



# CDFI Program and NACA Program Award Recipients A Snapshot of FY 2020 Reported Activities

---

June 2022

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

[www.cdfifund.gov](http://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) 2020 activities submitted in FY 2021 to the CDFI Fund.

- This analysis examines activities that occurred in FY 2020 and were reported in FY 2021 by the cohort of CDFI and NACA Program FA award recipients, as required under their Assistance Agreements 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



For lending and investment activities originated in FY 2020, CDFIs reported in FY 2021:

- Approximately 71% of their lending portfolio was targeted in distressed areas and to underserved populations, exceeding the CDFI Certification threshold requirement of 60%.
- Over 20% of lending was in Non-Metropolitan areas, exceeding the percentage of the population living in Non-Metropolitan areas (14%).
- Persistent Poverty Counties (PPCs) accounted for 17.5% 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 32.5% of all CDFI lending, exceeding the share of the population living in high poverty areas (29%).
- CDFIs provided loans at affordable interest rates, ranging on average, between 4% and 9%, depending on product type and low origination fees, ranging on average between 0.4% and 2.4% of the loan amounts.

# Reporting CDFIs by Institution Type: FY 2020



| Institution Type | CDFI       | Percent       |
|------------------|------------|---------------|
| Bank             | 44         | 10.8%         |
| Credit Union     | 95         | 23.4%         |
| Loan Fund        | 262        | 64.5%         |
| Venture Fund     | 5          | 1.2%          |
| <b>Total</b>     | <b>406</b> | <b>100.0%</b> |

Source: TLR and CLR

Note: The sample excludes 3 CDFI outliers.

This report includes all CDFI Program and NACA Program award recipients that were required and successfully submitted their FY 2020 CDFI TLR reports by 9/16/2021.

# Asset Size by Institution Type: FY 2020



| Institution Type | CDFI | Average       | Median        |
|------------------|------|---------------|---------------|
| Bank             | 44   | \$567,124,311 | \$309,468,553 |
| Credit Union     | 95   | \$533,935,515 | \$192,330,908 |
| Loan Fund        | 262  | \$53,252,451  | \$16,877,503  |
| Venture Fund     | 5    | \$28,062,183  | \$10,778,985  |

Source: FY 2020 ACR

In FY 2020, on average, regulated CDFIs were approximately 10 times larger than unregulated, non-depository CDFIs in terms of asset size.

# CDFI Loan Originations in FY 2020



|                               | Bank            |               | Credit Union    |               | Loan Fund       |               | Venture Fund    |               |
|-------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
|                               | Number of Loans | Percent       | Number of Loans | Percent       | Number of Loans | Percent       | Number of Loans | Percent       |
| Business and Micro            | 14,377          | 21.4%         | 5,027           | 0.8%          | 13,097          | 35.8%         | 154             | 57.7%         |
| Commercial Real Estate        | 3,764           | 5.6%          | 1,069           | 0.2%          | 515             | 1.4%          | 1               | 0.4%          |
| Consumer                      | 34,318          | 51.1%         | 576,717         | 90.8%         | 14,406          | 39.4%         | 3               | 1.1%          |
| Home Improvement and Purchase | 8,067           | 12.0%         | 50,304          | 7.9%          | 6,806           | 18.6%         | 0               | 0.0%          |
| Residential Real Estate       | 4,975           | 7.4%          | 607             | 0.1%          | 967             | 2.6%          | 5               | 1.9%          |
| Other                         | 1,692           | 2.5%          | 1,742           | 0.3%          | 778             | 2.1%          | 104             | 39.0%         |
| <b>Total</b>                  | <b>67,193</b>   | <b>100.0%</b> | <b>635,466</b>  | <b>100.0%</b> | <b>36,569</b>   | <b>100.0%</b> | <b>267</b>      | <b>100.0%</b> |

Source: TLR and CLR

Note: This analysis excludes the Paycheck Protection Program (PPP) loans.

In FY 2020, consumer lending was the major part of lending by banks and credit unions as measured by the number of loans. Loan funds provided both business and consumer loans at 36% and 39%, respectively. Venture funds mainly focused on business and other types of lending, which is mostly intermediary lending, at 58% and 39%.

# CDFI Loan Term (in years) in FY 2020



|                               | Bank            |         | Credit Union    |         | Loan Fund       |         | Venture Fund    |         |
|-------------------------------|-----------------|---------|-----------------|---------|-----------------|---------|-----------------|---------|
|                               | Number of Loans | Average | Number of Loans | Average | Number of Loans | Average | Number of Loans | Average |
| Business and Micro            | 10,611          | 4       | 3,620           | 7       | 12,083          | 4       | 134             | 7       |
| Commercial Real Estate        | 3,194           | 7       | 925             | 9       | 480             | 7       | 1               | 7       |
| Home Improvement and Purchase | 7,144           | 16      | 40,576          | 22      | 6,027           | 20      | 0               | 0       |
| Residential Real Estate       | 3,349           | 6       | 507             | 16      | 881             | 6       | 0               | 0       |
| Other                         | 1,307           | 5       | 1,255           | 19      | 750             | 5       | 75              | 5       |

Source: TLR

Note: This analysis excludes PPP loans and only includes term loans. This information was not collected for consumer loans from banks and credit unions.

In FY 2020, for all CDFIs, the terms for home improvement and purchase loans were between 16 to 22 years, and 4 to 16 years for business and other real estate loans.

# Interest Rates Charged by CDFIs in FY 2020



|                               | Bank            |         | Credit Union    |         | Loan Fund       |         | Venture Fund    |         |
|-------------------------------|-----------------|---------|-----------------|---------|-----------------|---------|-----------------|---------|
|                               | Number of Loans | Average | Number of Loans | Average | Number of Loans | Average | Number of Loans | Average |
| Business and Micro            | 10,594          | 5.91    | 3,427           | 4.61    | 9,967           | 8.70    | 99              | 5.97    |
| Commercial Real Estate        | 3,191           | 4.88    | 925             | 4.28    | 467             | 5.93    | 1               | 6.50    |
| Home Improvement and Purchase | 6,164           | 4.70    | 40,573          | 3.79    | 4,393           | 4.60    | 0               | 0.00    |
| Residential Real Estate       | 3,344           | 4.96    | 507             | 4.27    | 847             | 5.44    | 0               | 0.00    |
| Other                         | 1,302           | 4.92    | 1,255           | 3.56    | 728             | 2.62    | 64              | 1.16    |

Source: TLR

Note: This analysis excludes PPP loans and only includes term loans. This information was not collected for consumer loans from banks and credit unions

In FY 2020, for all CDFIs, interest rates were between 5% to 9% for business and micro loans, and 4% to 6% for home improvement and purchase and other real estate loans.



# Origination Fees Charged by CDFIs in FY 2020



|                               | Bank            |                        | Credit Union    |                        | Loan Fund       |                        | Venture Fund    |                        |
|-------------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|
|                               | Number of Loans | Percent of Loan Amount | Number of Loans | Percent of Loan Amount | Number of Loans | Percent of Loan Amount | Number of Loans | Percent of Loan Amount |
| Business and Micro            | 7,808           | 0.65%                  | 876             | 0.35%                  | 6,974           | 2.43%                  | 24              | 1.71%                  |
| Commercial Real Estate        | 2,372           | 0.47%                  | 69              | 0.49%                  | 388             | 1.16%                  | 1               | 1.00%                  |
| Home Improvement and Purchase | 4,541           | 0.92%                  | 10,999          | 0.84%                  | 3,227           | 1.81%                  | 0               | 0.00%                  |
| Residential Real Estate       | 2,418           | 0.48%                  | 49              | 0.66%                  | 742             | 1.12%                  | 0               | 0.00%                  |
| Other                         | 556             | 0.50%                  | 98              | 0.79%                  | 145             | 1.01%                  | 1               | 0.70%                  |

Source: TLR

Note: This analysis excludes PPP loans and only includes term loans. This information was not collected for consumer loans from banks and credit unions

In FY 2020, origination fees ranged between 0.4% and 2.4% of the loan amount for all CDFIs.

# CDFI Impact: Target Market in FY 2020



|                                       | Bank (N=44)            |               | Credit Union (N=95)     |               | Loan Fund (N=262)      |               | Venture Fund (N=5)  |               | Total                   |               |
|---------------------------------------|------------------------|---------------|-------------------------|---------------|------------------------|---------------|---------------------|---------------|-------------------------|---------------|
|                                       | Amount                 | Percent       | Amount                  | Percent       | Amount                 | Percent       | Amount              | Percent       | Amount                  | Percent       |
| Investment Area (IA)                  | \$5,117,769,494        | 56.0%         | \$6,221,002,402         | 35.3%         | \$2,209,954,212        | 67.0%         | \$82,629,487        | 93.0%         | \$13,631,355,595        | 45.2%         |
| Low-Income Targeted Population (LITP) | \$3,850,519            | 0.0%          | \$3,602,160,287         | 20.4%         | \$98,095,683           | 3.0%          | \$0                 | 0.0%          | \$3,704,106,489         | 12.3%         |
| Other Targeted Population (OTP)       | \$38,512,786           | 0.4%          | \$275,086,601           | 1.6%          | \$127,550,493          | 3.9%          | \$0                 | 0.0%          | \$441,149,880           | 1.5%          |
| IA Enduser                            | \$1,638,753,846        | 17.9%         | \$182,560,226           | 1.0%          | \$140,037,064          | 4.2%          | \$5,301,867         | 6.0%          | \$1,966,653,003         | 6.5%          |
| LITP Enduser                          | \$50,829,574           | 0.6%          | \$1,086,367,805         | 6.2%          | \$403,779,805          | 12.2%         | \$0                 | 0.0%          | \$1,540,977,184         | 5.1%          |
| OTP Enduser                           | \$0                    | 0.0%          | \$632,547               | 0.0%          | \$25,844,799           | 0.8%          | \$0                 | 0.0%          | \$26,477,346            | 0.1%          |
| Non-Distressed Area                   | \$2,280,410,374        | 25.0%         | \$6,246,729,868         | 35.5%         | \$291,655,976          | 8.8%          | \$880,000           | 1.0%          | \$8,819,676,218         | 29.3%         |
| N/A                                   | \$2,957,912            | 0.0%          | \$2,190,365             | 0.0%          | \$104,802              | 0.0%          | \$0                 | 0.0%          | \$5,253,079             | 0.0%          |
| <b>Total</b>                          | <b>\$9,133,084,505</b> | <b>100.0%</b> | <b>\$17,616,730,101</b> | <b>100.0%</b> | <b>\$3,297,022,834</b> | <b>100.0%</b> | <b>\$88,811,354</b> | <b>100.0%</b> | <b>\$30,135,648,794</b> | <b>100.0%</b> |

Source: TLR, CLR, Census Tract 2010.

Note: This analysis excludes PPP Loans. For Census tracts qualified as Investment Area (IA), consult the following table,

<https://www.cdfifund.gov/sites/cdfi/files/documents/cdfi-investment-areas-acs-2011-2015.xlsx>. Low-Income Targeted populations (LITP) is defined as borrowers having family incomes below 80% of area income. Other Targeted Populations (OTP) 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.” 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 2020, approximately 71% of CDFI Program and NACA Program award recipients’ loans and investments were made in distressed areas, comprising of investment areas (IA), or to underserved Low-Income Targeted populations (LITP), and Other Targeted Populations (OTP), which exceed the CDFI Certification threshold of 60%.

# CDFI Impact: Persistent Poverty Counties in FY 2020



|                               | Bank (N=44)            |               | Credit Union (N=95)     |               | Loan Fund (N=262)      |               | Venture Fund (N=5)  |               | Total                   |               |
|-------------------------------|------------------------|---------------|-------------------------|---------------|------------------------|---------------|---------------------|---------------|-------------------------|---------------|
|                               | Amount                 | Percent       | Amount                  | Percent       | Amount                 | Percent       | Amount              | Percent       | Amount                  | Percent       |
| Persistent Poverty County     | \$2,863,609,413        | 31.4%         | \$2,074,681,595         | 11.8%         | \$288,536,237          | 8.8%          | \$50,814,452        | 57.2%         | \$5,277,641,697         | 17.5%         |
| Non-Persistent Poverty County | \$6,265,954,567        | 68.6%         | \$15,536,399,583        | 88.2%         | \$3,004,404,111        | 91.1%         | \$37,996,903        | 42.8%         | \$24,844,755,164        | 82.4%         |
| N/A                           | \$3,520,393            | 0.0%          | \$5,648,779             | 0.0%          | \$4,082,468            | 0.1%          | \$0                 | 0.0%          | \$13,251,640            | 0.0%          |
| <b>Total</b>                  | <b>\$9,133,084,373</b> | <b>100.0%</b> | <b>\$17,616,729,957</b> | <b>100.0%</b> | <b>\$3,297,022,816</b> | <b>100.0%</b> | <b>\$88,811,355</b> | <b>100.0%</b> | <b>\$30,135,648,501</b> | <b>100.0%</b> |

Source: TLR, CLR, ACS (2011-2015)

Note: This analysis excludes PPP Loans. 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 2020, CDFI Program and NACA Program award recipients made approximately 17.5% 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 2020



|                       | Bank (N=44)            |               | Credit Union (N=95)     |               | Loan Fund (N=262)      |               | Venture Fund (N=5)  |               | Total                   |               |
|-----------------------|------------------------|---------------|-------------------------|---------------|------------------------|---------------|---------------------|---------------|-------------------------|---------------|
|                       | Amount                 | Percent       | Amount                  | Percent       | Amount                 | Percent       | Amount              | Percent       | Amount                  | Percent       |
| High Poverty Area     | \$4,007,884,810        | 43.9%         | \$3,970,198,099         | 22.5%         | \$1,727,414,111        | 52.4%         | \$79,329,723        | 89.3%         | \$9,784,826,743         | 32.5%         |
| Non-High Poverty Area | \$5,121,679,361        | 56.1%         | \$13,640,883,292        | 77.4%         | \$1,565,526,258        | 47.5%         | \$9,481,635         | 10.7%         | \$20,337,570,546        | 67.5%         |
| N/A                   | \$3,520,393            | 0.0%          | \$5,648,779             | 0.0%          | \$4,082,468            | 0.1%          | \$0                 | 0.0%          | \$13,251,640            | 0.0%          |
| <b>Total</b>          | <b>\$9,133,084,564</b> | <b>100.0%</b> | <b>\$17,616,730,170</b> | <b>100.0%</b> | <b>\$3,297,022,837</b> | <b>100.0%</b> | <b>\$88,811,358</b> | <b>100.0%</b> | <b>\$30,135,648,929</b> | <b>100.0%</b> |

Source: TLR, CLR, ACS (2011-2015)

Note: This analysis excludes PPP Loans. 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 2020, CDFI Program and NACA Program award recipients made approximately 32.5% 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 2020



|                       | Bank (N=44)            |               | Credit Union (N=95)     |               | Loan Fund (N=262)      |               | Venture Fund (N=5)  |               | Total                   |               |
|-----------------------|------------------------|---------------|-------------------------|---------------|------------------------|---------------|---------------------|---------------|-------------------------|---------------|
|                       | Amount                 | Percent       | Amount                  | Percent       | Amount                 | Percent       | Amount              | Percent       | Amount                  | Percent       |
| Metropolitan Area     | \$6,205,036,649        | 67.9%         | \$14,810,799,357        | 84.1%         | \$2,920,973,951        | 88.6%         | \$17,731,127        | 20.0%         | \$23,954,541,084        | 79.5%         |
| Non-Metropolitan Area | \$2,924,527,504        | 32.0%         | \$2,800,282,084         | 15.9%         | \$371,966,396          | 11.3%         | \$71,080,224        | 80.0%         | \$6,167,856,208         | 20.5%         |
| N/A                   | \$3,520,393            | 0.0%          | \$5,648,779             | 0.0%          | \$4,082,468            | 0.1%          | \$0                 | 0.0%          | \$13,251,640            | 0.0%          |
| <b>Total</b>          | <b>\$9,133,084,546</b> | <b>100.0%</b> | <b>\$17,616,730,220</b> | <b>100.0%</b> | <b>\$3,297,022,815</b> | <b>100.0%</b> | <b>\$88,811,351</b> | <b>100.0%</b> | <b>\$30,135,648,932</b> | <b>100.0%</b> |

Source: TLR, CLR, and OMB (2016)

Note: This analysis excludes PPP Loans. Metro/non-metro areas are derived from OMB metro/non-metro designation in April 2016, <https://www.whitehouse.gov/sites/default/files/omb/bulletins/2015/15-01.pdf>. "N/A" means missing geographical information.

In FY 2020, CDFI Program and NACA Program award recipients reported that approximately 20.5% of their loans and investments were in Non-Metropolitan areas. This share exceeded the percentage of the population living in Non-Metropolitan areas (14%).