000
Rural Housing and Economic Development-	\$170,000

Private Foundations

Bank of America-	\$75,000
Ruffin-	\$25,000
Key Bank-	\$62,5000
Northwest Area Foundation-	\$300,000

Financial Education and Asset-Building (FEAB) Program



2014 Building Native Communities: Train-the-Trainer Trainings

- Hollywood, Florida— January 28-30, 2014
- Anchorage, Alaska— February 26-28, 2014
- Hollywood, Florida— June 3-5, 2014
- Seneca Nation, New York— September 22-26, 2014
- Ysleta del sur Pueblo, New Mexico—
September 29-October 1, 2014
- Albuquerque, New Mexico— October 1-3, 2014

2014 Building Native Communities Community Trainings

- Red Lake Indian Reservation, Minnesota —
February 19-20, 2014
- Leech Lake Indian Reservation, Minnesota— March 4-6, 2014
- Omaha, Nebraska— March 14-16, 2014
- Warm Springs Reservation, Oregon— March 25-27, 2014
- Bois Forte Indian Reservation, Minnesota— April 14-18, 2014
- Albuquerque, New Mexico— June 10-12, 2014
- Grand Ronde, Oregon— August 18, 2014
- Tlingit Haida, Alaska— September 10-11, 2014
- Smith River, California— January 6-8, 2014



“Helping people achieve their financial wants and needs is vital to communities and families, no matter what the obstacles, it will be a success. With your help they can achieve!”

BNC Certified Trainers

2012 - 164

2013 - 110

2014 - 157

National Trainings and Presentations:

- Native Learning Center Regional Training—Florida—January 2014
- CDFI Coalition Conference—District of Columbia—March 2014
- Building Sustainable Communities Conference—Wisconsin—April 2014
- Native Learning Center Regional Training—Florida—June 2014



Empowering Communities, Propelling Stewardship of Local Resources & Opportunities



The Oweesta "O"



*"The most important thing I learned
in this series was the importance of
understanding a budget plan and the
cost of credit."*

*- 2014 BNC Training
Participant*



Oweesta's capitalization efforts have supported our loan clients in making a significant impact in their local economies this year. As a direct result of lending in 2014 alone, these Native communities have:

Started 11 Tribally
Owned Businesses

"Our dream is that all Native people have access to equitable capital and economic opportunities that foster healthy, sustainable and culturally vibrant communities."

-First Nations Oweesta Vision

2014 Loan
Portfolio

17
Capitalization
Loans

\$4.0
Million

7
First-In
Loans

Created

71

Micro
and Small
Businesses



Assisted
208
Business
Plans

Oweesta understands how crucial investment capital is to a Native CDFI; therefore investing in the communities served is priority. As the only intermediary lender to Native CDFI's in the nation, Oweesta has the ability to directly impact and create capital opportunities that flow through tribal communities and create sustainable change within their respective markets.

Counseled
528 Individuals
on Credit Building

Provided
376
Consumer Loans

Educated
280
Home Buyers

Success

Heavy Eagle Teepee Rentals, owned by Lloyd Tillman Jr., is an existing business that operates from the Wind River Indian Reservation. The Wind River Development Fund has provided services to Lloyd for three years, including: lending, business and consumer assistance. Lloyd participated in and completed the IDA program that the Wind River Development Fund sponsors by matching \$3/1. Lloyd has since used the proceeds to improve his business by paying off his loans and to make purchases to expand/improve his business.



Partnership

In the middle of the recession, Wylon and Beth Plain Feather and Walter and Sheri Duffield took a courageous leap in 2009. They opened Plain Feather Construction (PFC) in Billings Montana. To launch this business, the partners leveraged talent, experience, and excellent tribal connections with a state certification as a Disadvantaged Business Enterprise. As a relatively new business with few assets or collateral, PFC was not eligible for a bank or equipment loan, so they turned to Native American Development Corporation (NADC). When NADC was not able to provide all of the financing that Plain Feather needed, they turned to Montana CDC for a partnership loan. Looking at the borrowers' industry experience and good contracts with Crow Agency, NADC and Montana CDC were able to provide a partnership loan that allowed PFC to purchase the much needed equipment and acquire a healthy line of credit to ensure that the business will have the means to stay agile in the face of future opportunities!

Indian Land Capital Corporation

The Yurok Tribe finalized the purchase of 22,237 acres of land from Green Diamond Resource Company in Humboldt County, California. The land, part of the Yurok's aboriginal territory, will be sustainably managed for clean water and forest health.

The deal is the result of 23 years of negotiations between the Tribe and the timber company to recover the land, starting with the Hoopa/Yurok Settlement Act of 1988. The Tribe worked with several partners, including the Western Rivers Conservancy, the State Water Resources Control Board (SWRCB) and the Indian Land Capital Company, to complete the purchase. In December of 2010, the SWRCB voted to authorize \$18.75 million in financing for the Yurok Tribe to purchase the land.

Indian Land Capital Company provided the Yurok with a \$1 million bridge loan in 2009, and an extension of the loan through a line of credit in early 2011. This allowed the Tribe to make a good faith purchase of 5,500 acres from the seller as they waited for the state financing to come through.



The land purchased will become a Yurok Tribal Community Forest. The Tribe plans to use a sustainable forestry management approach that will protect salmon, improve water quality and restore meadows that traditionally supported subsistence hunting and gathering.

In addition, the Tribe will work to further enhance three tributaries to the lower Klamath River that flow through the property: Pecwan, Ke'pel and Weitchpec Creeks. These creeks provide vital cold water and spawning grounds for the many anadromous Klamath fish species.

This land purchase is the first in a multi-phase land acquisition project. In Phase II, the Tribe plans to purchase an additional 25,000 acres, including the lower watershed of Blue Creek, a stream that is sacred to the Yurok and essential to the survival of Klamath River salmon.

11th Annual Native Convening

Oweesta hosted its 11th Annual Native Convening in conjunction with the 30th annual Opportunity Finance Network conference on October 14-17, 2014 in Denver, Colorado. This year, Chrystal Cornelius was nominated and successfully elected on to the Opportunity Finance Network Board of Directors at the 2014 Opportunity Finance Network Conference in Denver, Colorado.

This annual event is a catalyst for learning and sharing for Native CDFIs. It is a multi-part event consisting of a pre-conference gathering, a Native track of sessions and an awards ceremony that honors the work of two truly innovative and visionary Native CDFIs and their leaders. This event brings Native institutions, tribal programs, tribal housing authorities, their partners and others committed to asset building and creating wealth in Native communities together to learn from and share with each other. This year's Native Convening was a great success in the industry thanks to the dedication and hard work of the Oweesta staff!

This year's Native CDFI gathering day focused on funding measures: how to write a successful funding proposal, how to approach potential new sources of capital and operating grants and understanding ways to document client demand. Opportunities were also fostered for Native and non-Native CDFIs to work together to expand coverage in Native and non-Native markets. Oweesta offered a unique training track which sessions included:

- Organizing a CDFI to Serve Native Communities
- Systematic Program Development
- Developing an Engaged Fundraising Board
- Financial Education and Asset-Building Networking
- Speed Dating with Funders
- Over 75 in attendance at Native Convening



*2014 Circle of Honor Award, Hawaii First Federal Credit Union
2014 Visionary Leader, Marvin Ginn*

PAST WINNERS

CIRCLE OF HONOR

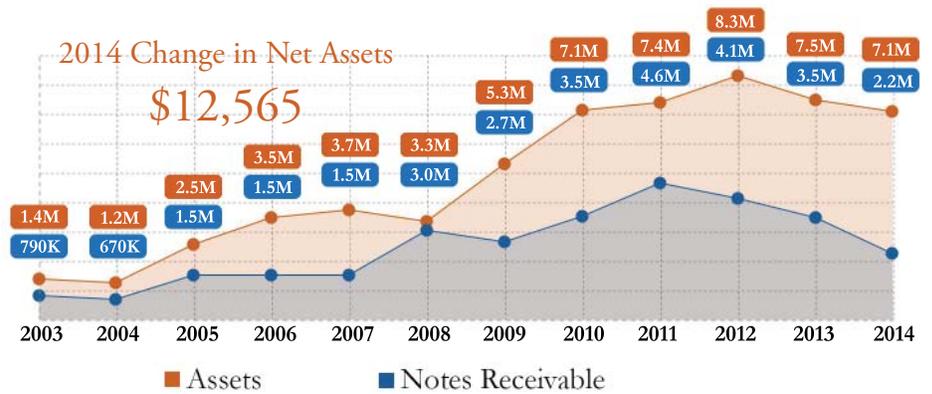
- CITIZEN POTAWATOMI COMMUNITY DEVELOPMENT CORPORATION (2006)
- WIND RIVER DEVELOPMENT FUND (2007)
- FOUR BANDS COMMUNITY FUND (2008)
- COOK INLET LENDING CENTER (2009)
- FOUR DIRECTIONS DEVELOPMENT CORPORATION (2010)
- SALT RIVER FINANCIAL SERVICES INSTITUTION (2011)
- LAKOTA FUNDS (2012)
- NORTHWEST NATIVE DEVELOPMENT FUND (2013)
- HAWAII FIRST FEDERAL CREDIT UNION (2014)

PAST WINNERS

VISIONARY LEADER

- SUSAN HAMMOND - FOUR DIRECTIONS DEVELOPMENT CORPORATION (2006)
- TANYA FIDDLER - FOUR BANDS COMMUNITY FUND (2007)
- JOHN SMITH - NII JII CAPITAL PARTNERS, INC. (2008)
- ANNA KNIGHT - CHEROKEE NATION SMALL BUSINESS ASSISTANCE CENTER (2010)
- TED PICCOLO - NORTHWEST NATIVE DEVELOPMENT FUND (2011)
- ROBIN DANNER - COUNCIL FOR NATIVE HAWAIIAN ADVANCEMENT (2012)
- GERAL SHERMAN - INDIAN LAND CAPITAL (2013)
- MARVIN GINN - NATIVE COMMUNITY FINANCE (2014)

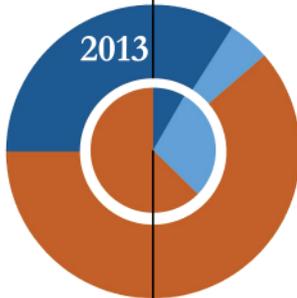
Fiscal Year 2013-2014 Financials



Total Assets

Cash & Equivalents
\$2,735,336
Loans Receivable
\$1,210,000
Grants Receivable
\$266,539
Other Assets
\$2,449,115

\$7,448,738



Total Liabilities & Net Assets

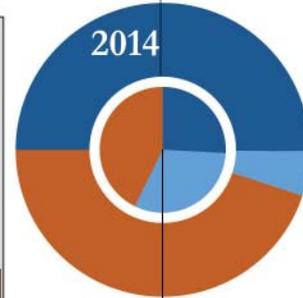
Current Liabilities
\$985,946
Other Liabilities
\$3,450,000
Net Assets
\$3,012,792

\$7,448,738

Total Assets

Cash & Equivalents
\$1,894,713
Loans Receivable
\$852,750
Grants Receivable
\$258,150
Other Assets
\$3,416,666

\$7,082,450



Total Liabilities & Net Assets

Current Liabilities
\$1,832,093
Other Liabilities
\$2,225,000
Net Assets
\$3,025,357

\$7,082,450

**On behalf of First Nations Oweesta Corporation,
thank you for your continued support of Native Communities across the Nation!**

Karuna Trust
Susan D. Goldman Trust
Sisters of the Blessed Sacrament
James A. Rose
Chyna Wranch Inc. Profit Sharing
Suzanne LaFetra Trust
Jonathan and Connie Heller

Basilian Fathers of Toronto
James A. Babson Trust
Marian H. Rose Trust
Mary Jo Martin & Thomas Abood
Barbara Kingsolver
Sisters of St. Francis of Philidelphia
The Congregation of Sisters of Charity of the Incarnate Word

Donna K. Altschuler
Mercy Investment Services, Inc.
Margaret E. Sheehan Rev. Trust
Lary Dansinger and Karen Marysdaughter
Peter and Sharon Moller

2014 Loan Clients

Council for Native Hawaiian Advancement
Citizen Potawatomi Community
Four Bands Community Fund, Inc.
First American Capital Corporation
Wind River Development Fund
Mazaska Owecaso Otipi Financial, Inc.
Four Directions Development Corporation
Native American Development Corporation
Native American Community Development Financial Services
Wigamig Owners Loan Fund
First Ponca Financial, Inc.
Mazaska
Lakota Funds
Indian Land Capital Company
HOPI Credit
Montana CDC
La Pointe Financial Service
Wisconsin Native Loan Fund



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