Place, Race & CDFI Lending

Examining Relationships among CDFI Fund Investment Areas, Majority-Minority Census Tracts, & CDFI Lending Activity

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Introduction

The use of racial preferences as a means to social, economic, and political justice is a tested and contested issue in legislative, judicial, and administrative policymaking–as well as politics, the media, business, advocacy, and other real-world corridors. Rhetoric is sharp and heated about diversity, equity, and inclusion. Decisions ranging from voting rights to education to lending are disputed in places as different as courtrooms and living rooms. The risks and costs of conflicts and contests, as well as business and legal liabilities, are expensive and problematic.

In this volatile context, governments, schools, employers, managers, businesses, nonprofits, and others are making decisions and choices shaped by laws, regulations, generally accepted practices, past experiences, discretion, judgments, common sense, and ideologies.

Central to any theoretical discussion of the role of race in decision-making are the facts about place, race, and CDFI lending in practice. CDFIs, someone once said, sound great in practice but they will never work in theory.

Community Development Financial Institutions (CDFIs) as a group prioritize serving people, communities, and places that have been under-financed historically and that are facing one or more conditions of economic distress. Some, probably many, of these places have been structurally and/or systemically underfinanced over time.[3] In response, some

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[1] Research by Tract Advisors for CDFI Friendly America

[3] For example, *The Color of Law* (Rothstein, Richard. 2018. New York, NY: Liveright Publishing Corporation) and *The Color of Money* (Baradaran, Mehrsa.2017. Cambridge, MA. Harvard University Press, Belknap Press).

CDFIs state explicit goals of providing financing in response to racial, ethnic, or other discriminatory excuses for denying equal access to credit and other financial products and services. All CDFIs exist to redress shortcomings in access to responsible financial products and services, and most do that. What do the facts about CDFI financing tell us about whether CDFIs should, or must, prioritize serving people of color or BIPOC (Black, Indigenous, People of Color) communities and/or markets?

The Supreme Court's June 2023 ruling on affirmative action in college admissions (*Students for Fair Admissions v. Harvard, 600 U.S. 181 (2023)*) has raised concerns among CDFI leaders and their partners that their financing strategies may be a target of future legal action. They wonder whether CDFI efforts to prioritize lending to BIPOC people and communities will result in lawsuits challenging the legality of their approaches. There is also concern that the CDFI Fund in the U.S. Department of the Treasury will be a target—either directly or indirectly. The CDFI Fund provides financing and related resources to CDFIs to support their work.

At least one CDFI has been sued in a legal challenge that appears to be a test case of the extension of race-focused decision-making to CDFIs. That challenge focuses on the CDFI's administration of a county program to provide grant funds, not loans, to small businesses during COVID.[4] (Many CDFIs participated in comparable grant programs during COVID as public officials recognized that CDFIs work closely with local entrepreneurs, are experienced at providing financing under conditions of economic distress, and were well situated in 2020 and 2021 to distribute funds quickly.) The population of the County named in the recent suit is more than 75% BIPOC and 98% of the low-income (or otherwise economically distressed) census tracts in that county are majority-minority tracts.

Questions About CDFI Strategies & Practices

CDFIs are private financial institutions with as much as forty-year track records of successfully financing businesses, housing, nonprofits, consumers, and others in places, and to benefit people who have been or are being under-financed and under-valued. A recent study by the Federal Reserve Bank of New York puts their total assets (as an industry) at about $450 billion among almost 1,500 CDFIs.[5]

At CDFI Friendly America,[6] we are working to increase CDFI financing to under-financed and under-valued people and places. For that reason, we focused this research on three

[4] https://aaacdfi.org/blog/the-slippery-slope-of-a-conservative-courts-decision-on-affirmative-action/

[5] *Sizing the CDFI Market: Understanding Industry Growth*, (Scott, Jacob et al., August 2023). The Federal Reserve Bank of New York.

[6] CDFI Friendly America LLC is an advisory firm simultaneously assisting places with limited access to CDFI financing to increase CDFI financing in those places while making it easier and more cost-effective for CDFIs to offer financing and related products in places outside of their primary markets. (www.cdfifriendlyamerica.com)

foundational questions to contextualize conversations about the role of race in CDFI financing strategies:

- To what extent is there correlation between places in the U.S. with significant economic distress and places that comprise primarily people of color?
- Is “place” a significant factor in that correlation—or lack of correlation. That is, do the findings about correlation hold true across different metrics of place (i.e., national, state, county, metro, place, census tract)?
- How does actual CDFI financing relate to areas of economic distress and majority-minority places?

The first two questions are focused on the extent to which economic distress and racial demographics are correlated. CDFIs have long postulated that a correlation might reflect a systemic issue–are differences in access to credit and related services a cause of economic distress? The third question asks whether CDFIs are lending at higher or lower levels than places’ racial composition—that is, are they favoring people and communities of color?

CDFI Friendly America started with the hypothesis that, for many but not all CDFIs, serving economically distressed communities is essentially the same as serving BIPOC communities, due to the longstanding and well-established correlation between race/ethnicity, on the one hand, and income and wealth, on the other hand.

To better understand this correlation in the context of CDFI activity, CDFI Friendly America requested and Tract Advisors completed—an analysis of the relationship between economically distressed census tracts (i.e., low income, high poverty, and/or high unemployment) and majority-minority tracts—tracts where more than 50 percent of the population identifies as BIPOC.

For this analysis, Tract Advisors used CDFI Fund Investment Area (IA) census tracts to represent economic distress[7] and majority-minority census tracts to represent racial and ethnic minority communities. This relationship is summarized at the city, county, metro area, state, and national levels. See the Data and Methodology section for details on data sources and calculation methods.

We start with a standard analysis using Pearson’s Correlation Coefficient. Beyond that measure, there are two pragmatic ways to assess a geography’s relationship between

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[7] IAs are “an investment area defined in the Code of Federal Regulations at 12 C.F.R. §1805.201(b)(3)(ii), as amended. A CDFI Investment Area is currently defined as a geographic unit (or contiguous geographic units), such as a census tract, located within the United States, that meets at least one of the following criteria: Has a population poverty rate of at least 20 percent; Has an unemployment rate 1.5 times the national average; For a metropolitan area has a median family income (MFI) at or below 80 percent of the greater of either the metropolitan or national metropolitan MFI; For a non-metropolitan area that has an MFI at or below 80 percent of the greater of either the statewide or national non-metropolitan MFI; Is wholly located within an Empowerment Zone or Enterprise Community; or Has a county population loss greater than or equal to 10 percent between the two most recent census periods for Metro areas or five percent over last five years for non-Metro areas.” (CDFI Investment Area Definition | Law Insider)

economic distress and minority communities: (1) Compare the likelihood that minority communities are economically distressed vs. non-minority communities; and (2) Compare the share of all economically distressed communities that are minority vs. non-minority. These two approaches offer different takeaways depending on the geography's overall share of population that is minority. The first comparison shows consistent disparity across nearly all geographies, which confirms that minority communities are much more likely to experience economic distress than non-minority communities. The second comparison makes the case that, in some geographies, CDFIs have little choice but to work in minority communities because they comprise such a large share of all economically distressed communities.

Key Findings

The initial finding is that census tracts exhibiting economic distress are closely correlated with majority-minority census tracts. Seventy-eight percent (78%) of majority-minority census tracts in the U.S. are CDFI Fund IAs, 2.5 times the rate of non-majority-minority tracts (31%). This disparity is consistent across all geographies, though the relationship is stronger among cities, counties, and metro areas than at the state and national levels. And in many geographies, at least 75% of all economically distressed tracts are majority-minority.

Our key takeaway is that many CDFIs serve target markets where economically distressed communities are almost entirely comprised of majority-minority communities. By serving IA census tracts, CDFIs are serving low-income, high-poverty, and/or high-unemployment communities, which are mostly minority communities. CDFIs with a stated focus on racial and ethnic minority communities seem to be working there because those are the areas experiencing economic distress in their target markets.

Table 1: Pearson's Correlation Coefficients by Geography for Investment Area Tracts and Majority Minority Tracts

Geography	Pearson's Correlation Coefficient	Strength
Cities	0.47	Moderate Positive
Cities w/ pop > 500,000	0.58	Moderate Positive
Major Metro Areas	0.52	Moderate Positive
Urban Areas	0.46	Moderate Positive
Rural Areas	0.27	Weak Positive
Nation	0.43	Moderate Positive

Sources: CDFI Fund IA Tracts, 2022; CDFI Fund ERP Majority Minority Tracts, 2022; Tract Advisors, 2023.

The correlation coefficients for IA qualification and majority-minority population vary by geography, with large cities (at least 500,000 residents) having the strongest coefficient at 0.58 (vs. 0.47 for all cities), followed by major metro areas (at least one million residents) at 0.52. Nationwide, the correlation coefficient is 0.43. These coefficients are in the range of moderate positive relationship (0.30 to 0.70) based on commonly accepted Pearson's correlation coefficient scales.[8]

Economic distress and majority-minority population are much less strongly correlated in rural areas, where the coefficient is 0.27 (weak positive relationship). This reflects the fact that a much larger share of non-majority-minority tracts are economically distressed in rural areas compared with urban areas. Table 1 shows correlation coefficients for relevant geographies.

Our finding based on CDFI lending reported to the CDFI Fund from 2005 through 2021 finds that CDFI lending in economically distressed, majority-minority tracts is proportional to the share of economically distressed tracts that are majority-minority. Stated differently, CDFI lending in low-income tracts has gone to majority-minority tracts as we would expect, given the high share of low-income tracts that are majority-minority. Only a handful of cities, counties, and metro areas show disproportionately high lending volume to majority-minority tracts.

Results by Geography

NATIONWIDE

- Table 2 shows that 53% of all IA tracts are majority-minority, which is notably larger than the 31% share of all US tracts that are majority-minority.
- More telling is that 78% of majority-minority tracts are IA tracts, 2.5 times the rate of non-majority-minority tracts (31%).
- The national share of CDFI lending dollars in IA tracts going to majority-minority tracts from 2005-2021 is 56%, only three percentage points higher than the share of IA tracts that are majority-minority.

Table 2: Economic Distress and Majority Minority Census Tracts, Nationwide

Majority Minority Tracts		*Investment Area Tracts*		*Lending Comparison*	
% Majority Minority Tracts that are IA	% Non-Majority Minority Tracts that are IA	% IA Tracts that are Majority Minority	% IA Tracts that are Non-Majority Minority	% IA Tract CDFI Lending $ in Majority Minority Tracts	% Point Diff - IA/MM Lending and Tracts
78%	31%	53%	47%	56%	3%

[8] https://link.springer.com/content/pdf/10.1057/jt.2009.5.pdf

- This suggests CDFIs are serving minority communities in similar proportions based on their mission of supporting economic growth and economic opportunities to reduce economic distress. In other words, in the aggregate, CDFIs are not closing a disproportionately high or low amount of IA tract lending in minority communities.

- Table 3 shows that urban areas, especially major metro areas (at least one million residents), have a much larger share of IA tracts that are majority-minority. Meanwhile, majority-minority tracts in minor metro areas (fewer than one million residents) and micropolitan areas[9] show the highest rates of economic distress.
  - 70% and 39% of major and minor metro area IA tracts are majority-minority, respectively; these rates are much higher than the 25% and 19% shares for micropolitan regions and rural counties (i.e., rural areas).
  - Minor metro and micropolitan areas show larger shares of majority-minority tracts qualifying as IA (89% and 83%) compared with major metro areas and rural counties (75% and 72%).

Table 3: Economic Distress and Majority Minority Census Tracts in Urban and Rural Areas

		Majority Minority Tracts		*Investment Area Tracts*		*Lending Comparison*	
	CBSA Type	% Majority Minority Tracts that are IA	% Non-Majority Minority Tracts that are IA	% IA Tracts that are Majority Minority	% IA Tracts that are Non-Majority Minority	% IA Tract CDFI Lending $ in Majority Minority Tracts	% Point Diff - IA/MM Lending and Tracts
Urban	Major Metro	75%	23%	70%	30%	75%	5%
	Minor Metro	89%	39%	39%	61%	43%	3%
Rural	Micropolitan	83%	37%	25%	75%	43%	18%
	Rural County	72%	41%	19%	81%	33%	13%

- The share of CDFI lending in IA tracts going to majority-minority tracts from 2005-2021 is proportional to the share of IA tracts that are majority-minority in major (75% vs. 70%) and minor (43% vs. 39%) metro areas.
  - The share of CDFI lending dollars in IA tracts going to majority-minority tracts is disproportionately high; however, compared with the tract distribution in rural areas: 43% vs. 25% in micropolitan areas, and 33% vs. 19% in rural counties.

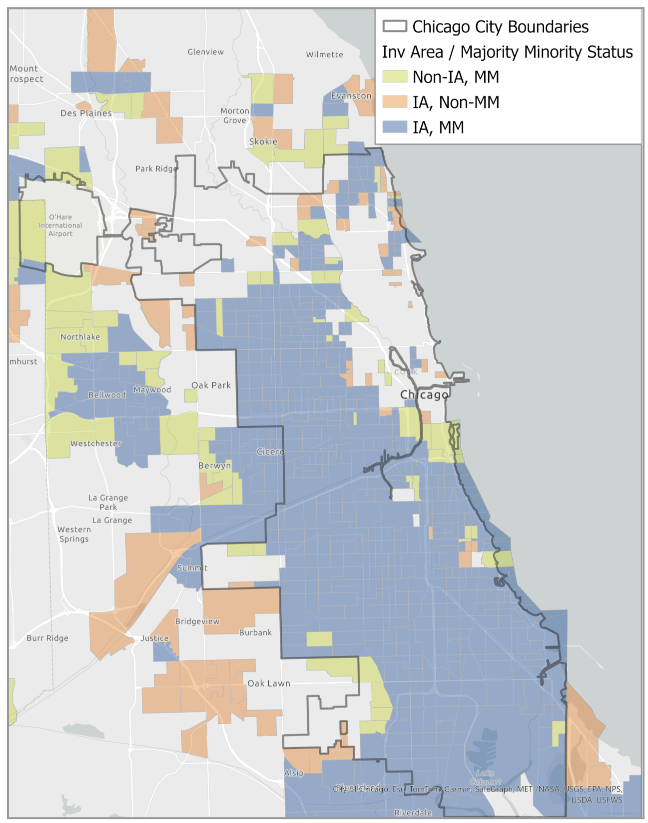
[9] The definition for micropolitan areas is available at ttps://www.census.gov/programs-surveys/metro-micro/about.html.

CITIES

Table A-1 (Appendix) shows the relationship between economic distress and minority communities for the 20 largest US cities. In most of the 20 largest US cities, minority communities, and economically distressed communities are essentially the same. majority-minority tracts are much more likely to qualify as IA tracts than non-majority-minority tracts across all cities, with Chicago (94% vs. 14%), Dallas (90% vs. 7%), Houston (83% vs. 5%), and San Antonio (75% vs. 5%) showing the greatest disparity. The percentage of IA tracts that are majority-minority exceeds 75% in all 10 of the nation's largest cities: New York (85%), Los Angeles (93%), Chicago (94%), Houston (98%), Phoenix (77%), Philadelphia (76%), San Antonio (99%), San Diego (83%), Dallas (97%), and San Jose (100%).

Maps 1 and 2 illustrate the spatial distribution of tracts that are IAs and/or majority-minority populations in Chicago and Dallas, respectively. Blue tracts qualify as IAs and are majority-minority, while the orange tracts are majority-white IAs, and green tracts are majority-minority non-IAs. Both maps show how challenging it is for CDFIs to finance activity in non-majority-minority IAs tracts.

Map 1: Chicago CDFI Fund Investment Areas and Majority Minority Tract Status



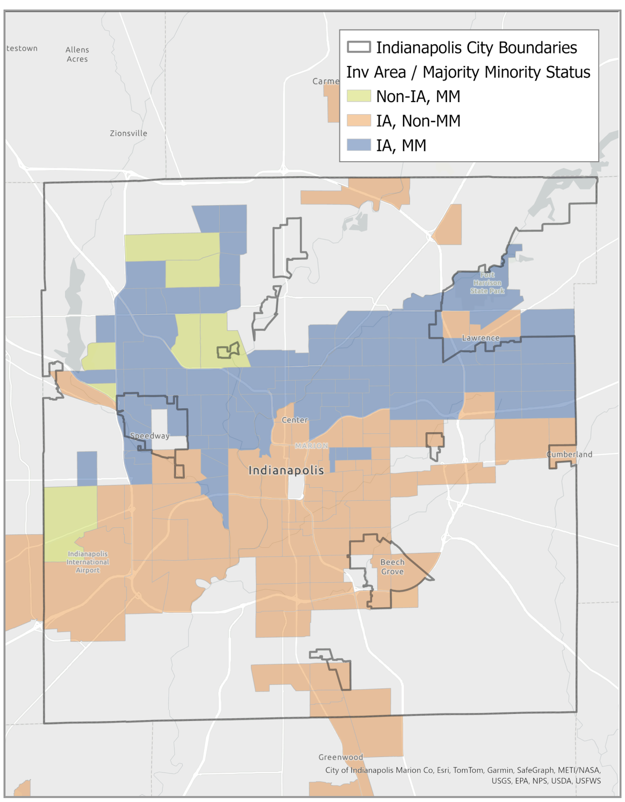
Credit: [CDFI Market Map](), CDFI Friendly America.

In cities where the share of IA tracts that are majority-minority is similar to the share that are non-majority-minority, such as Indianapolis (55%/45%) and Columbus, OH (57%/43%), the percentage of majority-minority tracts that are IA tracts (91% and 94%) is far higher than the share of non-majority-minority tracts (48% in both cities). The similar shares of IA tracts that are majority-minority vs. non-majority-minority are illustrated in Map 3, which shows the same tract information as Maps 1 and 2, but for Indianapolis.

COUNTIES & METRO AREAS

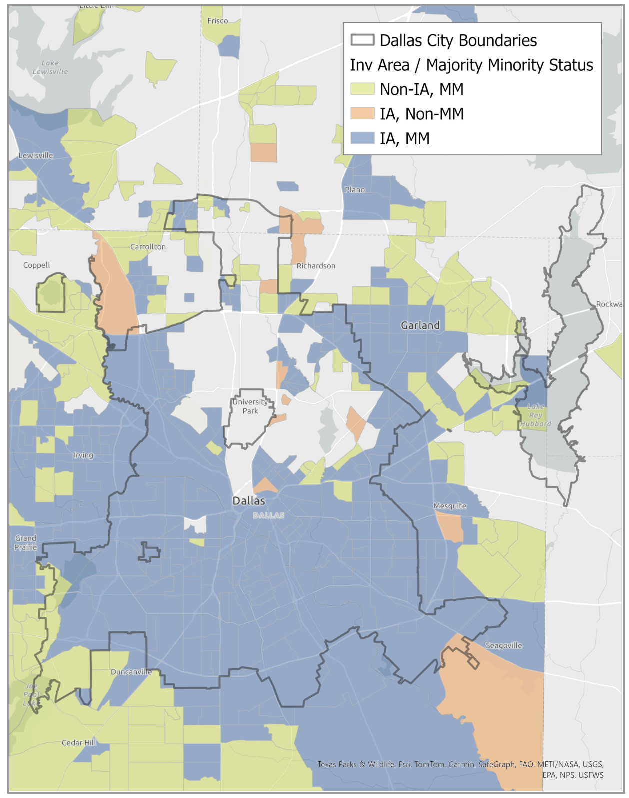
While a handful of CDFIs consistently serve a widely dispersed national target area—and a somewhat larger group of CDFIs serves multiple states as part of regional strategies—most CDFIs serve one or more cities, counties, and/or metro areas. From 2005-2021, 48% of CDFI loans and 39% of dollars loaned went to borrowers, businesses, and development projects located in major metro areas where at least 70% of IA tracts are majority-minority. This finding suggests that CDFIs serving metro areas are serving minority populations because the overwhelming majority of eligible CDFI Fund IA census tracts are majority-minority.

Map 3: Indianapolis CDFI Fund Investment Areas and Majority Minority Tract Status



Credit: [CDFI Market Map](), CDFI Friendly America.

Map 2: Dallas CDFI Fund Investment Areas and Majority Minority Tract Status



Credit: [CDFI Market Map](), CDFI Friendly America.

Tables A-2 and A-3 (both in the Appendix) show results for the 20 largest counties and metro areas.

- Overall, the share of IA tracts that are majority-minority among counties and metro areas tends to track closely with their respective cities, with some notable exceptions (e.g., Dallas).
- The share of majority-minority tracts that are IA tracts tends to be quite a bit lower in some metro areas, however: the Washington (DC), Los Angeles, and Atlanta metro areas have notably lower shares than their core cities, which reflects their higher concentration of more prosperous minority suburban communities.

STATES & TERRITORIES

Even CDFIs working at the state level, in some cases, are likely to serve majority-minority communities because of the relationship between minority communities and economic distress (see Table A-4 in the Appendix).

- Majority-minority tracts are much more likely to qualify as IA tracts than non-majority-minority tracts across all states (except Hawaii and Vermont). Over 90% of majority-minority tracts are IA tracts in 27 out of the 52 (52%) areas comprising US states, DC, and Puerto Rico.
- In California and Texas, 80% of IA tracts statewide are majority-minority; in New Jersey, the share is 75% and Maryland's share is 70%.
- In Pennsylvania and Ohio, where the shares of IA tracts that are majority-minority are lower (39% and 35%, respectively), the share of majority-minority tracts that are IA tracts compared to non majority-minority tracts shows dramatic disparity (93% vs. 26% and 93% vs. 36%, respectively).

CDFI Lending Activity

We also compared the percentage of CDFI IA lending (by dollars) in majority-minority tracts with the percentage of CDFI IA tracts that are majority-minority. The previously cited Tables (A-1 through A-4) show the difference between these two percentages, with positive differences reflecting geographies where the percentage of IA lending in minority communities is higher than the percentage of IA tracts that are minority communities. In geographies where the share of IA lending in majority-minority tracts exceeds the share of IA tracts that are majority-minority, one might infer that CDFIs are closing a disproportionately high share of lending in minority communities; vice versa for geographies where IA lending is lower than the share of IA tracts that are majority-minority.

- Only a handful of the nation's larger cities show disproportionately high lending in minority communities: Jacksonville, Seattle, Las Vegas, Mesa (AZ), Colorado Springs, and Louisville.
- In some cities, CDFI IA lending in minority communities is disproportionately low: Columbus (OH), Virginia Beach, Minneapolis, Tulsa, Arlington (TX), New Orleans, and Cleveland.

The analysis of CDFI lending activity is difficult to draw conclusions from because data limitations make it impossible for us to determine which CDFIs are lending in various geographies. CDFI Friendly America and Tract Advisors intend to create custom analyses of individual CDFIs' relative lending in economically distressed, minority communities, where possible.

Opportunities for Further Research

The goal for this research was to better understand the extent to which economically distressed areas correlate with minority communities and the proportionate share of CDFI financing in these communities. Underlying this goal is an interest in learning the context with which to evaluate long-standing CDFI assumptions and strategies in response to economic distress, economic inequities, and economic injustice.

We are interested in additional approaches to these topics. These might include:

> (1) Comparisons of places where CDFIs have provided capital to those where CDFIs have not provided financing (or have provided very little financing). CDFIs can better understand whether access to credit is a problem in the places and markets they are serving or are considering serving. As stewards of private and public resources, they have a responsibility to ensure that their scarce resources are deployed in practice in ways that align with their work in theory. Given our finding that there is a correlation between place and race in economically distressed places, CDFIs can explore whether their work uses or should use racial preferences, and
>
> (2) Analyses of individual CDFIs' lending in the context of economic distress, race and other factors of discrimination, and lending trends involving both CDFIs and mainstream financial institutions.

Individual CDFI analyses would help CDFIs, investors, funders, and policymakers understand (among other things) the extent to which CDFI lending service areas' economically distressed tracts are also majority-minority tracts. We would like to compare each CDFI's share of lending in economically distressed, majority-minority tracts to their service area's share of tracts to calculate proportional lending ratios. Similar to this paper's findings, we expect that many CDFIs operating in the context of CDFI Fund rules are likely to concentrate lending in majority-minority tracts since those tracts comprise such a dominant share of all economically distressed tracts. This would reflect the broader fact that economic distress disproportionately affects BIPOC people and places as a result of historic, structural, and systemic financial inequities.

We believe this approach might benefit from similar analyses of credit provision by mainstream (non-CDFI) financial institutions in CDFI Fund Qualified IAs. That approach might be useful for the implementation of the Community Reinvestment Act (CRA), as well.

Conclusion

CDFI lending targets are determined in large part by CDFI Fund IAs, which are defined by economic distress. This analysis—which we believe is the first to use IAs as the basis for analysis in this way—found that majority-minority census tracts are much more likely to be IAs than other census tracts and that IAs are, as a result, disproportionately more likely to be majority-minority. Therefore, CDFI lending—regardless of CDFIs' stated goals—is more likely to benefit BIPOC people and communities than other people and places.

Methodology and Data Sources

METHODOLOGY

This paper used tract-level data from the CDFI Fund to calculate the percentage of majority-minority tracts that are IA tracts by city, county, metro area, state, and the nation. Conversely, our analysis also calculated the percentage of IA tracts that are majority-minority tracts for the same geographies. The latter analysis produces less consistent results since it is heavily dependent upon a geography's share of tracts that are majority-minority; however, in many geographies, economically distressed tracts are almost exclusively majority-minority tracts.

We then calculated the percentage of CDFI IA lending (in dollars) that has been made in majority-minority tracts from 2005-2021. This percentage is compared to the share of IA tracts that are majority-minority, resulting in the *% Point Diff - IA/MM Lending and Tracts* column in Tables A-1 through A-4.

DATA SOURCES

CDFI Fund IA tracts (source: CDFI Fund list of IA tracts based on 2011-2015 ACS data): Indicates the extent to which Census tracts have either high poverty, low-income, and/or high unemployment by meeting at least one of the following criteria: (1) has a population poverty rate of at least 20 percent; (2) or has an unemployment rate of at least 1.5 times the national average; (3) or for a metropolitan area has a median family income (MFI) at or below 80 percent of the greater of either the metropolitan MFI or national metropolitan MFI; (4) or for a non-metropolitan area that has a MFI at or below 80 percent of the greater of either the statewide non-metropolitan MFI or national non-metropolitan MFI; (5) or is wholly located within an Empowerment Zone or Enterprise Community; (6) or has a county population loss greater than or equal to ten percent for Metro areas or five percent for Non-Metro areas.

Percentage of Census tracts with majority-minority populations (source: CDFI Fund list of Equitable Recovery Program-Eligible Geographies from the ERP Funding Application): majority-minority is defined as a census tract in which at least 50% of the population self-identifies as a member of one or more racial or ethnic minority population(s), including: American Indian or Alaska Native; Asian; Black or African American; Hispanic or Latino; Native Hawaiian or Other Pacific Islander; Some Other Race. Definitions for the first five of the six terms listed may be found in the 1997 Office of Management and Budget (OMB) Standards on Race and Ethnicity. A definition for "Some Other Race" may be found in the American Community Survey and Puerto Rico Community Survey 2015 Subject Definitions.

The Authors

Mark Pinsky

Mark Pinsky has worked in the CDFI industry for more than 30 years, including serving as the Executive Director of The CDFI Coalition from 1992-1995 and as President & CEO of the Opportunity Finance Network from 1995-2016. He led the development of the Equity Equivalent (EQ2) investment product, the AERIS Ratings System, the NEXT Awards for Opportunity Finance, the CDFI Bond Guarantee program at the CDFI Fund, the CDFI Data Project, as well as the CDFI Fund. Today he is the President and Founder of CDFI Friendly America, which is increasing CDFI financing in underfinanced, underserved, and underestimated people and markets across the U.S.

Lance Loethen

Lance Loethen has 20 years of experience managing a wide range of community development research initiatives, including impact evaluation, socioeconomic trends, data analytics, and geospatial analysis for community development financial institutions (CDFIs). Prior to founding Tract Advisors in 2020, Lance spent five years as Vice President, Research, for Opportunity Finance Network and served as Research Associate for 12 years at Reinvestment Fund where he managed impact data analytics and developed geospatial research tools that assess the social and economic impacts of CDFI investments. Mr. Loethen holds an MA in Urban and Regional Planning from Virginia Commonwealth University and a BS in Economics from the University of Kansas.

Appendix Tables

Table A-1: Investment Area Tracts and Majority Minority Tracts in the top 20 US Cities (Population)

			Majority Minority Tracts		*Investment Area Tracts*		*Lending Comparison*	
City	State	2020 Census Population	% Majority Minority Tracts that are IA	% Non-Majority Minority Tracts that are IA	% IA Tracts that are Majority Minority	% IA Tracts that are Non-Majority Minority	% IA Tract CDFI Lending $ in Majority Minority Tracts	% Point Diff - IA/MM Lending and Tracts
New York	NY	8,804,190	79%	25%	85%	15%	92%	6%
Los Angeles	CA	3,898,747	80%	16%	93%	7%	97%	4%
Chicago	IL	2,746,388	94%	14%	94%	6%	96%	2%
Houston	TX	2,304,580	83%	5%	98%	2%	97%	-1%
Phoenix	AZ	1,608,139	94%	28%	77%	23%	72%	-5%
Philadelphia	PA	1,603,797	97%	45%	76%	24%	83%	7%
San Antonio	TX	1,434,625	75%	5%	99%	1%	99%	1%
San Diego	CA	1,386,932	66%	13%	83%	17%	84%	0%
Dallas	TX	1,304,379	90%	7%	97%	3%	98%	1%
San Jose	CA	1,013,240	58%	0%	100%	0%	100%	0%
Austin	TX	961,855	86%	19%	76%	24%	77%	1%
Jacksonville	FL	949,611	91%	42%	61%	39%	79%	18%
Fort Worth	TX	918,915	83%	18%	90%	10%	95%	5%
Columbus	OH	905,748	94%	48%	57%	43%	41%	-17%
Indianapolis city (	IN	887,642	91%	48%	55%	45%	56%	1%
Charlotte	NC	874,579	76%	15%	88%	12%	95%	6%
San Francisco	CA	873,965	53%	5%	94%	6%	97%	3%
Seattle	WA	737,015	82%	12%	64%	36%	79%	15%
Denver	CO	715,522	87%	27%	67%	33%	60%	-6%
Washington	DC	689,545	84%	18%	90%	10%	93%	3%

Table A-2: Investment Area Tracts and Majority Minority Tracts in the top 20 US Counties (Population)

			Majority Minority Tracts		*Investment Area Tracts*		*Lending Comparison*	
County	State	2020 Census Population	% Majority Minority Tracts that are IA	% Non-Majority Minority Tracts that are IA	% IA Tracts that are Majority Minority	% IA Tracts that are Non-Majority Minority	% IA Tract CDFI Lending $ in Majority Minority Tracts	% Point Diff - IA/MM Lending and Tracts
Los Angeles	CA	10,019,635	67%	15%	93%	7%	94%	1%
Cook	IL	5,265,398	88%	13%	90%	10%	95%	5%
Harris	TX	4,697,957	76%	5%	97%	3%	98%	0%
Maricopa	AZ	4,367,186	86%	25%	62%	38%	66%	5%
San Diego	CA	3,296,317	67%	15%	79%	21%	85%	6%
Orange	CA	3,182,923	45%	5%	91%	9%	90%	-1%
Kings	NY	2,712,360	82%	44%	74%	26%	79%	5%
Miami-Dade	FL	2,690,113	69%	14%	98%	2%	98%	0%
Dallas	TX	2,604,722	76%	8%	97%	3%	96%	-1%
Riverside	CA	2,409,331	71%	45%	76%	24%	79%	3%
Queens	NY	2,393,104	65%	23%	89%	11%	96%	8%
King	WA	2,240,876	71%	11%	69%	31%	78%	9%
Clark	NV	2,231,147	75%	27%	77%	23%	89%	11%
San Bernardino	CA	2,171,071	70%	54%	79%	21%	87%	8%
Tarrant	TX	2,091,953	76%	17%	79%	21%	75%	-5%
Bexar	TX	1,990,522	67%	4%	98%	2%	100%	1%
Broward	FL	1,934,551	70%	26%	78%	22%	80%	1%
Santa Clara	CA	1,932,022	44%	1%	99%	1%	99%	0%
Wayne	MI	1,789,781	97%	32%	77%	23%	91%	13%
Alameda	CA	1,673,133	59%	9%	94%	6%	95%	1%

Table A-3: Investment Area Tracts and Majority Minority Tracts in the 20 Largest Metro Areas (CBSAs)

		Majority Minority Tracts		*Investment Area Tracts*		*Lending Comparison*	
Metro Area Name	2020 Census Population	% Majority Minority Tracts that are IA	% Non-Majority Minority Tracts that are IA	% IA Tracts that are Majority Minority	% IA Tracts that are Non-Majority Minority	% IA Tract CDFI Lending $ in Majority Minority Tracts	% Point Diff - IA/MM Lending and Tracts
New York-Newark-Jersey City, NY-NJ-PA	20,011,812	72%	14%	83%	17%	91%	8%
Los Angeles-Long Beach-Anaheim, CA	13,202,558	64%	12%	93%	7%	94%	1%
Chicago-Naperville-Elgin, IL-IN-WI	9,607,711	85%	12%	85%	15%	94%	9%
Dallas-Fort Worth-Arlington, TX	7,543,340	73%	13%	84%	16%	84%	1%
Houston-The Woodlands-Sugar Land, TX	7,048,954	71%	10%	92%	8%	97%	4%
Washington-Arlington-Alexandria, DC-VA-MD-WV	6,332,069	56%	14%	79%	21%	89%	9%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	6,215,222	89%	18%	64%	36%	80%	16%
Miami-Fort Lauderdale-Pompano Beach, FL	6,105,897	71%	26%	83%	17%	85%	2%
Atlanta-Sandy Springs-Alpharetta, GA	6,026,734	78%	20%	79%	21%	86%	7%
Boston-Cambridge-Newton, MA-NH	4,912,030	94%	20%	51%	49%	64%	12%
Phoenix-Mesa-Chandler, AZ	4,787,811	86%	27%	61%	39%	66%	5%
San Francisco-Oakland-Berkeley, CA	4,725,584	56%	8%	90%	10%	95%	4%
Riverside-San Bernardino-Ontario, CA	4,580,402	70%	48%	77%	23%	83%	6%
Detroit-Warren-Dearborn, MI	4,382,832	93%	25%	61%	39%	77%	15%
Seattle-Tacoma-Bellevue, WA	3,971,125	77%	21%	46%	54%	52%	6%
Minneapolis-St. Paul-Bloomington, MN-WI	3,659,156	92%	23%	37%	63%	39%	2%
San Diego-Chula Vista-Carlsbad, CA	3,296,317	67%	15%	79%	21%	85%	6%
Tampa-St. Petersburg-Clearwater, FL	3,146,074	81%	45%	32%	68%	36%	4%
Denver-Aurora-Lakewood, CO	2,936,665	90%	18%	60%	40%	58%	-2%
Baltimore-Columbia-Towson, MD	2,837,237	74%	20%	68%	32%	78%	10%

Table A-4: Investment Area Tracts and Majority Minority Tracts by State, Sorted in Descending Order by Population

		Majority Minority Tracts		*Investment Area Tracts*		*Lending Comparison*	
State	2020 Census Population	% Majority Minority Tracts that are IA	% Non-Majority Minority Tracts that are IA	% IA Tracts that are Majority Minority	% IA Tracts that are Non-Majority Minority	% IA Tract CDFI Lending $ in Majority Minority Tracts	% Point Diff - IA/MM Lending and Tracts
CA	39,455,353	66%	24%	80%	20%	87%	7%
TX	28,862,581	74%	21%	80%	20%	96%	16%
FL	21,339,762	78%	44%	47%	53%	36%	-11%
NY	20,114,745	77%	22%	68%	32%	83%	15%
PA	12,970,650	93%	26%	39%	61%	67%	29%
IL	12,821,813	86%	21%	67%	33%	91%	25%
OH	11,769,923	93%	36%	35%	65%	40%	5%
GA	10,625,615	87%	40%	59%	41%	60%	1%
NC	10,367,022	86%	44%	41%	59%	42%	1%
MI	10,062,512	94%	34%	38%	62%	43%	5%
NJ	9,234,024	67%	13%	75%	25%	91%	16%
VA	8,582,479	64%	24%	49%	51%	45%	-4%
WA	7,617,364	81%	31%	29%	71%	35%	6%
AZ	7,079,203	86%	35%	55%	45%	58%	3%
MA	6,991,852	94%	23%	45%	55%	51%	6%
TN	6,859,497	88%	48%	30%	70%	49%	18%
IN	6,751,340	94%	36%	28%	72%	38%	10%
MD	6,148,545	64%	20%	70%	30%	78%	8%
MO	6,141,534	92%	39%	28%	72%	23%	-5%
WI	5,871,661	97%	22%	37%	63%	31%	-6%
CO	5,723,176	90%	26%	42%	58%	39%	-3%
MN	5,670,472	93%	23%	26%	74%	30%	4%
SC	5,078,903	91%	49%	40%	60%	44%	3%
AL	4,997,675	94%	50%	45%	55%	38%	-7%
LA	4,657,305	92%	42%	57%	43%	44%	-13%
KY	4,494,141	95%	54%	9%	91%	8%	-1%
OR	4,207,177	82%	43%	8%	92%	7%	0%
OK	3,948,136	94%	39%	33%	67%	43%	10%
CT	3,605,330	90%	16%	66%	34%	85%	19%
PR	3,311,274	97%	3%	100%	0%	100%	0%
UT	3,231,370	88%	28%	16%	84%	7%	-9%
IA	3,179,090	100%	25%	10%	90%	11%	1%
NV	3,059,238	77%	29%	66%	34%	73%	7%
AR	3,006,309	96%	52%	30%	70%	30%	0%
MS	2,967,023	94%	53%	55%	45%	55%	-1%
KS	2,932,099	89%	26%	33%	67%	29%	-4%
NM	2,109,366	77%	22%	86%	14%	96%	10%
NE	1,951,480	91%	23%	27%	73%	41%	13%
ID	1,811,617	100%	41%	5%	95%	11%	6%
WV	1,801,049	100%	60%	1%	99%	2%	1%
HI	1,453,498	29%	18%	86%	14%	96%	10%
NH	1,372,175	100%	27%	1%	99%	0%	-1%
ME	1,357,046	100%	32%	2%	98%	2%	0%
RI	1,091,949	100%	22%	48%	52%	61%	12%
MT	1,077,978	100%	32%	14%	86%	18%	5%
DE	981,892	83%	24%	50%	50%	52%	2%
SD	881,785	100%	25%	24%	76%	45%	21%
ND	773,344	88%	20%	15%	85%	32%	17%
AK	735,951	81%	26%	51%	49%	61%	10%
DC	683,154	84%	18%	90%	10%	93%	3%
VT	641,637	0%	18%	0%	100%	0%	0%
WY	576,641	100%	26%	6%	94%	60%	54%
All	**333,036,755**	**78%**	**31%**	**53%**	**47%**	**56%**	**3%**