

CDE Certification

Your Gateway to the CDE Community



? WHAT IS A CDE?

A Community Development Entity (*CDE*) is a domestic corporation or partnership that serves as an intermediary vehicle to provide loans, investments, or financial counseling in Low-Income Communities (*LICs*).

CDEs play a critical role in channeling private and public capital into economically distressed or underserved areas to support community and economic development.

🏆 CERTIFICATION & PURPOSE

- Certification as a CDE is administered by the CDFI Fund.
- Entities eligible to apply for Certification include (*but are not limited to*) non-profit organizations, banks, community loan funds, venture capital funds, and government or quasi-governmental entities, provided they meet the core eligibility criteria.
- Once certified, a CDE becomes eligible to participate in the New Markets Tax Credit (*NMTC*) Program.
- Through the NMTC Program, CDEs can attract equity investments — enabling them to finance community-impact projects (*e.g., real estate, business development, community facilities*) in low-income areas.

💡 KEY BENEFITS

- **Access to NMTC Allocations:** Only certified CDEs may apply and compete for NMTC allocation authority, which can unlock substantial private investment into underserved communities.
- **Intermediary Financing Role:** CDEs can receive investments or loans from other CDEs with NMTC allocations — enabling collaboration, syndicated deals, or co-investments.
- **Flexible Investment Use:** Funds can be deployed across a wide range of community-impact uses: manufacturing, commercial development, affordable housing, community facilities, small business growth, and other local economic-development initiatives.

🔍 ELIGIBILITY FOR CDE CERTIFICATION

To become certified as a CDE, an organization must demonstrate:

1. **Legal status:** the applicant must be a valid legal entity (*domestic corporation or partnership*) at the time of application.
2. **Primary mission focused on low-income communities (LICs):** the main purpose must be serving or providing capital to Low-Income Communities or Low-Income Persons.
3. **Accountability to the community:** the entity must show mechanisms for accountability to residents of its targeted LICs (*e.g., representation on governing or advisory boards*).

Additionally: CDE Certification Applications may be submitted at any time (*i.e., there is no fixed annual deadline*), except when an application is tied to an upcoming NMTC allocation round.



HOW TO APPLY / PROCESS

- Organizations seeking CDE Certification must submit a CDE Certification Application through the CDFI Fund's online system — the Awards Management Information System (*AMIS*).
- The CDFI Fund provides guidance materials — including application walkthroughs, service-area record instructions, and board-record creation tutorials.
- If the organization is already certified as a CDFI or designated as a SSBIC (*Specialized Small Business Investment Company*), it is presumed that it will qualify for CDE Certification, however the organization must still submit a CDE Certification Application in AMIS.
- For assistance with the CDE Certification Application and process, the designated help desk is the Office of Certification Policy and Evaluation (*OCPE*); contact via phone at **(202) 653-0423** or by email at OCPECert@cdfi.treas.gov.

WHEN TO APPLY

- There is no fixed deadline for submitting a CDE Certification application — organizations may apply any time.
- However, for organizations intending to compete for an NMTC allocation under an upcoming round, the CDE certification must be certified by the publication date of the relevant Notice of Allocation Availability (*NOAA*) in the Federal Register.

CONTACT FOR MORE INFORMATION

Office of Certification Policy and Evaluation (*OCPE*)

Phone: **(202) 653-0423**

Email: OCPECert@cdfi.treas.gov

WHY CDEs MATTER — COMMUNITY IMPACT

By serving as channels for investments in Low-Income Communities, CDEs help to:

- Mobilize private capital into underserved areas that traditional financial markets might overlook.
- Support development projects — such as manufacturing, affordable housing, community facilities, small business development, healthcare centers, and more — often critical for revitalizing economically distressed neighborhoods.
- Foster long-term community growth by reinvesting in local infrastructure, businesses, and services that enhance economic mobility and quality of life.