



Mission Loan Checklist

Name of Project: _____
Project's Address: _____
Census Tract: _____

A current or prospective loan is considered a Mission Loan if it meets any of the Geographic and/or Product Requirement criteria below, per the guidance highlighted in Exhibit A (*Mission Loan Matrix*).

Geographic Requirement (refer to Exhibit B)

1. Is the Project located in a low- or moderate-income ("LMI") census tract (<http://www.ffiec.gov/Geocode/default.aspx>)?
 Yes (low-income) No (middle-income)
 Yes (moderate-income) No (upper income)
2. Is the Project located in an underserved area and/or an area designated for redevelopment? (Check all that apply)
 DC Business Incentive Area Medically Underserved Area
 Enterprise/Empowerment Zone Other
 Food Dessert

Product Requirement (refer to Exhibit C)

3. Will the loan proceeds support one of the following community development activities? (check all that apply)
 Affordable Housing for LMI persons (check all that apply)
 At least 20% of units are occupied by persons with incomes not greater than 80% of AMI
 The tenants include participants in affordable and/or supportive housing programs such as DC Housing Choice Program
 Financing structure includes subsidy (i.e., LIHTC and/or HUD grants) to keep the units affordable
 Market Rate Housing in LMI communities
 Yes - Located in LMI AND majority of units are for persons with incomes not greater than 120% of AMI
 No - Located in LMI BUT majority of units are for persons with incomes greater than 120% of AMI
 No - Not located in a LMI
 CDFIs
 Commercial Real Estate to revitalize or stabilize LMI geographies, such as: (check all that apply)
 Community serving retail Nonprofit office space
 Green/environmentally friendly Owner-occupied space
 Healthy food retail Other types of commercial tenant(s)
 Manufacturing or industrial space
 Community Facilities that provide services/programs to LMI persons and communities, such as: (check all that apply)
 Charter schools Social services
 Community health centers Other
 Performing arts
 Small Businesses (check all that apply)
 Annual revenues less than \$1MM
 SBA credit enhancement – 7(a) or 504 Loan (i.e., SBA 504 Loan)
 Meets eligibility Small Business Development Company or Small Business Investment Company ("SBIC") Programs
 Tangible net worth of less than \$18MM, and
 Average of \$6MM in net income over the previous two years
 Certified Minority- or Women-Owned Business
 B Corps

More Analysis Required – Note that for Small Business borrowers and Market Rate Housing projects that **DO NOT** meet the Product Requirement ("no" to Question 3) **BUT** are located in an underserved area and/or an area designated for redevelopment ("yes" to Question 2) additional analysis may need to be performed by the CRA Officer if you believe the loan should be considered a Mission Loan.



CITY FIRST BANK OF DC

Exhibit A Mission Loan Matrix

CFB's mission loans generally meet the following characteristics:

- Direct lending to borrowers in low- and moderate income (“LMI”) communities throughout Washington, DC and its surrounding jurisdictions;
- Financing for qualified small businesses; and/or
- Supporting affordable housing and community facilities for LMI families and individuals.

	Affordable Housing	Market Rate Housing	CDFI Loans	CRE	Community Facilities	Small Business
Geographic Requirement	NA	<ul style="list-style-type: none"> • LMI • Redevelopment Area 	NA	<ul style="list-style-type: none"> • LMI • Redevelopment Area 	NA	NA
Product Requirement	<p>Loans that support affordable housing, which may include one or more of the following:</p> <ul style="list-style-type: none"> • At least 20% of units for persons with incomes at or below 80% of AMI (refer to Exhibit C -Affordable Housing Section for the price ranges). • Set-aside requirements (i.e., >=20%) by government agencies; • Financing structure may include subsidy such as: <ul style="list-style-type: none"> ○ LIHTCs ○ HUD/CDBG grants ○ DC Home Choice Voucher Program grants • Supportive housing for elderly, persons with disabilities, or homeless. 	<p>Loans to support the construction or rehab of housing in LMI communities and/or an area designated for redevelopment whereby the majority of the units are for persons with incomes not greater than 120% of the AMI (refer to Exhibit C - Market Rate Housing Section for the price ranges).</p>	<p>Loans to certified CDFIs that support:</p> <ul style="list-style-type: none"> • Operations • Provision of financial products and services • Other uses 	<p>Loans for the redevelopment of or new construction of properties that may include a tenant mix of:</p> <ul style="list-style-type: none"> • Community-serving retail; • Manufacturing or industrial space; • Nonprofit office space; • Healthy food options; • Owner-occupied space; and/or • Other types of commercial tenants. <p>The CRE loan supports the revitalization or stabilization of LMI geographies, and may incorporate green or environmentally friendly elements into the design or construction.</p>	<p>Loans to mission-driven nonprofits that offer community services that <i>primarily benefit</i> LMI communities and/or individuals, such as:</p> <ul style="list-style-type: none"> • Charter schools • Community health centers • Performing arts and theatres • Social service organizations 	<p>Loans that support small businesses, which includes at least one of the following:</p> <ul style="list-style-type: none"> • Businesses with gross revenues less than \$1MM; • 7(a) and 504 Loans, which are SBA credit enhancements; • Businesses that meet the “small business” definition for SBICs, including: <ul style="list-style-type: none"> ○ Tangible net worth of less than \$18MM, and ○ Average of \$6MM in net income over the previous two years • Certified M/WBES • Certified B Corporations • Loans that include local government sponsored credit enhancements.
Mission Loan	YES - Meets Product Requirement regardless of location.	YES - Located in a LMI and/or redevelopment area.	YES - Meets Product Requirement regardless of location.	YES - Located in a LMI and/or redevelopment area.	YES - Meets Product Requirement regardless of location.	YES - Meets Product Requirement regardless of location.
	No - Does not meet Product Requirement regardless of location.	No - Project located in a non-LMI area.	No - Does not meet Product Requirement regardless of location.	No - Project located in a non-LMI area.	No - Does not meet Product Requirement regardless of location.	No - Does not meet Product Requirement regardless of location.

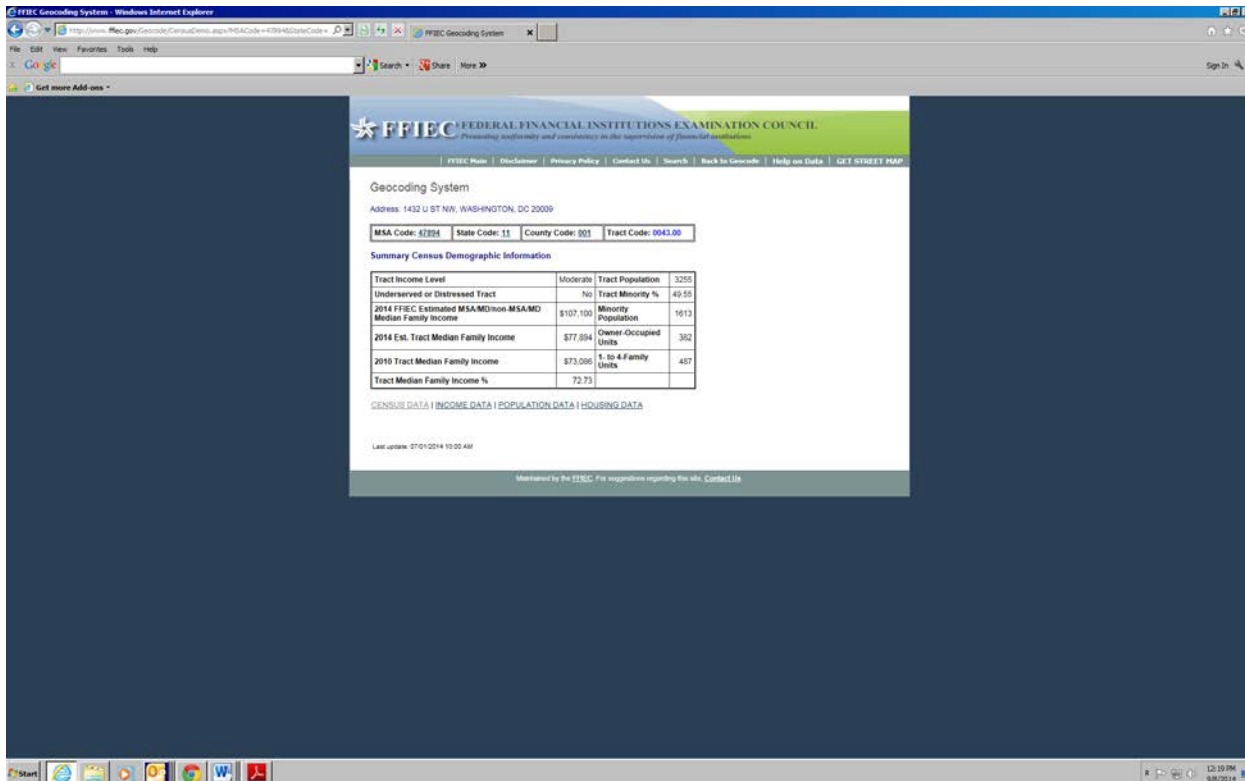
Exhibit B Geographic Requirements

Question 1: Community Reinvestment Act (CRA) LMI Geographies (Regulatory Requirement)

As a regulated financial institution, City First Bank of DC is subjected to the Community Reinvestment Act (CRA) that ensures the Bank is providing access to affordable loan products and services for its entire assessment area. The Bank will receive positive CRA consideration for lending activity that helps to revitalize or stabilize low- and moderate-income (“LMI”) areas, which are:

- Low-income geography = under 50% of area median income (“AMI”)
- Moderate-income geography = at least 50% of AMI but under 80% of AMI

To determine if a project is located in an eligible LMI geography, you must geocode the address at: <http://www.ffiec.gov/Geocode/default.aspx>. Once the address is selected and geocoded, you will get a report that states if it is eligible.



The screenshot displays the FFIEC Geocoding System interface. The address entered is 1432 U ST NW, WASHINGTON, DC 20009. The system has identified the following geographic codes: MSA Code: 42294, State Code: 11, County Code: 001, and Tract Code: 0943.00.

Summary Census Demographic Information

Tract Income Level	Moderate	Tract Population
Underserved or Distressed Tract	No	Tract Minority % 49.55
2014 FFIEC Estimated MSA/MD/Non-MSA/MD Median Family Income	\$107,100	Minority Population 1613
2014 Est. Tract Median Family Income	\$77,894	Owner Occupied Units 362
2010 Tract Median Family Income	\$73,086	1- to 4-Family Units 487
Tract Median Family Income %	72.73	

Links: CENSUS DATA | INCOME DATA | POPULATION DATA | HOUSING DATA

Last update: 07/01/2014 10:20 AM

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Question 2: Redevelopment Areas (Compliance Requirement)

The Bank may also receive favorable CRA consideration if it makes loans to projects that are located in areas designated for redevelopment by the state and/or local government. Some examples of areas designated for redevelopment include:

- DC Business Incentive Area (<http://geospatial.dcgis.dc.gov/incentive/#>)
- Enterprise and/or Empowerment Zones (<http://egis.hud.gov/ezrlocator/>)
- Food Desserts (<http://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas.aspx#.VDQRAfldVZs>)
- Medically Underserved Area (<http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspx>)
- Other Areas (<http://www.policymap.com/>)

To determine if a project located in Washington DC is part of a designated redevelopment area, you must geocode the address at: <http://geospatial.dcgis.dc.gov/incentive/>. Once the address is selected and geocoded, you will get a report that states if it is eligible.

The screenshot shows the DC Business Incentives Map website in a browser window. The page features a header for 'THE DISTRICT OF COLUMBIA' with Mayor Vincent C. Gray's name and a search bar. Below the header, there are navigation tabs for '311 Online', 'District Residents', 'Businesses', 'Visitors', 'Media', and 'Online Services'. The main content area is titled 'DC Business Incentives Map' and includes a welcome message. A search bar on the left contains the address '1432 U Street NW'. Below the search bar, there are checkboxes for various incentives: Enterprise Zone, High Technology Development Zone, HUB Zone, Industrial Revenue Bond, Supermarket Tax Credit Zone, and H Street NE Retail Priority Areas. A map on the right shows the location of 1432 U Street NW in Washington, DC, with various zones overlaid. Below the map, there is a 'Search Result Information' table with the following data:

Total Population (12-186)	Employee Population (12-186)	Median Individual Income (12-186)	Total Housing Units (12-186)
43,695	16,805	\$55,431	27,183

At the bottom of the page, there is a small image of a building and a note about the Office of the Deputy Mayor for Planning and Economic Development.

Exhibit C Product Requirements

For the purposes of CRA, City First Bank of DC will receive positive consideration for the following types of activities:

Affordable Housing for LMI Persons

The loan proceeds must support affordable housing for low- and moderate-income (“LMI”) individuals, which includes multi-family rental and for-sale housing. The following table highlights the income ranges for LMI individuals and families in the DC metro area.

Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area										
FY 2014 Income Limit Area	Median Income	FY 2014 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area	\$107,000	Very Low (50%) Income Limits	\$37,450	\$42,800	\$48,150	\$53,500	\$57,800	\$62,100	\$66,350	\$70,650
		Extremely Low (30%) Income Limits	\$22,500	\$25,700	\$28,900	\$32,100	\$34,700	\$37,250	\$39,850	\$42,400
		Low (80%) Income Limits	\$47,950	\$54,800	\$61,650	\$68,500	\$74,000	\$79,500	\$84,950	\$90,450

In general, HUD defines affordable housing as housing in which the occupants are paying no more than 30% of their income for gross housing costs, including utilities. To help determine if a project meets the affordable housing characteristics, does:

- The financing structure include Low Income Housing Tax Credits (LIHTCs) and/or government grants;
- It has a minimum set-aside requirements for LMI persons (i.e., at least 20% of the units) because of government-sponsored financing (i.e., CDBG, NMTCs, etc.); and/or
- For rental and for-sale units, the units are within the affordability range for persons with incomes not greater than 80% of the AMI (based on the DC Inclusionary Zoning Regulations http://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/Inclusionary%20Zoning%20%20Price%20Schedule%20-%202014_06_18.pdf):

Number of Bedrooms	Multi-Family Building			
	Rental		For-Sale	
	Affordable Units (<=80% AMI)	Market Rate Units (<=120% AMI)	Affordable Units (<=80% AMI)	Market Rate Units (<=120% AMI)
Efficiency	\$ 1,498	\$ 2,247	\$ 211,400	\$ 317,100
1 Bedroom	\$ 1,605	\$ 2,408	\$ 216,600	\$ 324,900
2 Bedrooms	\$ 1,926	\$ 2,889	\$ 242,700	\$ 364,050
3 Bedrooms	\$ 2,247	\$ 3,371	\$ 281,800	\$ 422,700

Number of Bedrooms	Single-Family Dwelling			
	Rental		For-Sale	
	Affordable Units (<=80% AMI)	Market Rate Units (<=120% AMI)	Affordable Units (<=80% AMI)	Market Rate Units (<=120% AMI)
2 Bedrooms	\$ 1,926	\$ 2,889	\$ 296,100	\$ 444,150
3 Bedrooms	\$ 2,247	\$ 3,371	\$ 347,300	\$ 520,950
4 Bedrooms	\$ 2,568	\$ 3,852	\$ 398,500	\$ 597,750

Market Rate Housing in LMIs

As part of its Mission Loan criteria, loans that support market rate housing for persons with incomes not greater than 120% of the AMI are eligible if the property is located in a LMI. See the following table:

Number of Bedrooms	Multi-Family Building			
	Rental		For-Sale	
	Affordable Units (≤80% AMI)	Market Rate Units (≤120% AMI)	Affordable Units (≤80% AMI)	Market Rate Units (≤120% AMI)
Efficiency	\$ 1,498	\$ 2,247	\$ 211,400	\$ 317,100
1 Bedroom	\$ 1,605	\$ 2,408	\$ 216,600	\$ 324,900
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	Rental		For-Sale	
	Affordable Units (≤80% AMI)	Market Rate Units (≤120% AMI)	Affordable Units (≤80% AMI)	Market Rate Units (≤120% AMI)
2 Bedrooms	\$ 1,926	\$ 2,889	\$ 296,100	\$ 444,150
3 Bedrooms	\$ 2,247	\$ 3,371	\$ 347,300	\$ 520,950
4 Bedrooms	\$ 2,568	\$ 3,852	\$ 398,500	\$ 597,750

The Bank *may* receive favorable CRA consideration for market rate housing loans if the property is located in a government designated redevelopment area. Please refer to Question 3 in the Geographic Requirement section to geocode the property's address.

Commercial Real Estate

The loan proceeds support the development (including construction of new facilities and rehabilitation/enhancement of existing facilities), acquisition, management or leasing of real estate by a business. The commercial real estate must help to revitalize or stabilize LMI geographies, including financing activities that attract new or retain existing businesses or residents or that employ or serve area residents.

CRE loans may also support projects that are green and environmentally friendly. These projects may include environmentally sustainable outcomes such as:

- Remediating environmental contamination (including addressing environmental health in Low-Income Communities);
- Meeting LEED certification standards; and/or
- Directly supporting the production or distribution of renewable energy resources (e.g., biomass, hydro, geothermal, solar, wind, etc.).

Community Facilities

Loans to nonprofit organizations that offer community services that primarily benefit LMI individuals or the general public. The community facilities must be located in LMI geographies and/or primarily serves LMI individuals. Some examples include financing for:

- CDFIs
- Charter schools
- Community health centers
- Performing arts and theatres
- Social service organizations
- Other

Small Businesses

To promote economic development, the Bank's lending to small businesses must meet at least one of the following characteristics:

- Gross annual revenues of not more than \$1 million

- Meets the eligibility requirements for the SBA's Small Business Development Company or Small Business Investment Company ("SBIC")
 - Businesses with tangible net worth of less than \$18 million AND
 - An average of \$6 million in net income over the previous two years at the time of investment.
- Businesses with revenues greater than \$1 million if the loan is SBA credit enhanced using the 504 or 7(a) programs.
- Certified minority or women-owned enterprises (M/WBEs) are for-profit businesses that have been certified by a state, local, or federal government agency as having met the minimum criteria of at least 51% of its equity ownership interest is owned, managed, operated and controlled by individuals who identify themselves as Black American, Asian American, Hispanic American, Native American, or women.
- Certified B Corporations are businesses that have been certified by B Lab as having met a rigorous higher standard of overall social and environmental performance. Certified B Corporations are focused on accountability (directors are required to consider the effect of business decisions on shareholders, workers, community and the environment) and transparency (publish publically a report assessing overall social and environmental performance against a third party standard). The list of B Corps can be found here: <http://www.bcorporation.net/community/find-a-b-corp?search=>.