

# CDFIs Provide Opportunity For All

**Economic opportunity is one cornerstone of a free and just nation, and it often starts with access to capital through a loan. Yet, millions of Americans can't access traditional, fair financing because of discrimination or a lack of collateral. And COVID-19, a growing wealth gap, and persistent poverty have made it more challenging for low-income, low-wealth communities to borrow money.**

Community development financial institutions (CDFIs) specialize in offering responsible capital to rural, urban, and Native communities underserved by mainstream finance. For more than 35 years, CDFIs have enjoyed broad bipartisan support, working with community stakeholders and policymakers to invest in people and places and transform communities.

## CDFI Investments Build Strong Communities

CDFI financing supports the following and much more:

- Small businesses
- Affordable homes
- Healthcare facilities
- Grocery stores
- Senior centers
- Charter schools, and other community facilities
- Energy efficient community development

## Types of CDFIs

CDFIs are community development banks, credit unions, loan funds, or venture capital funds. Each type has a different business model and legal structure.

Loan funds are the largest CDFI type at 42% of all certified CDFIs and the majority of OFN's membership. They provide financing and development services to businesses, organizations, and individuals in low-income communities and tend to be nonprofit and governed by boards of directors with community representation. Loan funds focus on a particular type of lending, such as small business, consumer, housing, commercial real estate, and more.



### CAPITAL PLUS

CDFIs tailor loans to fit people not a credit box and provide financial coaching, and support when needed.



### SMART INVESTMENTS

CDFIs leverage \$8 in private sector investment for every \$1 in public funding.



### PUBLIC & PRIVATE SECTOR PARTNERS

The public and private sectors invest in CDFIs to support low-income, low-wealth communities. As borrowers repay loans, CDFIs recycle money back into communities, locally multiplying the impact of each dollar.

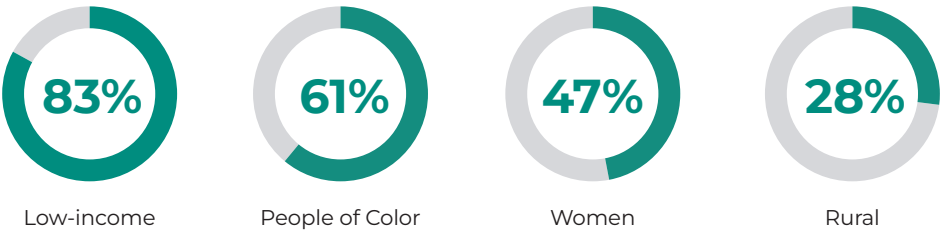
To learn more, email OFN's Public Policy team at [public.policy@ofn.org](mailto:public.policy@ofn.org) or call 202.618.6100.

CDFI Lending Counts for People and Place

Nationwide

More than 1,300 CDFIs nationwide manage more than \$247 billion and work across all 50 states, the District of Columbia, U.S. Virgin Islands, and Puerto Rico.

CDFI Clients



CDFI Impact

Through 2021, OFN members have originated nearly \$100.4 billion in financing in rural, urban, and Native communities, supporting more than:<sup>1</sup>



THE CDFI FUND

The CDFI industry's largest federal partner is the U.S. Department of the Treasury's CDFI Fund. With increased funding for CDFI Fund programs, CDFIs can invest in more small businesses, affordable housing, infrastructure essentials, healthcare facilities, and other elements of thriving communities.



ATLANTA, GEORGIA

Financing from CDFI Reinvestment Fund is helping Atlanta Neighborhood Development Partnership develop affordable single-family homes in a rapidly gentrifying community.



NETT LAKE, MINNESOTA

The Bois Forte Band of the Minnesota Chippewa restored more than 28,000 acres of land back to tribal ownership with the financing help of the Native CDFI Indian Land Capital Company.



NEON, KENTUCKY

Mountain Association CDFI provided financing and consultation that enabled Hemphill Community Center, an anchor in the community, to add energy and cost saving solar panels and provide jobs to people in addiction recovery.

<sup>1</sup> Opportunity Finance Network Annual Member Survey, FY 2021

ABOUT OPPORTUNITY FINANCE NETWORK (OFN)

Based in Washington, D.C., OFN is a leading national network of more than 390 CDFIs. An intermediary between CDFIs and government agencies, corporations, banks, foundations, and other investors, OFN helps our public and private sector partners invest in CDFIs to catalyze change and create economic opportunity in low-income, low-wealth rural, urban, and Native communities. Visit OFN.org for more.

WE BELIEVE IN OPPORTUNITY.  
FOR ALL.

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