



CDFI Program and NACA Program Financial Assistance Award Recipients A Snapshot of FY 2021 Reported Activities

July 2023

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

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Introduction to the Data



This summary snapshot report and accompanying data file is based on active Community Development Financial Institutions Program (CDFI Program) and Native CDFI Assistance Program (NACA Program) Financial Assistance (FA) Award Recipients' performance for their fiscal year (FY) 2021 activities submitted in FY 2022 to the Community Development Financial Institutions Fund (CDFI Fund).

- This analysis examines activities that occurred in FY 2021 and were reported in FY 2022 by the cohort of active CDFI Program and NACA Program FA Award Recipients (hereafter **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 Award Recipients through the Annual Compliance and Performance Report (ACPR) system. The analysis includes some consumer loans reported by Award Recipient banks and credit unions attributable to the CDFI Rapid Response Program (CDFI RRP).
- This analysis includes all lending activities, which were not all directly attributable to the Award Recipients' CDFI or NACA FA awards because the CDFI Program provides awards to support a Recipient's overall balance sheet.
- This analysis excludes Paycheck Protection Program (PPP) lending activities underwritten by the Award Recipients because these activities were not part of their regular lending activities.

Key Findings



For lending and investment activities originated in FY 2021, the Award Recipients reported the following in FY 2022:

- Approximately 67% 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%).
- Lending in Persistent Poverty Counties (PPCs) accounted for 16.5% of all 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).
- Lending in High-Poverty Areas (census tracts with poverty rates of at least 20%) accounted for 31.4% of all lending, exceeding the share of the population living in High-Poverty Areas (29%).
- Loans were provided at interest rates, ranging on average, between 4% and 7%, depending on product type with origination fees, ranging on average between 0.3% and 2.2% of the loan amounts.

Reporting Award Recipients by Institution Type: FY 2021



Institution Type	CDFI	Percent
Bank	43	10.6%
Credit Union	95	23.4%
Loan Fund	262	64.5%
Venture Fund	6	1.5%
Total	406	100.0%

Source: TLR and CLR

This analysis includes all Award Recipients that were required and successfully submitted their FY 2021 CDFI TLR reports by 9/9/2022.

Asset Size by Institution Type: FY 2021



Institution Type	CDFI	Average	Median
Bank	43	\$598,434,837	\$258,476,000
Credit Union	95	\$601,295,374	\$224,214,114
Loan Fund	262	\$59,963,728	\$20,581,075
Venture Fund	6	\$32,731,433	\$8,640,170

Source: FY 2021 ACR

In FY 2021, on average, regulated Award Recipients were approximately 10 times larger than unregulated, non-depository Award Recipients in terms of asset size.

Award Recipients: Loan Originations in FY 2021



	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	13,634	21.6%	6,129	0.7%	14,759	39.7%	262	70.8%
Commercial Real Estate	3,951	6.3%	1,163	0.1%	529	1.4%	2	0.5%
Consumer	30,491	48.4%	754,145	91.1%	13,410	36.1%	0	0.0%
Home Improvement and Purchase	8,384	13.3%	56,718	6.8%	6,225	16.8%	0	0.0%
Residential Real Estate	5,727	9.1%	601	0.1%	1,013	2.7%	23	6.2%
Other	874	1.4%	9,427	1.1%	1,211	3.3%	83	22.4%
Total	63,061	100.0%	828,183	100.0%	37,147	100.0%	370	100.0%

Source: TLR and CLR

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

In FY 2021, 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 40% and 36%, respectively. Venture funds mainly focused on business and other types of lending at 71% and 22%, respectively.

Award Recipients: Investee Types in FY 2021



	Bank		Credit Union		Loan Fund		Venture Fund	
	Number of Loans	Percent	Number of Loans	Percent	Number of Loans	Percent	Number of Loans	Percent
Individual	39,277	62.3%	820,288	99.0%	21,219	57.1%	56	15.1%
Business	23,779	37.7%	7,895	1.0%	15,780	42.5%	313	84.6%
CDFI	5	0.0%	0	0.0%	148	0.4%	1	0.3%
Total	63,061	100.0%	828,183	100.0%	37,147	100.0%	370	100.0%

Source: TLR and CLR

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

In FY 2021, banks and credit unions made most of their loans to individuals. Loan funds split between individuals and businesses at 57% and 43%, respectively. Venture funds mainly focused on businesses.

Award Recipients: Loan Term (in years) in FY 2021



	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	11,390	4	3,895	7	12,778	4	229	9
Commercial Real Estate	3,422	7	1,100	12	502	7	2	7
Home Improvement and Purchase	7,285	12	39,914	22	5,621	20	0	0
Residential Real Estate	4,012	5	578	16	931	6	1	30
Other	734	5	3,190	10	1,144	5	56	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 2021, for all Award Recipients, the average terms for home improvement and purchase loans were between 12 to 22 years, and 4 to 30 years for business and other real estate loans.

Interest Rates Charged by Award Recipients in FY 2021



	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	11,365	5.55	3,788	4.81	11,806	6.05	221	5.57
Commercial Real Estate	3,417	4.62	1,100	3.96	494	5.47	2	4.50
Home Improvement and Purchase	6,715	4.35	39,805	3.52	4,295	3.83	0	0.00
Residential Real Estate	4,009	4.27	579	3.70	883	5.05	1	6.50
Other	721	3.57	3,185	5.71	754	3.56	52	1.21

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 2021, for all Award Recipients, average interest rates were between 5% to 6% for business and micro loans, and 4% to 7% for home improvement and purchase and other real estate loans.

Origination Fees Charged by Award Recipients in FY 2021



	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	7,839	0.55%	66	1.68%	5,822	2.24%	26	0.45%
Commercial Real Estate	2,573	0.42%	17	0.65%	448	1.14%	2	0.60%
Home Improvement and Purchase	5,170	0.75%	5,800	0.88%	3,437	1.30%	0	0.00%
Residential Real Estate	2,598	0.39%	3	1.00%	784	1.04%	1	0.81%
Other	408	0.34%	519	0.63%	216	1.00%	0	0.00%

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 2021, origination fees, on average, ranged between 0.3% and 2.2% of the loan amount for all Award Recipients.

Award Recipients: Target Market in FY 2021



	Bank (N=43)		Credit Union (N=95)		Loan Fund (N=262)		Venture Fund (N=6)		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Investment Area (IA)	\$5,275,553,686	56.2%	\$7,806,696,403	34.6%	\$2,667,049,238	69.1%	\$143,035,850	91.1%	\$15,892,335,177	44.1%
Low-Income Targeted Population (LITP)	\$1,487,205	0.0%	\$5,464,490,046	24.2%	\$125,554,487	3.3%	\$0	0.0%	\$5,591,531,738	15.5%
Other Targeted Population (OTP)	\$37,070,999	0.4%	\$173,328,027	0.8%	\$159,411,296	4.1%	\$150,000	0.1%	\$369,960,322	1.0%
IA Enduser	\$1,377,516,481	14.7%	\$39,740,927	0.2%	\$180,030,976	4.7%	\$11,167,406	7.1%	\$1,608,455,790	4.5%
LITP Enduser	\$53,833,031	0.6%	\$279,463,186	1.2%	\$322,965,440	8.4%	\$0	0.0%	\$656,261,657	1.8%
OTP Enduser	\$0	0.0%	\$3,076,562	0.0%	\$4,086,282	0.1%	\$0	0.0%	\$7,162,844	0.0%
Non-Distressed Area	\$2,649,648,289	28.2%	\$8,822,877,580	39.1%	\$402,895,074	10.4%	\$2,721,833	1.7%	\$11,878,142,776	33.0%
N/A	\$0	0.0%	\$89,778	0.0%	\$9,986	0.0%	\$0	0.0%	\$99,764	0.0%
Total	\$9,395,109,691	100.0%	\$22,589,762,509	100.0%	\$3,862,002,779	100.0%	\$157,075,089	100.0%	\$36,003,950,068	100.0%

Source: TLR, CLR, Census Tract 2010.

Note: This analysis excludes PPP Loans. A loan could be qualified for more than one target market. However, it was only counted once starting from IA, so if a loan qualified as IA and OTP, then it appears in the table as IA only. If a loan is LITP and OTP, then it appears in the table as LITP only. "N/A" means missing geographical information.

In FY 2021, approximately 67% of Award Recipients' loans and investments were made in distressed areas, comprising of Investment Areas (IAs), or to underserved Low-Income Targeted populations (LITP), and Other Targeted Populations (OTP), which exceed the CDFI Certification threshold whereby at least 60% of a Certified CDFI's financial product originations in a fiscal year must take place in their approved Target Markets.

Award Recipients: Persistent Poverty Counties in FY 2021



	Persistent Poverty County		Non-Persistent Poverty County		N/A		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Bank (N=43)	\$2,982,555,349	31.7%	\$6,412,554,342	68.3%	\$0	0%	\$9,395,109,691	100%
Credit Union (N=95)	\$2,399,436,872	10.6%	\$20,190,235,860	89.4%	\$89,778	0.0%	\$22,589,762,510	100%
Loan Fund (N=262)	\$440,952,058	11.4%	\$3,421,040,735	88.6%	\$9,986	0.0%	\$3,862,002,779	100%
Venture Fund (N=6)	\$115,464,905	73.5%	\$41,610,184	26.5%	\$0	0%	\$157,075,089	100%
Total	\$5,938,409,184	16.5%	\$30,065,441,121	83.5%	\$99,764	0%	\$36,003,950,069	100%

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 2021, Award Recipients made approximately 16.5% of their loans and investments in Persistent Poverty Counties, exceeding the share of the population living in Persistent Poverty Counties (8%).

Award Recipients: High-Poverty Areas in FY 2021



	High Poverty Area		Non-High Poverty Area		N/A		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Bank (N=43)	\$4,134,613,190	44.0%	\$5,260,496,501	56.0%	\$0	0%	\$9,395,109,691	100%
Credit Union (N=95)	\$4,924,570,206	21.8%	\$17,665,102,526	78.2%	\$89,778	0.0%	\$22,589,762,510	100%
Loan Fund (N=262)	\$2,101,395,748	54.4%	\$1,760,597,045	45.6%	\$9,986	0.0%	\$3,862,002,779	100%
Venture Fund (N=6)	\$127,922,640	81.4%	\$29,152,449	18.6%	\$0	0%	\$157,075,089	100%
Total	\$11,288,501,784	31.4%	\$24,715,348,521	68.6%	\$99,764	0%	\$36,003,950,069	100%

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 2021, Award Recipients made approximately 31.4% of their loans and investments in High-Poverty Areas, exceeding the share of the population living in High-Poverty Areas (29%).

Award Recipients: Geography in FY 2021



	Metropolitan Area		Non-Metropolitan Area		N/A		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Bank (N=43)	\$6,094,045,636	64.9%	\$3,301,064,055	35.1%	\$0	0%	\$9,395,109,691	100%
Credit Union (N=95)	\$18,587,511,772	82.3%	\$4,002,160,960	17.7%	\$89,778	0.0%	\$22,589,762,510	100%
Loan Fund (N=262)	\$3,434,616,101	88.9%	\$427,376,692	11.1%	\$9,986	0.0%	\$3,862,002,779	100%
Venture Fund (N=6)	\$15,836,447	10.1%	\$141,238,642	89.9%	\$0	0%	\$157,075,089	100%
Total	\$28,132,009,956	78.1%	\$7,871,840,349	21.9%	\$99,764	0%	\$36,003,950,069	100%

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 2021, Award Recipients reported that approximately 21.9% of their loans and investments were in Non-Metropolitan areas. This share exceeded the percentage of the population living in Non-Metropolitan areas (14%).

Key Definitions



- 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.xlsb>.
- 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 Americans, Alaska Natives residing in Alaska, Hispanics, Native Americans with maintained tribal affiliation or community connection, Native Hawaiians residing in Hawaii, and Other Pacific Islanders living in Other Pacific Islands.”
- End users are third-party beneficiaries from Award Recipient’s loans and investments. They include OTP, LITP, and IA end users.
- Persistent Poverty Counties 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 are defined as any census tract with a poverty rate of at least 20% as measured by the 2011–2015 5-year data from the American Community Survey of the Bureau of the Census.