



CDFI Program and NACA Program Awardees: A Snapshot of 2018 Reported Activities

August 2021

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

www.cdfifund.gov

Introduction to the Data



- This summary snapshot report and the accompanying data file is based on CDFI Program and NACA Program Financial Assistance (FA) award recipients performance for their fiscal year (FY) 2018 activities submitted in 2019 to the CDFI Fund.
 - This analysis analyzes activities that occurred in FY 2018 and were reported in FY 2019 by the cohort of CDFI and NACA program FA award recipients, as required under their Assistance Agreement with the CDFI Fund.
 - Data is derived from the Transactional Level Reports (TLR) and Consumer Loan Reports (CLR) submitted to the CDFI Fund by recipients through the Annual Compliance and Performance Report (ACPR) system.

Key Findings



- CDFIs reported in FY 2019 for lending and investment activities originated in FY 2018 that:
 - Nearly 75% of their lending portfolio was targeted in distressed areas and to underserved populations, exceeding the CDFI Certification threshold requirement of 60%.
 - 16% of lending was in rural areas, exceeding the percentage of the population living in Non-Metropolitan areas (14%).
 - Persistent Poverty Counties (PPCs) accounted for 16% of all CDFI lending, exceeding the share of the population living in PPCs (8%). PPCs are defined as any county that has had 20% or more of its population living in poverty over the past 30 years, as measured by the 1990, 2000, and the 5-year American Community Survey (2011-2015).
 - High poverty areas (census tracts with poverty rates of at least 20%) accounted for 35% of all CDFI lending, exceeding the share of the population living in high poverty areas (29%).
 - CDFIs provided loans at very affordable interest rates, ranging on average, between 5% and 13%, and very low origination fees, ranging on average between 0.3% and 2.5% of the loan amounts.

Reporting CDFIs by Institution Type: FY 2018



Institution Type	CDFI	Percent
Bank	30	9.9%
Credit Union	52	17.2%
Loan Fund	216	71.3%
Venture Fund	5	1.7%
Total	303	100.0%

Source: CDFI TLR and Consumer Loan Report (CLR)

This report includes all CDFI Program and NACA Program award recipients that were required and successfully submitted their FY 2018 CDFI TLR reports by 9/13/2019.

Asset Size by Institution Type: FY 2018



Institution Type	CDFI	Average	Median
Bank	30	\$578,293,101	\$295,030,869
Credit Union	52	\$849,648,704	\$264,833,583
Loan Fund	216	\$49,437,609	\$18,314,636
Venture Fund	5	\$25,073,528	\$6,085,188

Source: ACR

In FY 2018, on average, regulated CDFIs were approximately more than 10 times larger than unregulated, non-depository CDFIs in terms of asset size.

CDFI Loan Originations in FY 2018



	Bank			Credit Union			Loan Fund			Venture Fund		
	CDFI	Number of Loan	Percent	CDFI	Number of Loan	Percent	CDFI	Number of Loan	Percent	CDFI	Number of Loan	Percent
Business and Micro	29	10,022	10.8%	36	3,017	0.5%	140	10,169	39.8%	3	140	68.3%
Commercial Real Estate	28	2,466	2.7%	16	345	0.1%	66	644	2.5%	0	0	0.0%
Consumer	25	71,342	77.2%	52	624,260	94.7%	36	6,414	25.1%	1	7	3.4%
Home Improvement and Purchase	22	4,804	5.2%	51	30,511	4.6%	63	6,911	27.0%	0	0	0.0%
Residential Real Estate	29	3,066	3.3%	11	245	0.0%	69	1,018	4.0%	0	0	0.0%
Other	18	749	0.8%	8	576	0.1%	47	417	1.6%	3	58	28.3%
Total		92,449	100.0%		658,954	100.0%		25,573	100.0%		205	100.0%

Source: CDFI TLR and Consumer Loan Report(CLR)

In FY 2018, consumer lending was the major part of lending by banks and credit unions as measured by the number of loans. Loan funds provided nearly 40% and venture funds more than two-thirds of their lending for business and microenterprise loans.

CDFI Loan Term (in months) in FY 2018



	Bank		Credit Union		Loan Fund		Venture Fund	
	Number of Loan	Average	Number of Loan	Average	Number of Loan	Average	Number of Loan	Average
Consumer	*	*	*	*	6,340	19	7	16
Business and Micro	7,739	42	2,077	95	9,806	50	126	73
Home Improvement and Purchase	3,930	133	22,105	264	4,996	246	0	0
Commercial Real Estate	2,084	84	287	129	590	89	0	0
Residential Real Estate	2,376	67	149	127	863	78	0	0
Other	592	68	494	215	375	132	36	59

Source: CDFI TLR

Note: This analysis only includes term loans.

* CDFI banks and credit unions only report geographic information on consumer loans to the CDFI Fund. Consumer loan term information for CDFI bank and credit union consumer loans can be found in Call Report submitted to their regulators.

In FY 2018, CDFI loan funds and venture funds provided, on average, term loans for consumer loans of between 1 to 2 years. For all CDFIs, the terms for home loans were between 10 to 30 years, and 5 to 10 years for business and other real estate loans.

Interest Rates Charged by CDFIs in 2018



	Bank		Credit Union		Loan Fund		Venture Fund	
	Number of Loan	Average	Number of Loan	Average	Number of Loan	Average	Number of Loan	Average
Consumer	*	*	*	*	5,465	12.72	7	5.29
Business and Micro	7,725	6.72	2,077	5.33	9,368	10.33	122	6.31
Home Improvement and Purchase	3,914	5.84	22,092	5.09	3,452	4.83	0	0.00
Commercial Real Estate	2,078	5.93	287	5.17	585	5.96	0	0.00
Residential Real Estate	2,376	5.80	149	5.10	838	5.56	0	0.00
Other	592	6.06	494	6.05	364	6.03	32	1.03

Source: CDFI TLR

Note: This analysis only includes term loans.

* CDFI banks and credit unions only report geographic information on consumer loans to the CDFI Fund. Average interest rate information for CDFI bank and credit union consumer loans can be found in Call Report submitted to their regulators.

In FY 2018, CDFI loan funds and venture funds charged an average interest rate for consumer loans of between 5% and 13%. For all CDFIs, interest rates were between 5% to 10% for business and micro loans, and 5% to 6% for home and other real estate loans.

Origination Fees Charged by CDFI in FY 2018



	Bank		Credit Union		Loan Fund		Venture Fund	
	Number of Loan	Percent of Loan Amount	Number of Loan	Percent of Loan Amount	Number of Loan	Percent of Loan Amount	Number of Loan	Percent of Loan Amount
Consumer	*	*	*	*	4,041	2.45%	0	0.00%
Business and Micro	4,216	0.82%	724	0.28%	7,013	2.17%	3	1.00%
Home Improvement and Purchase	1,840	0.79%	9,192	0.78%	2,923	1.47%	0	0.00%
Commercial Real Estate	1,003	0.93%	31	0.80%	517	1.09%	0	0.00%
Residential Real Estate	1,196	0.73%	74	0.86%	758	1.05%	0	0.00%
Other	374	0.58%	379	1.01%	177	1.15%	0	0.00%

Source: CDFI TLR

Note: This analysis only includes term loans.

* CDFI banks and credit unions report their average origination fees of their consumer loans in their Call Reports filed with their regulators. This information is not collected by the CDFI Fund.

In FY 2018, across all loan types, CDFIs' origination fees ranged between 0.3% and 2.5% of the loan amount.

CDFI Impact: Target Market in FY 2018



	Bank (N=30)		Credit Union (N=52)		Loan Fund (N=216)		Venture Fund (N=5)		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Investment Area (IA)	\$2,949,607,791	55.4%	\$5,680,902,209	43.1%	\$2,145,042,968	69.3%	\$41,420,324	89.7%	\$10,816,973,292	50.0%
Low Income Targeted Population (LITP)	\$16,461,972	0.3%	\$2,702,580,485	20.5%	\$172,496,336	5.6%	\$1,048,500	2.3%	\$2,892,587,293	13.4%
Other Targeted Population (OTP)	\$53,052,378	1.0%	\$449,935,429	3.4%	\$81,647,034	2.6%	\$0	0.0%	\$584,634,841	2.7%
IA Enduser	\$899,224,492	16.9%	\$132,366,023	1.0%	\$91,316,957	2.9%	\$3,515,621	7.6%	\$1,126,423,093	5.2%
LITP Enduser	\$2,084,000	0.0%	\$595,365,411	4.5%	\$341,225,570	11.0%	\$0	0.0%	\$938,674,981	4.3%
OTP Enduser	\$0	0.0%	\$803,671	0.0%	\$1,400,000	0.0%	\$0	0.0%	\$2,203,671	0.0%
Non-Distressed Area	\$1,399,330,781	26.3%	\$3,618,545,152	27.4%	\$248,862,355	8.0%	\$170,000	0.4%	\$5,266,908,288	24.3%
N/A	\$980,511	0.0%	\$7,560,691	0.1%	\$13,934,275	0.5%	\$0	0.0%	\$22,475,477	0.1%
Total	\$5,320,741,925	100.0%	\$13,188,059,071	100.0%	\$3,095,925,495	100.0%	\$46,154,445	100.0%	\$21,650,880,936	100.0%

Source: CDFI TLR, Consumer Loan Report (CLR), Census Tract 2010.

Note: **End users are third-party beneficiaries from CDFI loans and investments. They include OTP, LITP, and IA end users.** "N/A" means missing geographical information.

In FY 2018, approximately 75% of CDFI Program and NACA Program awardees' loans and investments were made in distressed areas (investment areas or IA) and to underserved Low-Income Targeted populations (LITP), with incomes below 80% of area income, and Other Targeted Populations (OTP), which exceed the CDFI Certification threshold of 60%. OTPs are historically underserved populations and include "African American's, Alaska Natives residing in Alaska, Hispanics, Native Americans, Native Hawaiians residing in Hawaii, and Other Pacific Islanders living in Other Pacific Islands"

CDFI Impact: Persistent Poverty Counties in FY 2018



	Bank (N=30)		Credit Union (N=52)		Loan Fund (N=216)		Venture Fund (N=5)		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Persistent Poverty County	\$1,628,184,642	30.6%	\$1,424,383,826	10.8%	\$343,716,645	11.1%	\$25,985,568	56.3%	\$3,422,270,681	15.8%
Non-persistent Poverty County	\$3,684,855,967	69.3%	\$11,753,793,987	89.1%	\$2,720,135,204	87.9%	\$20,168,876	43.7%	\$18,178,954,034	84.0%
N/A	\$7,701,314	0.1%	\$9,881,331	0.1%	\$32,073,636	1.0%	\$0	0.0%	\$49,656,281	0.2%
Total	\$5,320,741,923	100.0%	\$13,188,059,144	100.0%	\$3,095,925,485	100.0%	\$46,154,444	100.0%	\$21,650,880,996	100.0%

Source: CDFI TLR, Consumer Loan Report(CLR), ACS

Note: **Persistent poverty counties are defined as any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990, 2000, and the 5-year American Community Survey (2011-2015).** "N/A" means missing geographical information.

In FY 2018, CDFI Program and NACA Program awardees made approximately 16% of their loans and investments in persistent poverty counties, exceeding the share of the population living in persistent poverty counties (8%).

CDFI Impact: High Poverty Areas in FY 2018



	Bank (N=30)		Credit Union (N=52)		Loan Fund (N=216)		Venture Fund (N=5)		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
High Poverty Area	\$2,379,364,967	44.7%	\$3,430,217,812	26.0%	\$1,771,458,496	57.2%	\$37,224,664	80.7%	\$7,618,265,939	35.2%
Non-high Poverty Area	\$2,933,675,682	55.1%	\$9,747,959,796	73.9%	\$1,292,393,376	41.7%	\$8,929,780	19.3%	\$13,982,958,634	64.6%
N/A	\$7,701,314	0.1%	\$9,881,331	0.1%	\$32,073,636	1.0%	\$0	0.0%	\$49,656,281	0.2%
Total	\$5,320,741,963	100.0%	\$13,188,058,939	100.0%	\$3,095,925,508	100.0%	\$46,154,444	100.0%	\$21,650,880,854	100.0%

Source: CDFI TLR, Consumer Loan Report (CLR), ACS

Note: High-poverty areas are defined as any census tract with a poverty rate of at least 20 percent as measured by the 2011–2015 5-year data from the American Community Survey of the Bureau of the Census. “N/A” means missing geographical information.

In FY 2018, CDFI Program and NACA Program awardees made approximately 35% of their loans and investments in high poverty areas, exceeding the share of the population living in high poverty areas (29%).

CDFI Impact: Geography in FY 2018



	Bank (N=30)		Credit Union (N=52)		Loan Fund (N=216)		Venture Fund (N=5)		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Metropolitan Area	\$3,573,848,729	67.2%	\$11,757,234,960	89.2%	\$2,831,106,153	91.4%	\$6,090,752	13.2%	\$18,168,280,594	83.9%
Non-metropolitan Area	\$1,739,191,939	32.7%	\$1,420,942,881	10.8%	\$232,745,684	7.5%	\$40,063,692	86.8%	\$3,432,944,196	15.9%
N/A	\$7,701,314	0.1%	\$9,881,331	0.1%	\$32,073,636	1.0%	\$0	0.0%	\$49,656,281	0.2%
Total	\$5,320,741,982	100.0%	\$13,188,059,172	100.0%	\$3,095,925,473	100.0%	\$46,154,444	100.0%	\$21,650,881,071	100.0%

Source: CDFI TLR, Consumer Loan Report(CLR), Feb. 2013 OMB metro/non-metro designation,
<https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/bulletins/2013/b13-01.pdf>

Note: "N/A" means missing geographical information.

In FY 2018, CDFI Program and NACA Program awardees reported that approximately 16% of their loans and investments were in Non-Metropolitan areas. This share exceeded the percentage of the population living in Non-Metropolitan areas (14%).