

# CDFI Banking Industry Annual Report

2014 FINANCIAL AND SOCIAL PERFORMANCE

**NCIF**<sup>SM</sup> NATIONAL  
COMMUNITY  
INVESTMENT  
FUND

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## PREFACE

At NCIF, we focus our research and investments on CDFI banks and mission-oriented financial institutions. We believe these banks are truly unique: anchor institutions with historic track records, driven by mission but made sustainable by profit. Because of their ability to leverage equity for lending, these institutions are able to multiply the impact per dollar invested eight to ten times. NCIF hopes to see an evolution toward a new model of mission-oriented banking based on collaboration and adaptability; one that uses technology and new models for partnership to increase scale, reduce costs, and reach a broader cross-section of customers. We bring our banking partners together in the NCIF Network, offering access to capital, visibility, innovative business opportunities, and impact measurement.

Before you continue into the content of the report, I want to draw your attention to several key trends in the CDFI industry that were important in 2014 and will continue to be in 2015 and beyond:

- First, the number of CDFI-certified banks grew substantially — from 75 at the end of 2013 to 109 at the end of 2014. These new institutions increase the size of the industry and add to longer term trends towards financial recovery. We've found that the CDFI bank peer group overall improved in terms of Return on Average Assets, Return on Average Equity, Net Interest Margin, and other indicators in part because of the improvements made by the previously certified set of banks and by the addition of the new banks. Important to note, the addition of these new banks has not lowered the high social performance we've come to expect from CDFI banks. We look forward to seeing how the CDFI banking industry continues to grow.
- Second, with increases in technological applications within the banking sector overall, CDFI banks are presented with opportunities to evolve, but are also presented with the challenge of staying relevant in the face of new competitive opportunities. At NCIF, we continue to monitor new technologies to see how they may be useful to and become adopted by the CDFI banks.
- Third, while much of the economy improves, many of the CDFI banks could benefit from additional investment — particularly as TARP funding comes due. We encourage all of our readers and those connected to the NCIF Network to realize the great potential of mission-oriented banks. Investment opportunities in partnership with NCIF deliver social, environmental, and financial returns through institutions that are deeply tied to local communities across the U.S.

CDFI banks have proven their strong dedication to mission and ability to deliver to their communities a triple bottom line of financial, social, and oftentimes environmental sustainability. The industry's return to financial stability demonstrates the resilience and necessity of these institutions and presents a hopeful view for their future. However, as mission-oriented banks, CDFIs play a unique balancing act between fulfilling their mission and maintaining profits. In order for this unique class of banks to survive and flourish, they must gain support and resources from regulatory agencies, investors, and the wider community development sector.

This year's Annual Report demonstrates good health and sustainability for mission-oriented financial institutions of this kind. Building on the momentum we see in CDFI banks' upward social and financial trends will require ongoing hard work and innovation on the part of bank leadership as well as investors, regulators, and partners. We look forward to continued coverage, continued health, and effective missions.

Sincerely,



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## I. THE YEAR IN RETROSPECT

Performance data from 2014 underscores the CDFI banks' effectiveness in the communities they serve, providing well-tailored financial products to low- and middle-income communities and generating social impacts while also offering strong financial performance.

2014 saw dramatic changes in the composition of the CDFI banking industry. There was one failure in 2014 (AztecAmerica Bank of Chicago, IL), and five banks certified at year-end 2013 continue to operate but are no longer certified. Most importantly, 35 new banks have been certified, bringing the total number of banks from 75 at year-end 2013 up to 109 at year-end 2014.

We are happy to report that the industry continues to improve following the economic downturn. As of year-end 2014, 88 banks reported a positive net income and 37 reported ROAAs above 1%. CDFI banks reached financial stability unseen in recent years, strengthening their capital ratios and recovering the health of their balance sheets. Asset quality continues to improve among CDFI banks, reducing portfolio risk and paving the way for additional profitability within the CDFI banking industry.

As the industry continues to grow and evolve, NCIF applauds banks that have pioneered new business practices and product lines, adopted financial technologies, explored additional delivery channels targeted to reach unbanked populations, and created collaborative partnerships to share best practices. In addition to generating revenue, these innovative activities are helping banks reach and serve community members often left behind by traditional finance.

CDFI banks demonstrate a strong commitment to fulfilling their mission and paving a way for financial security where it is needed most. As of year-end 2014, CDFI banks locate twice as many of their branches in distressed communities as compared to peers (U.S. banks with under \$2 billion in assets). They provide more than twice their home mortgage lending to distressed communities as the banking industry as a whole. These numbers demonstrate CDFI banks' commitment to the low- and moderate-income communities where they operate.

*In a year of dramatic change in the CDFI banking industry, the banks continue to create strong social impacts as well as financial performance.*

Development Lending Intensity

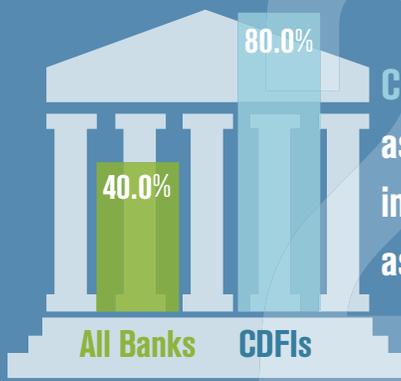
CDFI Banks provide over **2** times the home mortgage lending to distressed communities as other banks.



All information is approximated by NCF, and is subject to change.

Development Deposit Intensity

CDFI Banks locate twice as many of their branches in distressed communities as other banks.



All information is approximated by NCF, and is subject to change.

109

Certified CDFI banks

\$185.9  
MILLION

Loans outstanding by the average CDFI bank

\$21.3  
MILLION

Net income earned by the largest CDFI bank

88

CDFI banks reported positive ROAA

80.0%

Median DDI (% branches located in distressed areas)

\$31.8  
BILLION

Assets held by the CDFI banking industry

86 bps

Decrease in Net Charge-Offs Ratio since 2009 peak

10.4%

Median Tier 1 Leverage Ratio

56.6%

Median DLI-HMDA (% home loans made in distressed areas)

## II. IMPACT STORY: HELPING SMALL BUSINESSES THRIVE



The Business Outreach Center (BOC) Network is a micro-enterprise and small business development organization located in New York City. It is a certified CDFI, with over a decade-long record of delivering customized business services to underserved entrepreneurs. BOC also has capacity-building services for organizations establishing and operating community and micro-enterprise development programs.

Spring Bank was founded in the South Bronx in 2007 — the first new bank established in the area in 25 years. The bank opened its second branch in Harlem in 2012. Spring Bank received CDFI certification in 2013, and the bank's holding company was CDFI certified in April 2014. The bank's mission is to serve the banking needs of underserved and low- to moderate-income communities in New York City, creating a franchise that is recognized for community development, community service, effective and affordable products, and ethical conduct.

Apart from traditional small business and commercial loans, the bank offers innovative, responsibly-priced consumer loans to help customers build credit, cover short-term needs, or start small enterprises. The bank's strong network of community-based referral partners – and its investment in digital technology — allow it to serve a customer base beyond its branch footprint.

Spring Bank and the BOC have a long-term, mutually beneficial relationship that allows them to greatly impact underserved communities where they have interest. Together they work to create improved economic prospects for underserved groups in New York City. As part of this relationship, Spring Bank staff volunteer on BOC's credit committee, providing expertise in small business credit analysis to support responsible micro and small business lending. BOC's executive director serves on Spring Bank's community advisory board, providing insight into product design and ensuring the bank remains responsive to the evolving needs of its community. Spring Bank supports BOC's Asylee and Refugee Individual Development Accounts, important tools for this group to stabilize and improve their lives as entrepreneurs.

In 2014, BOC had the opportunity to take over the struggling Bronx Business Incubator, a small business support organization with a similar mission. BOC turned to Spring Bank to secure a letter of credit to obtain the lease. This ensured that the incubator would continue its important operations under new management and with improved services.

With Spring Bank's support, BOC has since stabilized the space and supported dozens of small businesses through its incubator services, community events, and increased funding opportunities. One example, the Knowledge House, helps prepare young people to not only thrive in the tech-driven economy, but to innovate and problem-solve, serving as leaders in their community. The Knowledge House connects urban professionals and young adults from underprivileged backgrounds to help teach and inspire these young leaders ([www.theknowledgehouse.org](http://www.theknowledgehouse.org)).

Because of its flexibility as a CDFI with strong community ties, Spring Bank has been able to establish a multi-faceted relationship with BOC and other community partners to work together towards the important goals of small business development and improving economic prospects in some of the lowest income communities in New York City.

### III. FINANCIAL PERFORMANCE

As a peer group in 2014, CDFI banks show improvement across their balance sheets and income statements as well as performance and condition ratios. Additionally, the peer group has demonstrated gains in comparison to all U.S. banks. For example, the peer group's median return on average assets at year-end 2014 was 0.73% compared to the median for all U.S. banks at 0.85%. This represents a much smaller gap than at year-end 2013. Similarly, the gap between CDFI banks and all banks was improved in other measures such as Efficiency Ratio, Tier 1 Leverage Ratio, and others.

Data from the past five years show that the institutions in the CDFI banking industry have been recovering and growing. Total assets for the industry are now \$31.8 billion, reaching a 5-year CAGR of 4.25%. With the CDFI banking industry growing 45% — from 75 banks in 2013 to 109 in 2014 — the individual institutions, though greater in number, have maintained their size. Among 69 institutions that were certified through both 2013 and 2014, average assets per bank rose from \$326.7 million to \$335.3 million; average loans, deposits, and equity increased, as well.

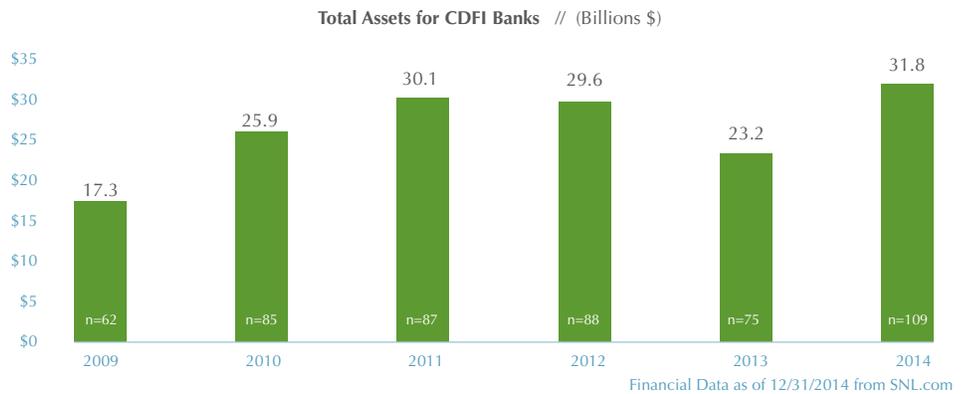
For a complete list of CDFI banks and their individual financial statistics, please refer to Appendix B.

Following are trends in statistics on:

1. Total Assets
2. Total Loans
3. Total Deposits
4. Total Equity
5. Net Income
6. Net Interest Margin
7. Return on Average Assets
8. Return on Average Equity
9. Efficiency Ratio
10. Tier 1 Leverage Ratio
11. Noncurrent Loans to Total Loans Ratio
12. Net Charge-Offs to Average Loans Ratio
13. Loan Loss Reserves to Total Loans Ratio

**1. Total Assets**

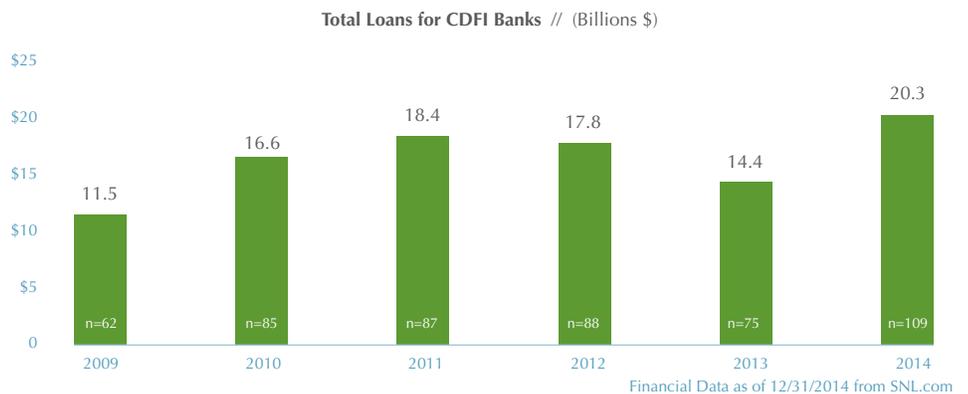
Total assets in the CDFI banking industry hit a new high in 2014, up 37% from year-end 2013. This corresponds to the CDFI banking industry reaching its largest size ever, in terms of number of CDFI banks as well as total asset value.



Total Assets: \$31.8B  
 Median Assets: \$209.2M  
 Average Assets: \$292.1M  
 Highest Assets: \$2.4B  
 Lowest Assets: \$14.6M  
 5-year CAGR: 4.25%  
 Median Assets for all U.S. Banks: \$178.9M

**2. Total Loans**

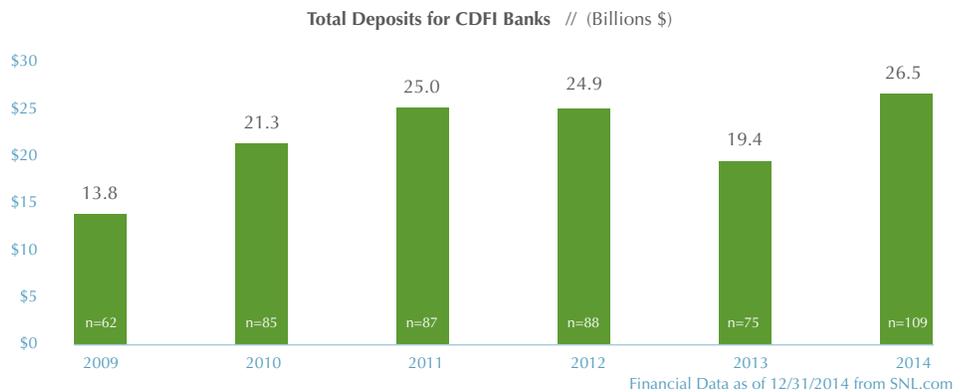
Total loans increased due to the growth in the number of certified banks. Lending volumes increased slightly for the peer group. For the 69 banks certified in 2013 that remained certified by year-end 2014, average loan volume increased from \$203.2M to \$215.5M.



Total Loans: \$20.3B  
 Median Loans: \$134.2M  
 Average Loans: \$185.9M  
 Largest Loan Portfolio: \$1.3B  
 Smallest Loan Portfolio: \$2.6M  
 5-year CAGR: 4.03%  
 Median Loans for U.S. Banks: \$110.3M

**3. Total Deposits**

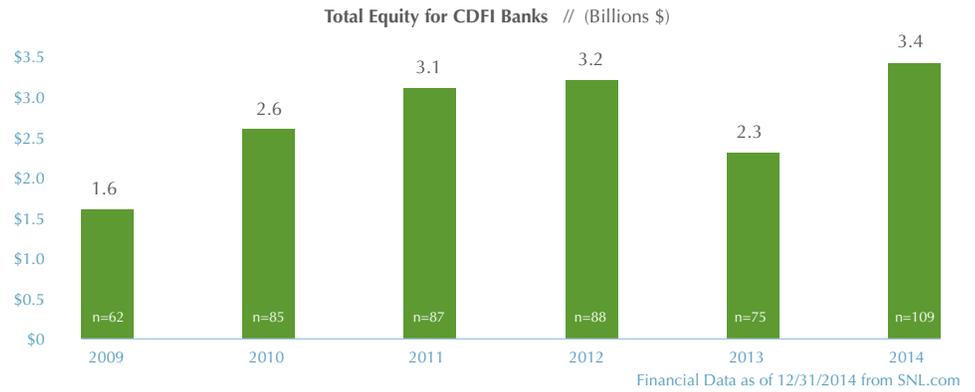
The median CDFI bank holds more in deposits than the median U.S. bank overall.



Total Deposits: \$26.5B  
 Median Deposits: \$176.2M  
 Average Deposits: \$242.8M  
 Largest Deposits Portfolio: \$1.9B  
 Smallest Deposits Portfolio: \$10.8M  
 5-year CAGR: 4.45%  
 Median Deposits for all U.S. Banks: \$149.2M

#### 4. Total Equity

CDFI banks were well capitalized at year-end 2014, seeing a five-year peak in total equity. Among the banks certified in both 2013 and 2014, median equity increased from \$19.0M to \$21.0M.



Total Equity: \$3.4B

Median Equity: \$20.8M

Average Equity: \$31.0M

Median Equity for all U.S. Banks: \$19.9M

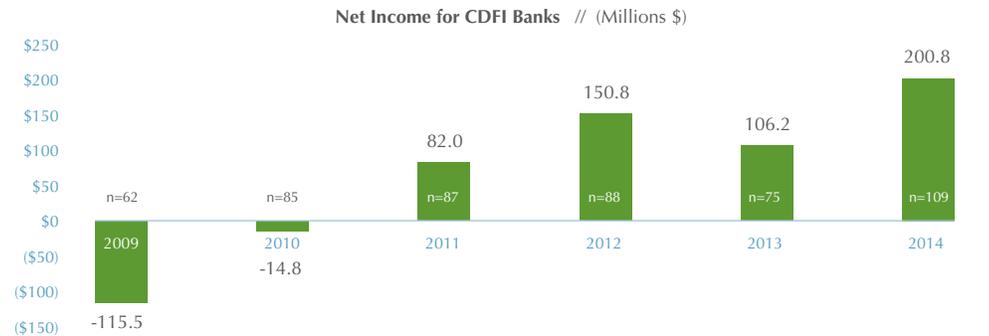
Highest Equity: \$237.6M

Lowest Equity: \$1.8M

5-year CAGR: 5.74%

#### 5. Net Income

The CDFI banking industry was profitable in 2014, earning a total of \$200.8M. Twenty-one of the individual institutions reported losses, a decrease from 23 in 2013.



Total Net Income: \$200.8M

Median Net Income: \$1.5M

Average Net Income: \$1.8M

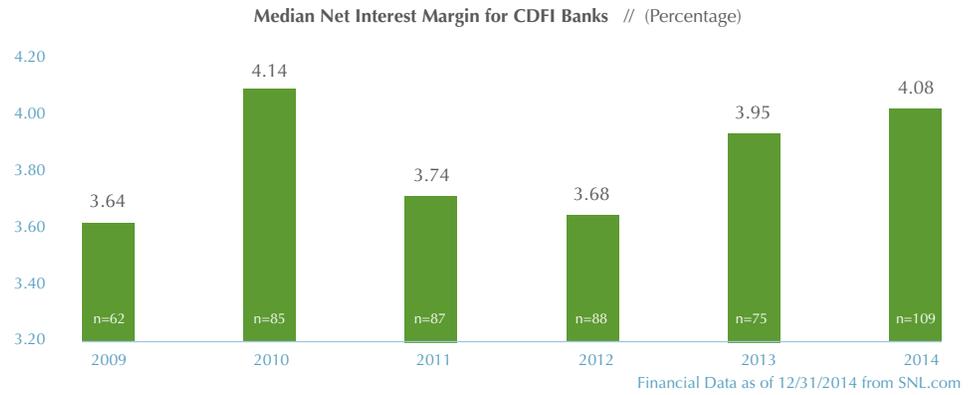
Highest Net Income: \$21.4M

Lowest Net Income: -\$39.1M

Median Net Income for all U.S. Banks: \$1.5M

### 6. Net Interest Margin

*The median Net Interest Margin rose 13 basis points in 2014.*



Median NIM: 4.08%

Highest NIM: 12.81%

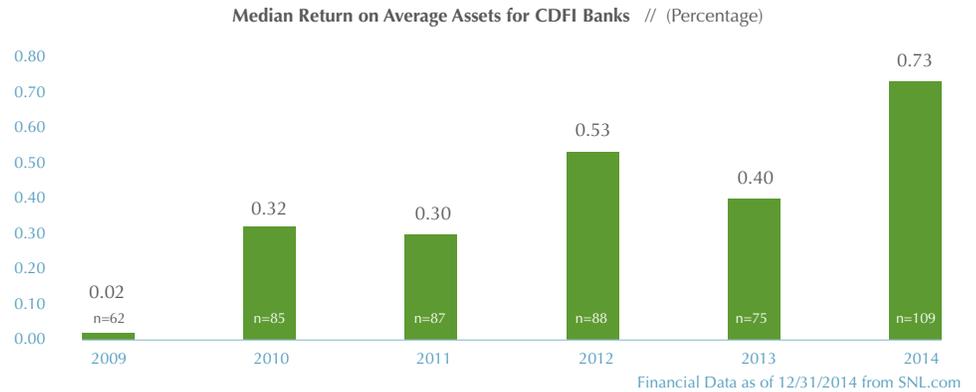
Average NIM: 4.15%

Lowest NIM: 2.03%

Median NIM for all U.S. Banks: 3.61%

### 7. Return on Average Assets

*88 CDFI banks reported a positive ROAA at year-end 2013. 37 of the banks had an ROAA of above 1%.*



Median ROAA: 0.73%

Highest ROAA: 6.46%

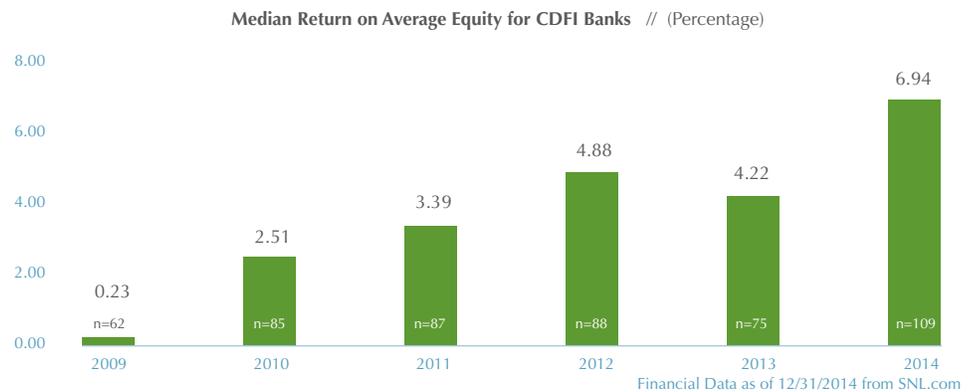
Average ROAA: 0.60%

Lowest ROAA: -4.40%

Median ROAA for all U.S. Banks: 0.85%

### 8. Return on Average Equity

*CDFI banks have seen substantial improvement in ROAE in the past five years.*



Median ROAE: 6.94%

Highest ROAE: 46.89%

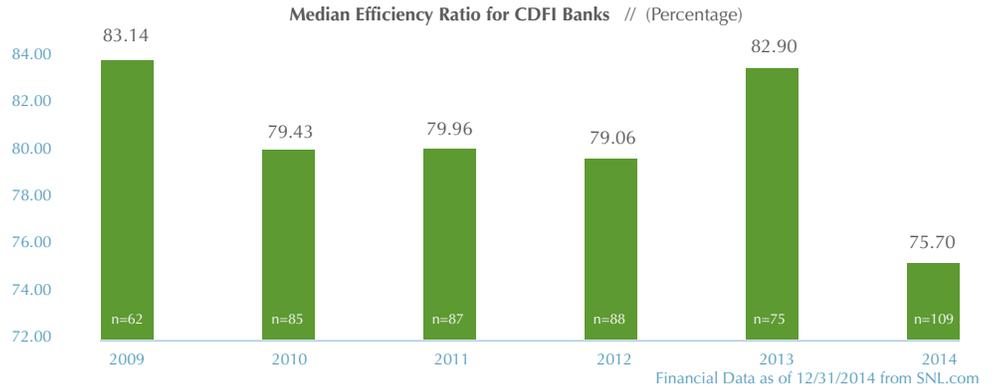
Average ROAE: 3.14%

Lowest ROAE: -105.35%

Median ROAE for all U.S. Banks: 7.76%

## 9. Efficiency Ratio

The median Efficiency Ratio decreased 7.2% since year-end 2013, perhaps indicative of efforts to curb costs and overhead.



Median Efficiency Ratio: 75.70%

Highest Efficiency Ratio: 306.31%

Average Efficiency Ratio: 83.07%

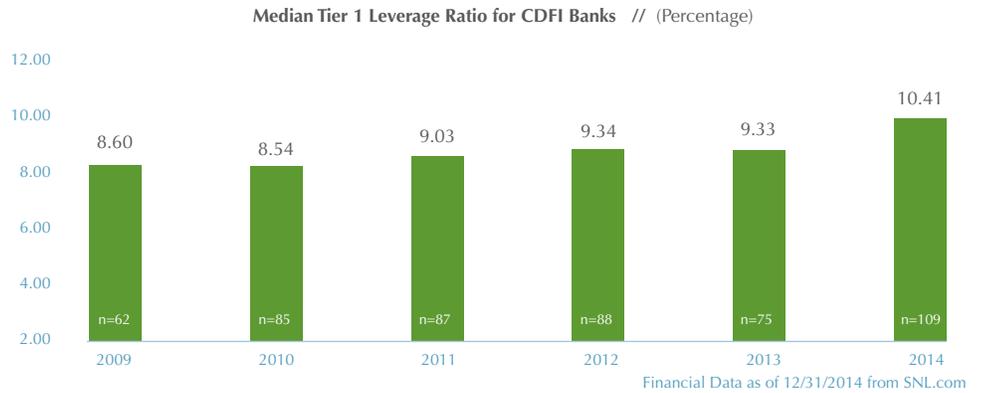
Lowest Efficiency Ratio: 43.95%

Median Efficiency Ratio for all U.S. Banks: 70.14%

## 10. Tier 1 Leverage Ratio

As the banking sector continues integrating Basel III requirements, median Tier 1 Leverage Ratios have increased 108 basis points.

Note: these figures represent the ratio at the bank level only and do not take into account the leverage on a consolidated basis.



Median Tier 1 Leverage: 10.41%

Highest Tier 1 Leverage: 25.70%

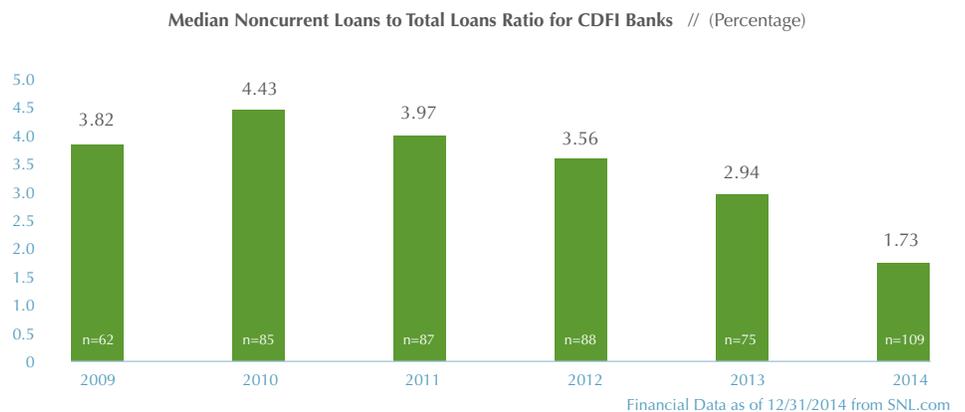
Average Tier 1 Leverage: 10.58%

Lowest Tier 1 Leverage: 1.57%

Median Tier 1 Leverage for all U.S. Banks: 10.26%

## 11. Noncurrent Loans to Total Loans Ratio

Asset quality ratios were notably healthier at year-end 2014 than at any time in the past five years. The median NCL ratio fell 121 basis points in 2014.



Median NCL Ratio: 1.73%

Highest NCL Ratio: 34.44%

Average NCL Ratio: 3.19%

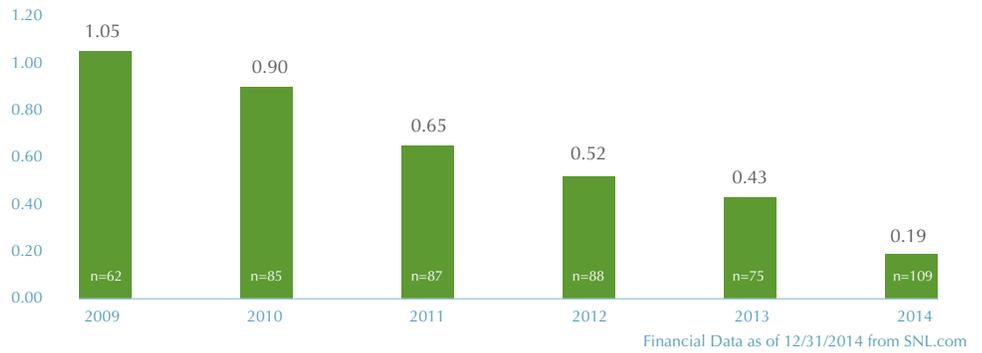
Lowest NCL Ratio: 0.00%

Median NCL Ratio for all U.S. Banks: 0.83%

## 12. Net Charge-Offs to Average Loans Ratio

Median Net Charge-Offs to Average Loans Ratio for CDFI Banks // (Percentage)

*The median NCO ratio continued to decline in 2014 as part of an ongoing return towards pre-Recession levels. This forecasts increasing credit quality of the CDFI banking industry's loans.*



Median NCO Ratio: 0.19%

Highest NCO Ratio: 5.04%

Average NCO Ratio: 0.41%

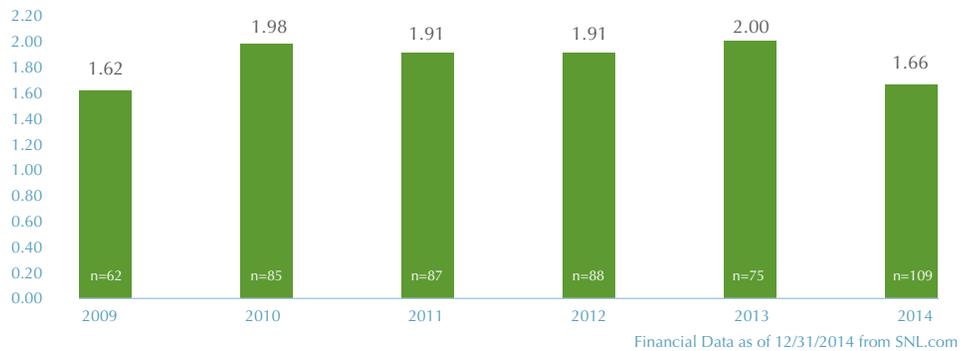
Lowest NCO Ratio: -1.54%

Median NCO Ratio for all U.S. banks: 0.09%

## 13. Loan Loss Reserves to Total Loans Ratio

Median Loan Loss Reserves to Total Loans Ratio for CDFI Banks // (Percentage)

*The median Loan Loss Reserve Ratio went down 34 basis points from year-end 2013 to year-end 2014. This reflects the CDFI banking industry's decreasing expectation of future loan losses.*



Median LLR/Loans: 1.66%

Highest LLR/Loans: 6.34%

Average LLR/Loans: 1.98%

Lowest LLR/Loans: 0.41%

Median LLR/Loans for all US banks: 1.34%

## IV. SOCIAL PERFORMANCE

NCIF believes in the importance of “telling the story” of CDFI banks’ outstanding impact in local communities, with transparent standardized metrics, an important tool in conversations with regulators, impact investors, policymakers, and other industry stakeholders. These metrics allow banks to quantify their focus on elements of mission. Metrics also help NCIF and other investors identify hundreds of banks that have not sought CDFI certification but that perform high in Social Performance Metrics by meeting the needs of consumers and businesses located in low- and moderate-income communities.

CDFI banks exhibit strong scores in NCIF’s Social Performance Metrics, out-performing all other peer groups considered within this report. These institutions serve low- and moderate-income communities — both with a strong branch presence, as demonstrated by DDI, and targeted lending activity, as seen with DLI-HMDA. A glossary of NCIF’s Social Performance Metrics is provided in Appendix D.

**CDFI banks locate twice as many of their branches in distressed communities as peer banks.** The Development Deposit Intensity (DDI) metrics measured this concentration of branches within low- and moderate-income areas. The median CDFI bank has a DDI score of 80.0%, meaning that four out of every five branches are located in LMI communities. This is twice the median of the peer group of similarly sized banks (banks with under \$2 billion in assets) as well as the median All Bank peer group, each of which have a DDI of 40.0%. CDFI banks’ mission to serve their communities requires a strong and deeply rooted local presence in the areas of highest need. These banks become part of the neighborhood, recognizing the potential of local small business owners and becoming familiar with residents, providing them with sustainable options to support their financial needs.

**CDFI banks provide more than twice as much of their home mortgage lending to distressed communities as peer banks.** The Development Lending Intensity (DLI) metric measures banks’ lending concentrations in distressed areas. Looking at publicly-available HMDA lending, the median CDFI bank has a DLI-HMDA score of 56.6% — indicating more than half of the median bank’s home lending is lent to residents of LMI communities. For the banks with under \$2 billion in assets peer group, approximately a quarter of home lending (26.33%) reaches these LMI areas. CDFI banks score almost three times higher than Top Ten Banks (20.6%). Lending in economically distressed areas can also be difficult, because of borrowers’ limited resources and other depressed economic conditions. Through NCIF’s ongoing engagement with CDFI banks within the NCIF Network, we know these banks fulfill their community development mission in part by dedicating the extra time and resources needed to tailor services for their “high-touch” clients.

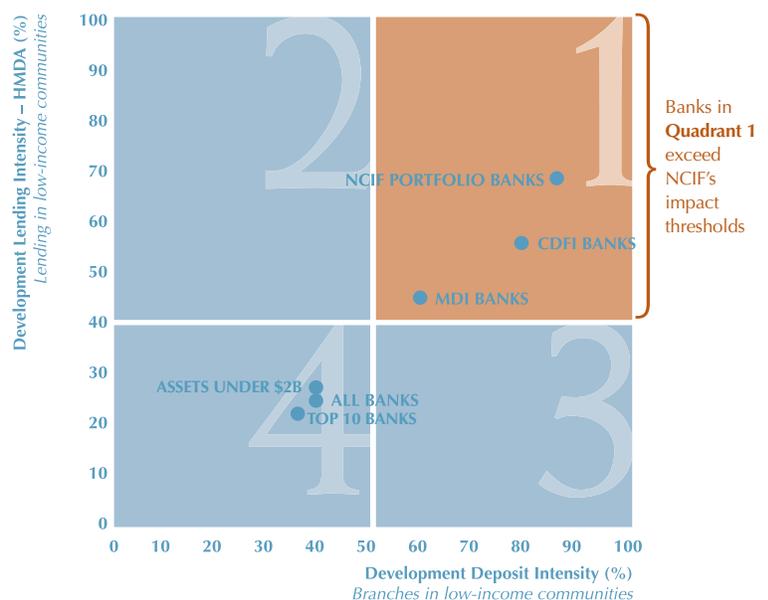
Working with its Network bank partners, NCIF is also able to create DLI scores across all lending categories to provide a more in-depth look at how lending activity is concentrated in LMI areas.

**CDFI banks are High-Performing Quadrant 1 Banks. Quadrant 1 Banks surpass the impact threshold scores of 40% DLI and 50% DDI.** These banks have a demonstrated commitment to serving distressed areas, through both their lending activity and the location of their branches. This distinction is illustrated in the chart pictured by dividing the area into four quadrants in accordance with the threshold values. Banks in Quadrant 2 or 3 surpass one of the impact thresholds. As peer groups, CDFI Banks, Minority Depository Institutions (MDIs), and the institutions in NCIF’s equity portfolio are all in Quadrant 1.

Median Social Performance Metrics for Bank Peer Groups

Peer Group	#	DDI	DLI-HMDA
CDFI Banks	109	80.00	56.56
Top Ten Banks (by Assets)	10	36.98	20.62
Banks with Under \$2B in Assets	6,192	40.00	26.33
Minority Depository Institutions (MDIs)	175	60.00	44.30
NCIF Portfolio Banks	17	87.18	68.92
All Banks	6,570	40.00	25.18

Quadrant Chart for NCIF’s Social Performance Metrics



Financial data from SNL.com as of 12/31/2014  
 DDI and DLI-HMDA based on 2013 Summary of Deposits data (available from fdic.gov),  
 Census 2010 data from the CDFI Fund, and 2013 Home Mortgage Disclosure Act data  
 (available from ffiec.gov.) FY 2013 is the most recently available data for Social Performance Metrics.

## APPENDIX A: CDFI PEER GROUP FINANCIAL SUMMARY

2014 Summary (n=109)	Median	Average	Maximum	Minimum	Total
<b>Total Assets (\$000)</b>	\$209,237	\$292,079	\$2,406,489	\$14,566	\$31,836,636
<b>Total Loans (\$000)</b>	\$134,221	\$185,924	\$1,358,392	\$2,636	\$20,265,765
<b>Total Deposits (\$000)</b>	\$176,229	\$242,761	\$1,908,453	\$10,862	\$26,460,989
<b>Total Equity (\$000)</b>	\$20,759	\$30,965	\$237,551	\$1,798	\$3,375,204
<b>Net Income (\$000)</b>	\$1,470	\$1,842	\$21,373	\$(39,123)	\$200,754
<b>Net Interest Margin (%)</b>	4.08	4.15	12.81	2.03	
<b>Return on Average Assets (%)</b>	0.73	0.60	6.46	-4.40	
<b>Return on Average Equity (%)</b>	6.94	3.14	46.89	-105.35	
<b>Efficiency Ratio (%)</b>	75.70	83.07	306.31	43.95	
<b>Tier 1 Leverage Ratio (%)</b>	10.41	10.58	25.70	1.57	
<b>Noncurrent Loans Ratio (%)</b>	1.73	3.19	34.44	0.00	
<b>Net Charge-Offs Ratio (%)</b>	0.19	0.41	5.04	-1.54	
<b>LLR/Loans (%)</b>	1.66	1.98	6.34	0.41	
<b>DDI (%)</b>	80.00	73.71	100.00	0.00	
<b>DLI-HMDA (%)</b>	56.56	56.60	100.00	0.00	

2013 Summary (n=75)	Median	Average	Maximum	Minimum	Total
<b>Total Assets (\$000)</b>	\$174,986	\$309,573	\$2,385,232	\$12,322	\$23,217,995
<b>Total Loans (\$000)</b>	\$117,017	\$192,482	\$1,264,159	\$2,855	\$14,436,159
<b>Total Deposits (\$000)</b>	\$150,589	\$258,732	\$1,890,723	\$10,461	\$19,404,899
<b>Total Equity (\$000)</b>	\$16,114	\$30,307	\$217,056	\$1,322	\$2,272,988
<b>Net Income (\$000)</b>	\$759	\$1,415	\$20,073	\$(14,528)	\$106,153
<b>Net Interest Margin (%)</b>	3.95	3.92	5.74	2.26	
<b>Return on Average Assets (%)</b>	0.40	0.18	2.98	-5.37	
<b>Return on Average Equity (%)</b>	4.22	-1.78	21.47	-108.87	
<b>Efficiency Ratio (%)</b>	82.90	91.57	251.24	42.60	
<b>Tier 1 Leverage Ratio (%)</b>	9.33	9.64	19.12	2.15	
<b>Noncurrent Loans Ratio (%)</b>	2.94	4.79	25.44	0.00	
<b>Net Charge-Offs Ratio (%)</b>	0.43	0.73	7.51	-0.14	
<b>LLR/Loans (%)</b>	2.00	2.42	9.74	0.90	
<b>DDI (%)</b>	75.00	73.09	100.00	0.00	
<b>DLI-HMDA (%)</b>	58.71	55.84	100.00	0.00	

Financial data from SNL.com as of 12/31/2014  
 DDI and DLI-HMDA based on 2013 Summary of Deposits data (available from fdic.gov),  
 Census 2010 data from the CDFI Fund, and 2013 Home Mortgage Disclosure Act data  
 (available from ffiec.gov.) FY 2013 is the most recently available data for Social Performance Metrics.

## APPENDIX B: CDFI BANKS WITH FINANCIALS – SORTED BY ASSETS

Institution	Balance Sheet/Income Statement						Earnings				Capitalization	Asset Quality		
	ST	Total Assets (\$'000)	Total Loans (\$'000)	Total Deposits (\$'000)	Total Equity (\$'000)	Net Income (\$'000)	NIM	ROA (%)	ROE (%)	Efficiency Ratio (%)	Tier 1 Leverage Ratio (%)	NCL (%)	NCO (%)	Loan Loss Reserves/Loans (%)
BankPlus	MS	2,406,489	1,358,392	1,908,453	237,551	21,373	3.48	0.88	9.35	73.44	9.80	1.10	0.52	1.33
Southern Bancorp Bank	AR	1,172,557	779,704	970,793	136,033	11,524	4.30	1.00	9.10	64.23	8.74	0.76	0.25	1.11
First, A National Banking Assoc.	MS	1,092,960	706,634	886,501	105,685	7,385	3.64	0.72	7.44	68.39	8.39	0.95	0.17	0.86
State Bank & Trust Company	MS	970,659	738,436	788,778	107,073	6,708	4.14	0.70	6.23	69.15	8.45	0.92	0.39	1.15
Sunrise Banks, NA	MN	939,020	452,233	840,837	73,323	8,924	3.19	1.05	12.25	85.18	9.70	0.85	0.05	1.38
Security Federal Bank	SC	825,076	348,232	664,882	93,861	6,179	2.99	0.74	6.85	68.35	10.64	3.95	0.65	2.40
Urban Partnership Bank	IL	758,768	542,417	681,079	66,901	-39,123	6.20	-4.40	-43.79	306.31	8.17	14.57	3.10	6.11
BankFirst Financial Services	MS	743,343	582,746	663,783	69,944	6,015	3.91	0.84	8.63	63.65	9.50	2.26	0.34	1.65
Carver Federal Savings Bank	NY	645,935	438,139	528,415	65,801	-139	3.25	-0.02	-0.22	109.65	10.49	2.54	0.05	1.34
First Choice Bank	CA	626,473	512,042	536,117	56,252	4,072	3.63	0.75	8.94	57.77	8.96	0.00	0.00	1.66
OneUnited Bank	MA	614,451	344,879	347,909	47,971	830	2.53	0.13	1.75	112.57	5.81	2.83	-0.05	0.85
Guaranty Bank & Trust Company	MS	600,705	395,901	519,310	70,575	9,460	3.99	1.54	13.66	60.22	11.88	2.12	0.71	1.66
Liberty Bank & Trust Company	LA	579,090	282,277	479,399	48,035	5,815	4.15	1.02	12.70	75.70	8.35	2.86	0.69	2.86
First American International Bank	NY	576,028	404,753	436,509	73,163	1,881	4.14	0.33	2.58	87.57	12.51	1.45	-0.16	1.97
West Alabama Bank & Trust	AL	564,026	297,799	455,802	68,977	6,144	3.35	1.12	9.44	58.37	11.46	0.62	0.43	1.41
Priority One Bank	MS	560,787	402,940	461,449	63,012	9,341	4.10	1.70	15.07	63.31	11.09	1.18	0.51	1.76
Concordia Bank and Trust	LA	538,725	223,336	459,801	60,461	5,002	2.83	0.94	8.31	67.81	10.89	1.11	0.04	0.41
International Bank of Chicago	IL	525,268	307,981	457,354	58,944	7,044	3.80	1.37	13.06	45.59	10.77	4.14	0.35	2.97
First Security Bank	MS	510,879	265,790	433,437	61,953	5,133	3.75	1.01	8.27	70.37	11.26	0.91	-0.22	0.96
United Bank	AL	488,731	261,461	435,700	50,044	2,219	3.48	0.45	4.56	82.53	9.45	0.70	0.18	1.39
First Eagle Bank	IL	454,819	303,811	343,056	65,931	8,617	3.85	2.01	13.63	44.56	13.86	0.15	0.05	1.99
BNA Bank	MS	427,003	227,009	361,992	53,825	5,427	3.65	1.27	10.13	50.03	12.29	1.81	0.21	2.32
Seaway Bank and Trust Company	IL	419,968	265,157	330,458	42,540	-2,082	4.49	-0.41	-5.32	110.95	8.02	21.21	0.75	5.86
Citizens Trust Bank	GA	395,238	191,038	341,008	49,124	1,959	3.40	0.48	4.12	80.43	10.96	2.20	0.51	1.20
Citizens Bank (Columbia)	MS	379,303	287,212	327,365	37,311	5,867	4.79	1.57	16.61	66.43	10.71	1.38	0.08	1.63
Industrial Bank	DC	368,286	261,817	304,834	38,177	2,214	4.55	0.62	6.00	82.21	9.96	4.11	0.03	1.78
One PacificCoast Bank, FSB	CA	366,037	271,302	293,775	41,566	1,896	3.76	0.54	4.92	79.82	10.85	1.96	0.06	1.66
United Mississippi Bank	MS	362,761	247,030	326,404	34,012	3,039	4.16	0.83	9.47	82.65	9.05	1.15	-0.03	0.63
Broadway Federal Bank, F.S.B.	CA	350,860	304,588	222,237	39,944	3,220	3.69	0.96	8.88	97.17	11.34	2.91	-0.45	2.78
Austin Bank of Chicago	IL	339,180	244,059	271,355	36,697	2,518	4.11	0.76	7.18	68.62	11.04	5.40	0.83	2.18
Bank of Commerce	MS	334,922	239,699	273,543	30,799	4,294	4.08	1.32	16.04	43.95	8.81	0.48	0.13	1.35
Cottonport Bank	LA	325,002	203,941	284,211	36,826	1,354	3.92	0.41	3.68	75.90	10.58	1.14	0.13	1.63
Cross Keys Bank	LA	324,100	166,309	252,333	38,949	4,193	3.84	1.34	11.37	67.99	11.21	0.28	0.04	0.72
Magnolia State Bank	MS	316,448	240,304	271,087	29,085	3,403	4.40	1.09	11.88	74.46	8.97	0.51	0.02	0.83
American Plus Bank, N.A.	CA	303,187	269,806	230,165	45,199	4,088	3.81	1.41	9.46	44.79	15.06	0.00	0.00	1.61
Noah Bank	PA	298,249	265,850	229,677	32,630	9,284	4.76	2.96	32.05	52.25	9.69	2.41	0.80	2.32
Mechanics & Farmers Bank	NC	298,182	175,088	256,465	35,528	1,291	3.76	0.43	3.62	84.15	11.54	5.11	0.06	1.96
RiverHills Bank	MS	295,685	170,842	244,202	26,226	3,545	2.97	1.23	13.43	56.09	9.12	1.87	0.31	2.35

Institution	Balance Sheet/Income Statement						Earnings				Capitalization	Asset Quality		
	ST	Total Assets (\$000)	Total Loans (\$000)	Total Deposits (\$000)	Total Equity (\$000)	Net Income (\$000)	NIM	ROA (%)	ROE (%)	Efficiency Ratio (%)	Tier 1 Leverage Ratio (%)	NCL (%)	NCO (%)	Loan Loss Reserves/Loans (%)
Richland State Bank	LA	289,216	143,152	257,562	29,123	3,828	4.11	1.35	14.06	68.25	9.76	0.38	0.04	1.10
Pan American Bank	IL	281,996	184,944	260,416	20,756	1,595	3.69	0.61	8.29	77.12	7.36	2.09	0.11	1.21
Farmers & Merchants Bank	MS	281,952	152,781	241,340	36,241	2,808	4.91	1.11	7.87	68.47	12.09	1.28	0.18	2.19
Capitol City Bank & Trust Co.	GA	272,311	189,889	262,652	3,359	-3,354	3.27	-1.20	-90.67	108.65	1.57	9.61	1.65	2.82
City National Bank of New Jersey	NJ	265,113	153,537	248,922	4,498	-7,248	2.59	-2.58	-105.35	179.64	2.63	15.78	0.10	5.84
Mission Valley Bank	CA	264,181	191,168	224,434	36,327	1,868	4.35	0.71	5.06	78.31	13.61	1.19	-0.30	2.15
Delta Bank	LA	253,046	162,155	230,503	20,307	3,788	4.17	1.54	19.41	65.02	7.92	0.60	0.02	1.01
First Southwest Bank	CO	246,621	171,972	212,515	27,151	-586	4.31	-0.24	-2.14	104.26	9.26	0.89	0.10	1.50
First National Bank of Oxford	MS	245,670	140,662	207,580	33,032	2,115	3.68	0.88	6.53	67.00	12.96	0.76	0.08	1.39
Peoples Bank	MS	243,010	194,685	199,053	23,999	5,375	5.74	2.22	22.86	56.07	9.58	2.54	0.63	1.29
City First Bank of D.C., National Assoc.	DC	240,644	170,646	191,148	32,872	1,470	4.54	0.65	4.60	68.98	14.11	4.97	0.70	2.51
Harbor Bank of Maryland	MD	234,929	153,466	201,988	25,475	-1,261	4.19	-0.53	-5.00	97.92	8.69	2.60	1.59	1.82
Florida Parishes Bank	LA	226,319	139,524	179,477	23,333	2,305	5.10	1.06	10.67	70.76	10.23	0.60	0.26	2.08
Community Bank of the Bay	CA	224,571	174,911	198,821	21,036	1,707	4.32	0.91	8.55	73.26	10.76	0.90	0.01	1.59
First Independence Bank	MI	217,661	129,911	176,229	16,721	-156	4.32	-0.07	-0.93	94.02	9.65	2.07	1.21	1.20
Mechanics Bank	MS	214,454	132,123	191,235	21,799	979	4.09	0.46	4.53	64.42	9.96	4.75	1.07	2.14
Bank of Montgomery	LA	209,237	170,813	182,341	20,759	3,171	4.81	1.53	15.80	67.77	9.60	0.72	0.20	0.61
Community Commerce Bank	CA	199,501	134,493	114,829	49,690	3,046	5.27	1.45	6.26	70.42	23.00	5.67	0.17	4.03
Sycamore Bank	MS	192,311	125,583	171,927	19,111	1,674	3.96	0.82	8.87	70.16	9.67	0.76	0.18	1.21
Gateway Bank Federal Savings Bank	CA	186,626	134,221	154,816	10,101	-3,420	3.48	-1.65	-32.22	140.04	5.07	2.38	0.06	1.97
Security State Bank of Wewoka, OK	OK	167,985	116,758	148,428	15,132	2,120	4.33	1.36	15.34	51.11	9.43	1.50	0.84	1.87
Promerica Bank	CA	165,214	117,520	136,073	28,076	626	4.17	0.40	2.26	80.84	16.00	1.63	0.61	1.80
Homeland Federal Savings Bank	LA	162,741	124,723	139,658	18,346	3,398	5.42	2.11	19.05	60.45	11.25	1.21	0.30	1.93
Pacific Global Bank	IL	160,705	116,295	141,147	18,234	2,727	3.84	1.73	16.37	64.67	11.45	1.62	0.38	3.57
Bank of Okolona	MS	150,370	99,919	130,895	16,823	2,943	5.16	2.02	17.40	57.67	10.87	2.22	0.30	1.22
Caldwell Bank & Trust Co.	LA	146,797	122,739	127,076	13,998	2,678	6.04	2.04	21.51	63.58	9.86	1.73	0.14	0.86
Central Bank of Kansas City	MO	145,519	100,927	120,238	24,818	2,350	4.48	1.70	10.03	76.30	17.24	1.58	0.19	2.20
Albina Community Bank	OR	145,431	94,117	128,367	14,770	655	3.59	0.48	4.57	90.18	10.46	3.25	-0.27	2.11
Bank of Vernon	AL	140,697	103,088	117,615	21,642	959	4.32	0.67	4.54	64.12	15.03	2.65	0.61	2.31
Bank of Kilmichael	MS	138,868	76,701	123,043	13,078	2,213	3.96	1.61	18.48	61.32	9.15	0.56	0.13	1.36
Fordyce Bank & Trust Company	AR	134,045	78,597	105,328	14,671	1,295	4.28	0.98	9.80	78.10	11.45	1.18	0.18	1.50
Commercial Bank	MS	129,364	75,013	105,974	13,641	751	4.17	0.58	5.76	78.61	10.32	0.22	0.39	1.22
Bank of Anguilla	MS	127,799	76,292	107,665	13,540	927	4.35	0.73	6.94	71.97	10.63	0.71	1.02	1.65
Tri State Bank of Memphis	TN	124,553	81,982	108,135	12,395	-998	4.04	-0.75	-7.64	97.11	8.36	6.99	0.91	2.54
Savoy Bank	NY	122,327	101,585	108,931	12,567	963	4.99	0.87	8.09	77.99	10.41	3.29	0.00	2.13
Finance and Thrift Company	CA	121,888	90,843	87,736	31,433	1,015	12.81	0.82	3.27	63.91	25.70	1.23	5.04	4.05
Spring Bank	NY	117,234	89,047	102,241	14,435	2,341	5.31	2.25	17.87	62.71	13.07	3.88	0.42	1.17
Oxford University Bank	MS	115,450	81,669	102,454	10,771	760	3.66	0.68	7.33	68.91	9.26	1.56	0.37	0.97

Source: SNL.com as of 12/31/2014

Institution	Balance Sheet/Income Statement						Earnings				Capitalization	Asset Quality		
	ST	Total Assets (\$000)	Total Loans (\$000)	Total Deposits (\$000)	Total Equity (\$000)	Net Income (\$000)	NIM	ROA (%)	ROE (%)	Efficiency Ratio (%)	Tier 1 Leverage Ratio (%)	NCL (%)	NCO (%)	Loan Loss Reserves/Loans (%)
Illinois-Service Federal Savings & Loan Assoc.	IL	114,189	50,819	104,761	6,063	-2,381	3.54	-2.05	-32.88	114.82	4.15	22.51	3.56	5.51
Bank of Winona	MS	113,829	38,940	98,388	12,144	820	3.85	0.72	7.40	76.16	9.73	2.02	0.15	1.69
Holmes County Bank & Trust Co.	MS	111,807	46,059	96,550	13,084	387	2.94	0.34	3.01	91.66	11.98	7.09	0.60	2.70
Bank 2	OK	108,323	65,867	90,542	14,898	1,029	4.08	0.94	7.19	80.76	12.64	0.79	-0.01	1.77
Bank of York	AL	107,627	35,238	74,247	10,413	710	2.78	0.72	7.06	76.83	9.02	0.24	-0.01	0.97
Citizens Progressive Bank	LA	104,440	76,447	90,500	13,725	1,476	5.54	1.52	11.03	69.67	9.26	1.80	0.36	0.83
Bank of Cherokee County	OK	103,524	67,192	95,041	8,082	493	4.26	0.48	6.72	79.04	7.76	0.64	0.56	1.58
Citizens Savings Bank & Trust Co.	TN	103,189	79,700	93,551	8,032	503	5.20	0.51	6.81	86.08	8.17	3.51	0.09	1.34
The Jefferson Bank	MS	95,449	47,366	76,788	16,539	1,157	4.32	1.11	7.17	61.99	16.32	0.14	0.11	3.19
Amory Federal Savings & Loan Assoc.	MS	94,113	69,089	83,906	10,060	50	3.14	0.05	0.50	81.77	10.63	1.76	0.75	0.82
Colfax Banking Company	LA	93,858	45,671	84,327	9,393	1,102	4.11	1.22	12.32	72.89	9.64	0.23	0.02	0.51
Merchants & Planters Bank	MS	88,089	25,536	73,947	7,693	94	2.65	0.11	1.28	100.48	8.31	1.35	-0.24	2.08
Community Capital Bank of Virginia	VA	82,955	60,020	67,154	12,369	484	3.07	0.61	4.15	70.21	14.68	1.85	0.00	1.04
First Bank of Linden	AL	81,511	32,704	70,205	10,446	819	3.79	1.01	7.45	63.32	11.99	0.00	0.19	1.13
Start Community Bank	CT	76,132	64,102	53,737	10,854	-2,288	2.89	-3.39	-27.25	224.74	14.74	0.74	0.01	1.51
North Milwaukee State Bank	WI	75,245	52,810	67,500	5,642	-465	4.08	-0.60	-7.80	82.82	6.48	15.64	1.67	5.88
Commercial Capital Bank	LA	71,742	41,940	62,517	9,117	1,813	4.54	2.47	20.10	56.04	11.86	0.11	0.09	1.49
Neighborhood National Bank	CA	69,797	36,102	64,360	4,433	-833	3.55	-1.06	-18.67	134.42	6.16	1.97	0.10	6.34
Citizens Bank (Byhalia)	MS	69,089	32,571	60,597	8,147	504	3.89	0.70	6.35	77.59	11.00	0.23	0.27	0.93
Richton Bank and Trust Company	MS	63,948	26,101	54,253	9,384	475	3.53	0.74	5.14	81.60	15.00	0.30	0.06	1.75
Native American Bank, National Assoc.	CO	63,434	49,050	56,404	6,716	-57	4.56	-0.10	-1.07	101.60	10.46	2.20	0.50	1.91
American Metro Bank	IL	61,021	46,526	50,442	5,882	-653	3.69	-1.02	-12.20	136.58	9.46	10.58	0.35	3.40
Bank of Lake Village	AR	60,792	30,333	54,050	6,646	409	4.01	0.66	6.23	72.76	10.66	1.80	0.00	1.73
United Bank of Philadelphia	PA	60,549	47,736	56,962	3,265	-258	4.94	-0.43	-8.44	102.36	5.32	5.56	0.61	1.54
South Carolina Community Bank	SC	58,914	41,533	55,442	3,212	-900	3.37	-1.40	-30.25	131.14	5.40	34.44	0.69	4.38
First Tuskegee Bank	AL	52,339	27,841	47,053	4,230	-589	4.54	-1.05	-13.08	124.26	8.00	6.80	0.40	1.32
Mitchell Bank	WI	51,765	26,782	43,600	7,885	62	3.85	0.11	0.78	94.74	13.90	8.01	0.82	2.37
Carver State Bank	GA	41,243	24,711	33,657	3,943	-273	5.50	-0.67	-6.77	100.48	9.90	4.55	0.94	1.34
First State Bank	VA	39,065	28,918	37,137	1,798	7	5.07	0.02	0.42	94.14	4.02	2.90	0.58	1.50
Pan American Bank	CA	37,989	32,216	32,297	5,598	-1,455	4.56	-3.63	-52.15	163.02	14.31	6.43	0.22	2.54
Metro Bank	KY	33,748	13,403	28,102	5,412	38	2.51	0.12	0.71	104.72	16.96	0.99	-1.54	1.92
Northern Hancock Bank and Trust	WV	26,799	20,401	22,843	3,429	160	7.53	0.57	4.69	80.33	12.42	2.66	1.22	1.52
CBW Bank	KS	14,566	2,636	10,862	2,682	973	2.03	6.46	46.89	52.75	15.58	0.00	-0.08	3.11
TOTAL		31,836,636	20,265,765	26,460,989	3,375,204	200,754								
AVERAGE		292,079	185,924	242,761	30,965	1,842	4.15	0.60	3.14	83.07	10.58	3.19	0.41	1.98
MEDIAN		209,237	134,221	176,229	20,759	1,470	4.08	0.73	6.94	75.70	10.41	1.73	0.19	1.66
MAXIMUM		2,406,489	1,358,392	1,908,453	237,551	21,373	12.81	6.46	46.89	306.31	25.70	34.44	5.04	6.34
MINIMUM		14,566	2,636	10,862	1,798	-39,123	2.03	-4.40	-105.35	43.95	1.57	0.00	-1.54	0.41

Source: SNL.com as of 12/31/2014

## APPENDIX C: CDFI BANKS WITH SOCIAL PERFORMANCE METRICS – SORTED BY QUADRANT

NCIF calculates Social Performance Metrics (SPM) in order to evaluate the social performance of banks, side-by-side with the more traditional financial performance indicators. See Appendix D for more information on these metrics. 44 CDFI banks surpass both of NCIF's impact thresholds and are therefore classified as Quadrant 1 Banks. 17 banks fall into Quadrants 2 or 3 by meeting or exceeding one of the two impact thresholds. Banks classified in more than one quadrant have partial scores because they do not report HMDA lending. All CDFIs have a commendable mission orientation, and NCIF draws additional attention to high performance.

Institution	ST	SPM Quadrant	Total Assets (\$000)	DDI (%)	DLI-HMDA (%)
Bank of Montgomery	LA	1	209,237	66.67	65.97
Bank of York	AL	1	107,627	65.79	67.97
BNA Bank	MS	1	427,003	80.00	71.61
Carver State Bank	GA	1	41,243	80.00	40.73
Central Bank of Kansas City	MO	1	145,519	85.71	45.02
Citizens Bank (Byhalia)	MS	1	69,089	80.00	45.62
Citizens Bank (Columbia)	MS	1	379,303	55.56	45.85
Citizens Savings Bank & Trust Company	TN	1	103,189	88.89	48.24
Citizens Trust Bank	GA	1	395,238	50.00	49.40
City First Bank of D.C., National Association	DC	1	240,644	75.00	50.62
City National Bank of New Jersey	NJ	1	265,113	100.00	50.67
Colfax Banking Company	LA	1	93,858	94.12	51.18
Commercial Bank	MS	1	129,364	76.47	53.24
Commercial Capital Bank	LA	1	71,742	87.50	53.57
Community Bank of the Bay	CA	1	224,571	66.67	54.63
Community Capital Bank of Virginia	VA	1	82,955	83.33	56.56
Community Commerce Bank	CA	1	199,501	88.89	57.48
Concordia Bank and Trust	LA	1	538,725	100.00	68.39
Cottonport Bank	LA	1	325,002	69.23	59.05
Cross Keys Bank	LA	1	324,100	57.14	60.91
Delta Bank	LA	1	253,046	100.00	61.93
Farmers & Merchants Bank	MS	1	281,952	50.00	74.58
Finance and Thrift Company	CA	1	121,888	75.00	74.76
First American International Bank	NY	1	576,028	100.00	74.80
First Bank of Linden	AL	1	81,511	100.00	75.11
First Choice Bank	CA	1	626,473	80.00	75.31
First Eagle Bank	IL	1	454,819	50.00	77.39
First Independence Bank	MI	1	217,661	100.00	80.18
First National Bank of Oxford	MS	1	245,670	80.00	69.89
First Security Bank	MS	1	510,879	92.31	80.72
First Southwest Bank	CO	1	246,621	80.00	69.33
First State Bank	VA	1	39,065	66.67	87.03
First Tuskegee Bank	AL	1	52,339	50.00	87.46
First, A National Banking Association	MS	1	1,092,960	100.00	91.48
Florida Parishes Bank	LA	1	226,319	87.18	69.45
Gateway Bank Federal Savings Bank	CA	1	186,626	100.00	91.59
Guaranty Bank & Trust Company	MS	1	600,705	66.67	94.40
Holmes County Bank and Trust Company	MS	1	111,807	100.00	97.04
Illinois-Service Federal Savings and Loan Association	IL	1	114,189	100.00	97.60
Industrial Bank	DC	1	368,286	80.00	98.04
International Bank of Chicago	IL	1	525,268	60.00	100.00

Institution	ST	SPM Quadrant	Total Assets (\$000)	DDI (%)	DLI-HMDA (%)
Magnolia State Bank	MS	1	316,448	100.00	100.00
Richland State Bank	LA	1	289,216	78.57	71.63
Sycamore Bank	MS	1	192,311	85.71	70.48
CBW Bank	KS	2	14,566	0.00	41.41
Citizens Progressive Bank	LA	2	104,440	33.33	48.00
Harbor Bank of Maryland	MD	2	234,929	33.33	94.42
Liberty Bank & Trust Company	LA	2	579,090	0.00	100.00
Albina Community Bank	OR	3	145,431	71.43	0.00
American Metro Bank	IL	3	61,021	66.67	0.00
Austin Bank of Chicago	IL	3	339,180	80.00	16.43
Bank of Anguilla	MS	3	127,799	87.50	19.91
Bank of Cherokee County	OK	3	103,524	54.24	20.05
Bank of Commerce	MS	3	334,922	66.67	21.33
Bank of Kilmichael	MS	3	138,868	100.00	24.43
Bank of Okolona	MS	3	150,370	57.14	28.25
Bank of Winona	MS	3	113,829	50.00	32.94
BankFirst Financial Services	MS	3	743,343	61.54	33.56
BankPlus	MS	3	2,406,489	100.00	34.10
Broadway Federal Bank, F.S.B.	CA	3	350,860	100.00	35.19
Capitol City Bank & Trust Company	GA	3	272,311	75.00	38.45
American Plus Bank, N.A.	CA	4	303,187	0.00	2.48
Amory Federal Savings and Loan Association	MS	4	94,113	20.00	7.14
Bank 2	OK	4	108,323	25.00	18.65
Bank of Vernon	AL	4	140,697	29.17	31.47
Caldwell Bank & Trust Co.	LA	4	146,797	0.00	37.93
Carver Federal Savings Bank	NY	4	645,935	45.45	39.35
Bank of Lake Village	AR	1 or 3	60,792	100.00	NA
Fordyce Bank & Trust Company	AR	1 or 3	134,045	57.14	NA
Homeland Federal Savings Bank	LA	1 or 3	162,741	66.67	NA
Mechanics Bank	MS	1 or 3	214,454	100.00	NA
Merchants & Planters Bank	MS	1 or 3	88,089	100.00	NA
Metro Bank	KY	1 or 3	33,748	66.67	NA
Mission Valley Bank	CA	1 or 3	264,181	100.00	NA
Mitchell Bank	WI	1 or 3	51,765	100.00	NA
Native American Bank, National Association	CO	1 or 3	63,434	100.00	NA
Neighborhood National Bank	CA	1 or 3	69,797	66.67	NA
Noah Bank	PA	1 or 3	298,249	100.00	NA
North Milwaukee State Bank	WI	1 or 3	75,245	100.00	NA
Northern Hancock Bank and Trust	WV	1 or 3	26,799	100.00	NA
One PacificCoast Bank, FSB	CA	1 or 3	366,037	80.00	NA
OneUnited Bank	MA	1 or 3	614,451	100.00	NA

Institution	ST	SPM Quadrant	Total Assets (\$000)	DDI (%)	DLI-HMDA (%)
Pacific Global Bank	IL	1 or 3	160,705	100.00	NA
Pan American Bank	IL	1 or 3	281,996	60.00	NA
Pan American Bank	CA	1 or 3	37,989	100.00	NA
Peoples Bank	MS	1 or 3	243,010	100.00	NA
Priority One Bank	MS	1 or 3	560,787	100.00	NA
Promerica Bank	CA	1 or 3	165,214	75.00	NA
Richton Bank and Trust Company	MS	1 or 3	63,948	100.00	NA
RiverHills Bank	MS	1 or 3	295,685	50.00	NA
Seaway Bank and Trust Company	IL	1 or 3	419,968	83.33	NA
Security Federal Bank	SC	1 or 3	825,076	100.00	NA
Security State Bank of Wewoka, Oklahoma	OK	1 or 3	167,985	100.00	NA
South Carolina Community Bank	SC	1 or 3	58,914	100.00	NA
Southern Bancorp Bank	AR	1 or 3	1,172,557	50.00	NA
Spring Bank	NY	1 or 3	117,234	66.67	NA
Start Community Bank	CT	1 or 3	76,132	100.00	NA
State Bank & Trust Company	MS	1 or 3	970,659	100.00	NA
Sunrise Banks, NA	MN	1 or 3	939,020	50.00	NA
The Jefferson Bank	MS	1 or 3	95,449	57.14	NA
United Bank	AL	1 or 3	488,731	100.00	NA
United Bank of Philadelphia	PA	1 or 3	60,549	100.00	NA
United Mississippi Bank	MS	1 or 3	362,761	100.00	NA
Urban Partnership Bank	IL	1 or 3	758,768	100.00	NA
West Alabama Bank & Trust	AL	1 or 3	564,026	81.82	NA
Mechanics & Farmers Bank	NC	2 or 4	298,182	0.00	NA
Oxford University Bank	MS	2 or 4	115,450	0.00	NA
Savoy Bank	NY	2 or 4	122,327	33.33	NA
Tri State Bank of Memphis	TN	2 or 4	124,553	0.00	NA

### At-a-Glance Quadrant Summary

SPM Quadrant	Asset Class				
	Total Banks	> \$1B	\$500M - \$1B	\$100M - \$500M	\$100M or less
1	44	1	6	29	8
2	4	0	1	2	1
3	13	1	1	10	1
1 or 3	38	1	7	16	14
2 or 4	4	0	0	4	0
4	6	0	1	4	1
<b>Total</b>	<b>109</b>	<b>3</b>	<b>16</b>	<b>65</b>	<b>25</b>

Financial data from SNL.com as of 12/31/2014  
 DDI and DLI-HMDA based on 2013 Summary of Deposits data (available from fdic.gov),  
 Census 2010 data from the CDFI Fund, and 2013 Home Mortgage Disclosure Act data  
 (available from ffiec.gov.) FY 2013 is the most recently available data for Social Performance Metrics.

## APPENDIX D: SOCIAL PERFORMANCE METRICS

NCIF pioneered impact measurement specifically for the mission-oriented banking industry, to better inform bankers, investors, regulators, and other potential stakeholders on the social impacts of banks to be considered in addition to traditional financial performance. NCIF's **Social Performance Metrics** are transparent and compelling, allowing for year-to-year comparisons of individual bank performance and peer group benchmarking. These metrics serve mission-oriented banks in many ways:

- Inform investors about the social impact their investments are generating
- Help bank management evaluate a bank's progress toward achieving its mission objectives
- Demonstrate the importance of the industry to regulators and legislators
- Show consumers the effect mission-oriented banks have in their community

### Key definitions:

**Development Deposit Intensity (DDI):** A measure of how many of a bank's branches are located in distressed communities. The percentage of a bank's branches located in Investment Area census tracts, as defined by the CDFI Fund.

**Development Lending Intensity-HMDA (DLI-HMDA):** A measure of how much of a bank's lending occurs in distressed communities. Reported lending (in dollars) occurring in Investment Area census tracts, as defined by the CDFI Fund, as a percentage of total loans.

- **DLI-All Loans:** DLI based on total annual lending, directly reported by participating banks to NCIF.
- **DLI-HMDA:** DLI based on HMDA-reported housing lending. Available for any U.S. bank.
- **DLI-Equity:** Qualified lending as a percentage of total equity, meant as a measure of the bank's leverage in distressed areas.
- DLI is also calculated for each category of lending activity, including **DLI-Small Business**, **DLI-CRE** (Commercial Real Estate), **DLI-Housing**, **DLI-Agriculture**, and **DLI-Consumer** (consumer lending).

**SPM Quadrant:** NCIF evaluates the social impact of a bank using our two primary Social Performance Metrics — DLI and DDI. Banks in Quadrant 1 have exceeded our thresholds for both of these metrics and are considered high-impact banks. See a sample Quadrant Chart on page 11.

NCIF is constantly working with industry leaders to refine our SPM, developing additional metrics and broadening the type of data collected in order to create a more complete, compelling picture of CDFI banks and their community impact. **Additional information about the full suite of Social Performance Metrics, including measures of self-reported data from NCIF Network Banks, is available online at [NCIF.org](https://www.ncif.org).**

## APPENDIX E: BANKIMPACT AND CUSTOM ANALYSIS

Data tells a compelling story, demonstrating the impact of the CDFI banking industry in the low- and moderate-income communities in which they operate. NCIF makes the following resources available so you can continue learning about the mission-oriented financial industry. Discover how our data can inform your decisions.

**BankImpact.org** is an online database offering financial data and Social Performance Metrics on all U.S. banks. This dynamic resource allows impact investors to search for ideal partners and provides bank leadership with the tools for self-evaluation and competitive analysis. Nearly all of the statistics in this Annual Report can be calculated by our BankImpact users.

# BankIMPACT

### How can you use BankImpact?

- Search for banks meeting your social, financial, and geographic criteria.
- Quantify impact with Social Performance Metrics and Mission Indicators.
- Benchmark a bank's performance relative to standard or customized peer groups.
- Create and analyze custom peer groups or portfolios.
- Monitor trends in the mission-oriented banking industry.

For more information, please visit [BankImpact.org](https://www.bankimpact.org).

**BankImpact Dashboards** are third-party reports provided by NCIF to partner banks. Based on publicly-available data as well as data reported directly from the banks, NCIF creates a comprehensive analysis of social performance for the banks. The report also considers financial products and services, clients served, analysis of staff and governances, financial performance, and environmental impacts.

**Custom Analysis** allows investors, bank leaders, and other decision makers to stay informed about the financial health and social impact of banks. NCIF can provide a variety of financial and social metrics, along with trend analysis that most resonates with your mission and analytical needs, in the format most useful to you. We offer detailed analysis of any U.S. bank's financial and social performance, compared to a standard or customized peer group, with historical data available since 1996.

For more information, please contact NCIF.

# ABOUT NCIF

NCIF is the largest investor in the mission-oriented banking industry, with investments in 15% of all certified CDFI banks. NCIF has \$228 million of assets under management, including \$203 million in New Markets Tax Credit allocations. We invest capital and facilitate the flow of funds from investors to banks. As an impact investor, NCIF pursues a triple bottom line strategy that maximizes social, environmental, and financial returns.

NCIF builds opportunities for CDFI banks, Minority Depository Institutions, and other mission-oriented financial institutions through a variety of programs. We inform banks, investors, and others of the industry’s financial and social performance using our specially developed Social Performance Metrics and our forward-thinking industry research. We connect banks to one another to promote collaboration and innovation, and empower them to access regulators and investors. NCIF is a catalyst of industry innovation, encouraging banks to leverage new opportunities and innovative business models.

Through new business models and powerful Social Performance Metrics, NCIF and its network aspire to transform the mission-oriented financial industry and the realities of underserved low-income communities.

## NCIF IMPACT MODEL





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