COMMUNITY DEVELOPMENT
FINANCIAL INSTITUTIONS FUND

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CDFI Snapshot Analysis: Fiscal Year 2012

Prepared by

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CDFI Fund

April 2014

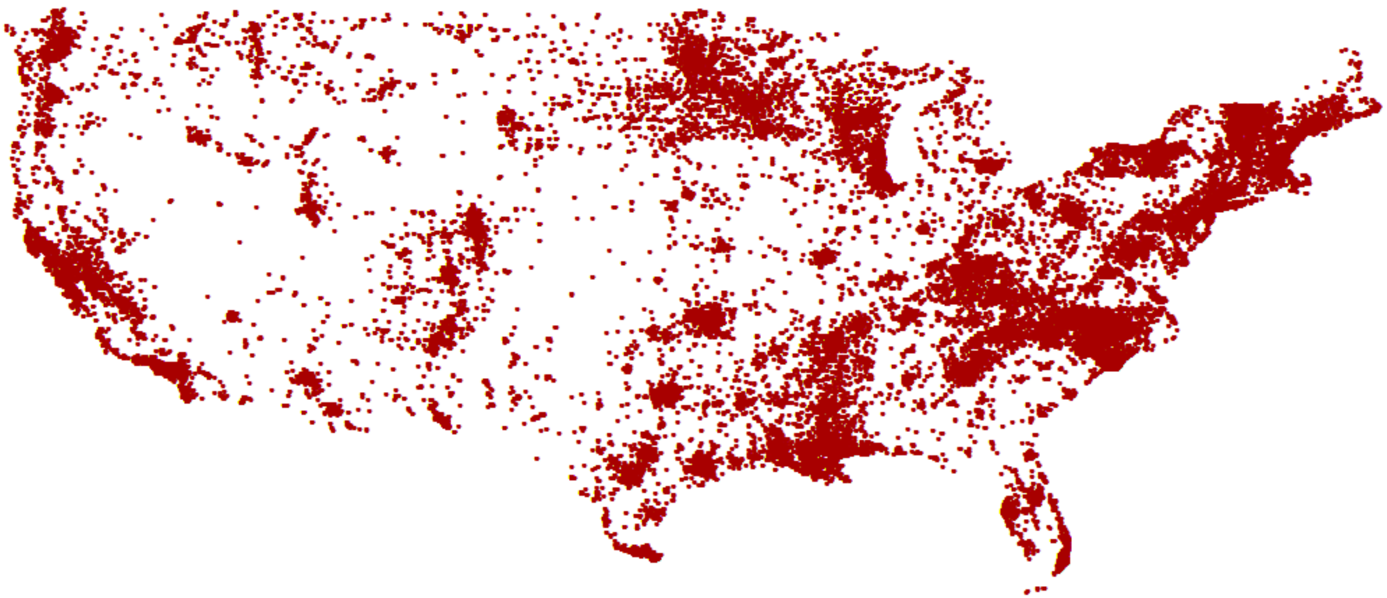
Introduction

Summary data from CDFIs' FY 2012 CIIS Reports:

- 350 CDFIs out of 808 certified CDFIs reported through the CDFI Fund's Community Investment Impact System (CIIS) as of 12/15/2013:
  - 306 CDFI awardee reports and 44 voluntary reports by non-awardees.
  - Includes non-duplicative results reported in Institution Level Report (ILR) and/or Transaction Level Report (TLR).
  - CDFI Fund's FY 2013 Agency Financial Report tabulates results only for the 306 awardees.
- Data is self-reported and published data is based on validation reporting rules and cleansing protocols.
- This Snapshot report is prepared to accompany the data release for cleaned historical ILR and TLR.
- Due to the small number of banks and venture funds in the sample, we only compared credit unions (regulated entities) against loan funds (unregulated entities) in some financial indicators.

CDFIs and Community Impact – CDFI Activities from 2003 to 2012

CDFI Activities Reported from 2003 to 2012



All CDFI loans/investments reported in CIIS from FY2003 to FY2012

Source: CIIS-TLR. Please note that the map shows only the lower 48 states to illustrate loan volume and how it outlines the nation's geography. Alaska, Hawaii and Puerto Rico data are included in the summary tables below.

CDFIs and Community Impact by Metropolitan Area from 2003 to 2012

Metro/Non-metro	Amount	Percent	Number	Percent
Metropolitan Statistical Area	$15,558,734,402	80.7%	234,632	74.5%
Non-metropolitan Statistical Area*	$3,695,962,337	19.2%*	79,868	25.4%
N/A	$31,720,399	0.2%	412	0.1%
Total	$19,286,417,138	100.0%	314,912	100.0%

Source: CIIS-TLR, Feb 2013 OMB metro/non-metro designation
Note: Non-metropolitan Statistical Area includes Micropolitan and rural non-designated areas.

*Note: 19.2 percent of CDFI transactions were made in non-metropolitan areas. This is higher than the percentage of the national population living in non-metropolitan areas which was 17.3 percent in 2003 and 16 percent in 2010.

CDFIs Impact by Investment Area Qualification and Target Markets: FY2003 to FY2012

Investment Area	Amount	Percent	Number	Percent
Qualified Tract	$11,830,029,906	61.3%	181,041	57.5%
Other Target Population	$601,155,784	3.1%	19,174	6.1%
Other End-Users	$1,882,351,483	9.8%	15,861	5.0%
Non-Qualified Tract*	$4,946,385,043	25.6%	98,544	31.3%
N/A	$26,494,922	0.1%	292	0.1%
Total	$19,286,417,138	100.0%	314,912	100.0%

Source: CIIS-TLR, Census Tract 2000
Note: Other end users include OTP, LITP, and other end users

*Note: Certified CDFIs are required to invest no less than 60% of their portfolio in their approved Target Markets. Reporting CDFIs exceeded this requirement and made more than 74% of their loans/investments in qualified tracts, low-income target markets and other targeted populations, and the remaining 26% of loans to other areas allows CDFIs to balance their portfolios.

CDFIs by Institution Type: 2012

Institution Type	CDFI	Percent
Banks	7	2.0%
Credit Unions	42	12.0%
Loan Funds	296	84.6%
Venture Funds	5	1.4%
Total	350	100.0%

Source: CIIS-ILR
Note: Excludes 8 bank holding companies

Loan funds made up the largest share by institution type at 84.6%.

CDFIs Development Services: 2012

Development Service	CDFI	Total	Percent
Affordable Housing	195	350	55.7%
Economic Development	243	350	69.4%
Consumer Development	209	350	59.7%

Source: CIIS-ILR: Multiple responses are possible.

CDFIs and Total Assets: 2012

Institution Type	N	Average	Median
Banks	7	$145,434,143	$103,510,000
Credit Unions	42	$112,844,859	$35,724,615
Loan Funds	279	$28,439,389	$8,303,263
Venture Funds	5	$22,305,214	$9,150,861

Source: CIIS-ILR

The difference between average and median assets highlights that there were a few very large CDFI loan funds and credit unions. The few larger institutions increase the average value. The median value is generally a better measure of the central tendency for each type.

CDFI Portfolio Outstanding and Institution Type: 2012

Institution Type	N	Amount	Percent	Amount per CDFI	Number of Loans	Percent	No. of Loans per CDFI	Amount per loan
Banks	7	$851,125,976	7.4%	$121,589,425	4,585	1.4%	655	$185,633
Credit Unions	41	$3,649,484,509	31.5%	$89,011,817	225,781	71.3%	5,507	$16,164
Loan Funds	253	$6,913,622,400	59.7%	$27,326,571	85,872	27.1%	339	$80,511
Venture Funds	5	$163,011,776	1.4%	$32,602,355	577	0.2%	115	$282,516
Total	306	$11,577,244,647	100.0%	$37,834,133	316,815	100.0%	1,035	$36,543

Source: CIIS-ILR and CIIS-TLR

- Loan funds made up the largest share of the portfolio amount at 59.7 percent while credit unions made up the largest share of the portfolio's number of loans at 71.3 percent.
- On average, a credit union portfolio consisted of a very large number of small loans in FY2012.

CDFI Portfolio Outstanding and Loan Purposes: 2012

Loan Purpose	N	Amount	Percent	Number of Loans	Percent	Amount per loan
Business and Micro	202	$2,471,480,907	21.3%	48,551	15.3%	$50,905
Commercial Real Estate	85	$1,397,842,608	12.1%	1,813	0.6%	$771,011
Consumer	83	$1,365,901,197	11.8%	210,699	66.5%	$6,483
Home Improvement and Purchase	107	$2,199,036,828	19.0%	45,036	14.2%	$48,828
Residential Real Estate	105	$2,843,940,621	24.6%	4,739	1.5%	$600,114
Other	112	$1,299,042,486	11.2%	5,977	1.9%	$217,340
Total		$11,577,244,647	100.0%	316,815	100.0%	$36,543

Source: CIIS-ILR and CIIS-TLR

- Residential real estate loans made up the largest share at 24.6 percent.
- Consumer loans made up the largest share at 66.5 percent.
- On average, consumer loans were the smallest.

CDFI Capital and Institution Type: 2012

Institution Type	N	Debt Amount	Percent	Equity Amount	Percent
Banks	6	$594,691,776	89.4%	$70,144,072	10.6%
Credit Unions	40	$3,355,894,241	90.9%	$336,539,894	9.1%
Loan Funds	256	$4,161,316,655	66.3%	$2,113,623,042	33.7%
Venture Funds	5	$47,726,794	43.5%	$61,908,730	56.5%
Total	307	$8,159,629,466	76.0%	$2,582,215,738	24.0%

Source: CIIS-ILR

In FY2012, the capital of banks and credit unions was mostly in the form of debt while the capital of loan funds and venture fund reflect a higher share of equity.

CDFI Sources of Capital and Institution Type: 2012

Capital Source	Banks			Credit Unions			Loan Funds			Venture Funds		
	N	Amount	Percent	N	Amount	Percent	N	Amount	Percent	N	Amount	Percent
Depository Institutions	3	$92,485,000	13.9%	55	$398,883,828	10.8%	808	$2,194,243,052	35.0%	7	$17,612,519	16.1%
Corporation	0	$0	0.0%	24	$167,453,874	4.5%	221	$529,011,818	8.4%	2	$2,238,207	2.0%
CDFI Intermediaries	0	$0	0.0%	17	$18,104,245	0.5%	64	$62,594,268	1.0%	0	$0	0.0%
Non-Depository Financial Institutions	0	$0	0.0%	1	$10,000	0.0%	50	$337,802,442	5.4%	0	$0	0.0%
All Other Corporations	0	$0	0.0%	6	$149,339,629	4.0%	107	$128,615,108	2.0%	2	$2,238,207	2.0%
Government	1	$1,500,000	0.2%	22	$58,154,184	1.6%	810	$1,048,133,486	16.7%	21	$11,940,926	10.9%
CDFI Fund	1	$1,500,000	0.2%	12	$20,599,698	0.6%	192	$259,677,962	4.1%	1	$1,500,000	1.4%
Other Federal	0	$0	0.0%	7	$12,955,746	0.4%	432	$472,300,037	7.5%	18	$9,694,155	8.8%
State and Local	0	$0	0.0%	3	$24,598,740	0.7%	186	$316,155,487	5.0%	2	$746,771	0.7%
Government Sponsored Entity (GSE)	0	$0	0.0%	2	$6,800,000	0.2%	15	$37,921,446	0.6%	1	$6,326,786	5.8%
Individuals	5	$255,622,184	38.4%	47	$2,116,220,904	57.3%	191	$314,696,818	5.0%	1	$45,196	0.0%
Philanthropy	0	$0	0.0%	13	$3,279,068	0.1%	482	$640,955,576	10.2%	3	$7,672,070	7.0%
Non-Religious Institution	0	$0	0.0%	11	$3,004,068	0.1%	326	$544,765,641	8.7%	3	$7,672,070	7.0%
Religious Institution	0	$0	0.0%	2	$275,000	0.0%	156	$96,189,935	1.5%	0	$0	0.0%
Internal Funds	5	$23,526,000	3.5%	23	$325,079,983	8.8%	117	$1,099,634,929	17.5%	3	$61,261,959	55.9%
Other	2	$291,702,664	43.9%	9	$616,562,294	16.7%	144	$410,342,572	6.5%	5	$2,537,861	2.3%
Total	16	$664,835,848	100.0%	195	$3,692,434,135	100.0%	2788	$6,274,939,697	100.0%	43	$109,635,524	100.0%

Source: CIIS-ILR
Note: "Other" category made up the largest share of capital for banks.

- Banks and credit unions' capital was mostly from individual deposits.
- Loan funds received their capital mostly from depository institutions while venture funds' capital came from internal funds (equity).

Financials: 2012 Self-Sufficiency

Institution Type	N	Earned Revenue	Total Expenses	Percent
Banks	7	$59,231,651	$64,579,000	91.7%
Credit Unions	42	$298,547,351	$269,717,103	110.7%
Loan Funds	276	$610,778,159	$940,191,574	65.0%
Venture Funds	5	$14,132,109	$13,256,850	106.6%

Source: CIIS-ILR

Self-sufficiency measures the extent to which an organization is covering its operating expenses through earned income rather than through grants or other contributions (see slide 13 above).

Financials: 2012 Portfolio At Risk

Institution Type	N	Portfolio at Risk	Portfolio	Percent
Banks	7	$31,550,856	$851,125,976	3.7%
Credit Unions	41	$119,655,983	$3,649,484,509	3.3%
Loan Funds	25 2	$183,842,485	$6,912,508,200	2.7%
Venture Funds	5	$4,538,790	$163,011,776	2.8%

Source: CIIS-ILR and CIIS-TLR

Portfolio-at-risk is defined as the amount of loan in a portfolio that is 60 days or more past due at the reporting period end for credit unions and 90 days for other institutions.

Financials: 2012 Loan Loss

Institution Type	N	Charged-Off	Portfolio	Percent
Banks	7	$16,363,097	$851,125,976	1.9%
Credit Unions	41	$24,810,803	$3,649,484,509	0.7%
Loan Funds	253	$67,107,406	$6,913,677,903	1.0%
Venture Funds	5	$1,230,125	$163,011,776	0.8%

Source: CIIS-ILR and CIIS-TLR

These loan loss rates compare favorably with mainstream financial institutions: <http://www.federalreserve.gov/releases/chargeoff/chgallsa.htm>

Financials: 2012 Leverage

Institution Type	N	Total Liability	Total Equity	Ratio
Banks	7	$863,377,070	$99,647,000	8.7
Credit Unions	42	$4,376,091,899	$521,836,744	8.4
Loan Funds	274	$4,594,931,209	$3,347,281,026	1.4
Venture Funds	5	$34,776,410	$76,749,661	0.5

Source: CIIS-ILR

The Leverage ratio is measured by the total notes payable divided by the net assets. For loan funds the leverage ratio is higher for larger institutions which can add more debt to their balance sheets. For more detail see the Carsey Institute report (pages 7-8): <http://www.cdfifund.gov/docs/CBI/2012/Carsey%20Report%20PR%20042512.pdf >