

September 9, 2016

Ms. Annie Donovan
Director
Community Development Financial Institutions Fund
U.S. Department of Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Ms. Amber Kuchar-Bell
Program Manager, CDFI Program and NACA Program
Community Development Financial Institutions Fund
U.S. Department of Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

RE: Comments on CDFI Program Proposed Application

Dear Director Donovan and Ms. Kuchar-Bell:

The members of the Community Development Bankers Association (CDBA) respectfully submit the enclosed comments on the proposed new application changes for the CDFI Fund Financial Assistance (FA) Program published in the Federal Register on July 12, 2016.

CDBA is the national trade association of banks and thrifts with a primary mission of promoting community development. There are 122 banks and 71 bank holding companies with the Treasury's Community Development Financial Institutions (CDFIs) designation. CDBA membership comprises 68% of the total assets of the CDFI bank sector and more than a majority of all CDFI banks.

CDFI banks strongly support the efforts of the Community Development Financial Institutions Fund (CDFI Fund) to promote investments in low income and underserved communities. We appreciate the opportunity to provide feedback to maximize the effectiveness of all programs for the benefit of the most underserved communities in the nation.

Generally, we appreciate the effort and thoughtfulness that went into the design of the proposed new application. All of the comments provided below are intended to clarify and strengthen the solid foundation presented in the proposed application. Our comments are organized first with general comments about the CDFI Fund's programs and reporting systems and followed by specific comments on the application.

I. Enhancing Alignment and Consistency Across CDFI Programs & Reporting Systems:

CDBA strongly encourages the CDFI Fund to seek greater alignment and consistency in definitions across all of its program applications (e.g. BEA, CDFI Financial and Technical Assistance, New Markets Tax Credits) and various reporting systems (e.g. AMIS, CIIS, CDFI certification). Furthermore, the FA application should be consistent with data requested in the Transaction Level Report (TLR) and Institution Level Report (ILR). Lack of consistency in definitions, applications and reporting systems increases costs and frustration for CDFIs participating in the CDFI Fund's programs. These definitions should be tailored by CDFI type, yet consistent across all programs and systems.

II. Tailored Applications and Reporting by CDFI Type:

CDBA strongly encourages the CDFI Fund to strive for greater consistency between its application data collection and reporting and the regulatory definitions and reporting standards applicable to regulated CDFIs (e.g. banks, credit unions). We appreciate the CDFI Fund's desire to have CDFIs of all types report the same data which will allow the CDFI Fund to better aggregate its own data. But, regulated CDFIs have long-established regulatory definitions. These definitions are used to report financial performance, lending and other activities through the Call Reports (banks) or NCUA 5300 (credit unions). Banks and credit unions invest significant time and money into having regulatory compliant reporting systems.

Over the past 20+ years, the CDFI Fund's programs and reporting systems have forced regulated CDFIs to go through the painstaking and expensive task of reclassifying their data to submit reports and applications. CDFI banks and their holding companies and CDFI credit unions collectively comprise appropriately 50% of the total certified CDFIs, but likely 85% of the total assets of the CDFI industry. CDFI banks and credit union are part of a mature industry with well-developed definitions and standards. Yet, the CDFI Fund's applications and reporting systems are largely tailored to the unstandardized framework of unregulated CDFIs. Simply providing a "cross walk" document instructing regulated CDFI how to translate their data into an ever-evolving set of reporting requirements that are focused on the unregulated CDFI sector is *wholly inadequate*. CDBA strongly recommends that the CDFI Fund respect and embrace the differences between the varying CDFI sectors. CDBA very strongly recommends that the CDFI Fund create applications and reporting requirements that are tailored by CDFI type.

In consultation with the National Federation of Community Development Credit Unions (NFCDU), CDBA has prepared Appendix A. This document seeks to align and reconcile the loan categories from the bank Call Reports with those of the equivalent credit union NCUA 5300 report. Further, it seeks to align the Call Report and NCUA 5300 reporting lines with the equivalent reporting categories used by Aeris. Aeris is a rating system for the nonregulated loan funds that has the most uniform set of loan categories available for this industry segment. Currently, 142 of 535 CDFI loan funds participate in Aeris using the same loan reporting

categories. All 122 CDFI banks submit quarterly Call Reports and all 287 credit unions submit quarterly 5300 reports.

We recommend that the CDFI Fund create CDFI Program application charts that are tailored to each CDFI type. The reporting categories across these three major CDFI types are not identical, but the attached Appendix A proposes creating categories that are closely equivalent -- recognizing that there are variations among the banks and credit union regulators definitions. Loan categories are classified by use and collateral. This methodology is time-tested across thousands of regulated financial institutions.

In the case of financial performance data, we strongly recommend that the CDFI Fund use data and definitions from the Call Reports and/or NCUA 5300 for regulated CDFIs.

III. Use of Financial Assistance

CDBA is concerned that the application does not specifically state that financial assistance can be used for Equity Capital or Reserves. As noted in our prior comment letters, we strongly urge the CDFI Fund to revisit the manner in which it makes awards to CDFI banks and bank holding companies. Specifically, when the CDFI Fund's authorizing statute was enacted, Congress explicitly intended for CDFI banks and holding companies to be able to receive Financial Assistance in the form of Equity Investments. Eliminating this use of funds would violate the letter and intent of the authorizing statute.

For many years, the CDFI Fund's practice was to provide Financial Assistance to CDFI banks and bank holding companies in the form of non-voting stock. The Financial Assistance was matched principally in the form of retained earnings and/or secondarily from new equity raised from investors. In recent years, the CDFI Fund has moved toward providing assistance to CDFI banks and bank holding companies in the form of grants. Grants are a good way for 501(c)(3) non-profit CDFIs to receive funding that can be used as equity capital because the income is not taxable. In the case of for-profit CDFIs, providing Financial Assistance in the form of grants is not optimal because they must pay taxes on the receipt of grant income and effectively lose a large portion (e.g. approximately 40% depending on the corporate and earnings status of the CDFI) of the award up-front. This capital is best deployed in low income communities served by these CDFIs.

We strongly urge the CDFI Fund to: (1) explicitly state in the application that Financial Assistance can be used for Equity Investments as stated in the statute; and (2) reinstitute its past practice of providing Financial Assistance to CDFI banks and bank holding companies in the form of Equity Investments. To the extent that a CDFI bank or holding company may wish to request Financial Assistance in the form of a grant, the CDFI Fund should preserve this option. Furthermore, retained earnings generated at the bank level should be eligible as match for either Equity Investments or grants, as well as new equity raised from investors. As was past CDFI Fund practice, retained earnings generated by the CDFI bank and up-streamed to its bank holding company should also be eligible for match. Given increased regulatory pressure for

banks to raise equity capital levels, we strongly recommend that Financial Assistance be provided as Tier 1 non-voting common equity.

We recommend that the CDFI Fund provide appropriate guidance in its Notice of Funding Availability of its return to this recommended practice. Similarly, we recommend that the Financial Assistance application be amended to reflect this change.

IV. FY 2017 Application Comments

A. APPLICATION CHARTS:

Internal Inconsistencies Within Application Charts: The numerous charts within the application that are intended to collect information on past, current or projected financing activities are internally inconsistent. We believe that these inconsistencies will be confusing to all potential applicants.

The Products and Services Charts (chart titled Loans/Financing/Loan Guarantees/Financial Services) ask applicants to select activities that are “currently offered” (Question 2) or “to be offered” (Question 6c). The categories outlined in these charts are inconsistent with the historic Activity Level Chart (Question 2) and Activity Level Chart (Question 6d & Question 23). Both the Product and Service Charts and the Activities Level Charts are inconsistent with the past Award Use (Question 8) and proposed Award Use chart (Question 5).

Across all three sets of charts, the loan category labels are inconsistent and confusing (see below). CDBA strongly recommends that the final application resolve any discrepancies and strive for internal consistency within the FA application itself.

| Proposed FY 2017 Application – Chart Inconsistencies (loan categories in order they appear in charts) | | |
|--|---|-----------------------------------|
| Financing Products Offered (p. 1-2) or to be Offered (p. 9) Charts | Historic (p. 3) and Projected Activity Levels Charts (p. 10, 18) | Award Request Chart (p. 6) |
| Business Loans | Commercial Facilities, Small Business, Microenterprise | Small Business |
| Commercial Real Estate Loans | Affordable Housing | Community Facilities |
| Commercial Facilities | Community Facilities | Commercial Products and Services |
| Education Facilities | Consumer Financial Products & Services | Affordable Housing |
| Community Facilities | Intermediary Lending to Nonprofits and CDFIs | Microenterprise |
| Health Care Facilities | | Intermediary |

| | | |
|-------------------------------|--|--|
| Consumer Loans | | |
| Intermediary Loans | | |
| Microfinance Loans | | |
| Residential Real Estate Loans | | |
| Consumer Financial Services | | |
| Commercial Financial Services | | |
| Other | | |

PRODUCTS & SERVICES CHARTS

The Products & Services charts appear in Question 2 and Question 6c. As noted above, CDBA recommends greater consistency among activities categories across all charts within the proposed application. As noted above, we recommend that the CDFI Fund tailor applications to specific CDFI types that use the loan category definitions set forth by the regulatory agencies. We recommend that the Product & Service Charts be amended to reflect the categories outlined in Appendix A.

ACTIVITY LEVEL CHARTS

The historic Activity Level Chart appears in Question 2. The projected Activity Level Chart appears in Question 6d and Question 23. CDBA recommends that the loan categories be amended to be consistent with the Products & Services charts. Other suggested changes: Commercial Facilities (aka Commercial Real Estate (CRE)) Loans are typically secured by real estate and use to finance the acquisition, construction, renovation, and/or mortgage of a property used for a business (versus residential) purpose. CRE loans are distinctly different assets than business, small business, or microfinance loans. These diverse loan categories should not be aggregated together in the Activities Level Charts.

For banks, Community Facilities are generally a subset of Commercial Real Estate (CRE) Loans. Bank Call Reports do not distinguish Community Facilities from other CRE loans. Within the CDFI sector, such facilities are commonly identified by the use and/or purpose of the building occupant. Given the important services offered to residents of low income communities, some CDFI banks do recognize Community Facilities as a distinct asset class – but others do not. As such, Commercial Real Estate and Community Facilities should continue to be recognized as different asset categories provided the CDFI Fund understands that they may be reported differently by different institutions.

Consumer Financial Products & Services should not be aggregated together. Consumer Loans are distinctly different than a service (e.g. check cashing, savings accounts, mobile banking).

CDFI Intermediary Lending is distinctly different than lending to nonprofits that are not CDFIs. The CDFI Fund has historically defined Intermediary Lending as lending to CDFIs. This definition should remain the same. Lending to nonprofits is typically for a specific use and may have different forms of collateral and risk depending on the purpose of the loan (e.g. affordable housing, community facilities, working capital). Loans to Nonprofits will likely overlap with other categories; thus, creating specific loan category is not necessary. Bank Call reports do not have a specific reporting category for CDFI Intermediary Lending. But, since CDFI banks are likely to only do a small number of such transaction – most often in connection with a Bank Enterprise Award transaction, they should not be difficult to track.

AWARD USE CHARTS

The proposed Award Use chart appears in Question 5. The past Award Use Charts appears in Question 8. As previously noted, the loan categories outlined in the Award Use Charts is inconsistent with the Product & Service and Activity Level Charts. In prior applications, the CDFI Fund has outlined a set of eligible uses of fund, such as Loan Loss Reserves, Financial Products, Development Services, etc. Yet, the Award Use Charts lists various loan products. This discrepancy makes it unclear what information the CDFI Fund is seeking or how a Prior Awardee can go back and change a past application or Assistance Agreement committed to using the original set of eligible uses. The Projected CDFI Fund FA Award Uses Chart presents real challenges in predicting the exact dollar amount of demand by loan category. A narrative response is recommended as an alternative.

B. NARRATIVE RESPONSES:

Overall, we believe the CDFI Fund has done a good job in reducing the amount of duplication of narrative questions across the entire application. We do, however, recommend providing 20% more character spaces across all narrative questions. As the CDFI Fund moves more towards automation in its review process, it becomes more important to give CDFIs the opportunity to explain their products, strategy and other application components. The markets and products of every CDFI is unique. Many elements within a CDFI's strategy may not fit easily within options provided in a drop down menu or list of check boxes. Past applications have suffered from insufficient character limits – a problem that can be solved with this new application.

Questions 1-4: Executive Summary

The application is unclear as to whether Question 1 is the Executive Summary or whether the Executive Summary includes Questions 1-4. As such it is not clear which questions are scored or not. Question 3 implies that demographic data is used as part of the evaluation process. Greater clarity is needed in this section.

Question 3: Demographic Data

Question 3 of the application requests information on race and ethnicity of Target Populations currently served. Under the Equal Credit Opportunity Act (ECOA), regulated financial institutions are prohibited from collecting and using such data in making credit decisions. While

this section is not scored as part of the application, omitting this data from an application will be seen negatively within the evaluation process in comparison to unregulated CDFIs that have no constraints on collection and use of demographic data. As noted in Question 3 narrative, the responses are “evaluated by CDFI Fund for evaluation context and for award prioritization.” In the interests of creating a fair evaluation process across CDFI types, we strongly urge the CDFI to not request this information as part of a funding application. The CDFI Fund’s authorizing statutory does not mandate (or even mention) the use of demographic data in the selection criteria. Thus, if the CDFI Fund desires to collect such data for purposes of reporting to Congress or other parties, CDBA recommends that it be collected only from Awardees that do not have legal restrictions. The application does offers regulated CDFIs the option of using “proxy data” but fails to define what that means. Questions 3 and 6b should be omitted from the application.

While CDBA recommends that Question 3 be removed from the application, if the question is included, regulated CDFIs should be given the option to report this data using estimates only. Under any circumstance, however, this data should not be part of the scoring process.

BUSINESS STRATEGY

Question 5: Award Request – Eligible Uses (Chart)
See comment above under Award Use Charts.

Question 6b: Gender, Race and Ethnicity

As noted above under Question 3, regulated CDFIs are prohibited from collecting and using certain demographic data from customers for use in making credit decisions. As such, the proposed application creates a bias in favor of unregulated CDFIs that have no prohibitions on such data collection. As stated above, such data should not be collected or used in the application process. CDBA recommends that this data only be collected from Awardees that are not otherwise prohibited by regulators.

The proposed application should define “client” and “beneficiary.” In some cases, a borrower may be an individual; thus, income data may be available. In many cases, a borrower may be a nonprofit or incorporated business (non-natural person), but is creating benefits for a Target Population or low income residents of an Investment Area. Both are effective strategies for creating impact. A narrative response to accompany Question 3 will allow CDFIs to clearly articulate its impact strategy.

Question 6c: Providing New Product or Service
See comments under Product and Service charts.

With regard to “new Development Services to Be Offered,” the options presented are too narrowly defined. At a minimum, an “Other” option should be offered with a short narrative to describe the service.

Question 6d: Increasing Volume

See comments under Activity Level Charts.

Question 8: Previous CDFI Fund FA Award Uses

See comment above under Award Use Charts.

Question 9: Social Impact

Question 9 appears intended capture information above how the CDFI will create positive social impact within the communities it serves. If this is the purpose of the question, the text should be stated more clearly. Using “positive outcomes” can be interpreted many ways. For example, if a CDFI is seeking to promote home ownership, they should discuss the number of households they will help buy a first home (short term) or the household assets that will be accrued over the life of the loan as principal is paid down (long term). More clarity is needed on this question.

PRODUCTS AND SERVICES

Question 11 – Link Between Products, Mission & Community

Question 11 asks applicants to describe how their financial products, financial services and development services are designed to meet the applicant’s mission and the needs of the communities the applicant serves (described in the Executive Summary Section). Yet, the needs of the communities are not described in any narrative in the Executive Summary Section. We recommend this discrepancy be resolved. In the interests of reducing redundancy between questions, greater clarity is needed to distinguish the differences between information sought in Questions 9 and 11.

MARKET AND COMPETITIVE ANALYSIS

No comments.

MANAGEMENT AND STAFFING

Charts: People are the most important element to the success of a CDFI’s business plan. The charts provide woefully inadequate characters to describe the backgrounds and expertise of Board members, management and staff. A limit of 2,000 characters should be available for each individual. With respect to Board members: (1) the application should allow for more than 5 board members to be listed; and (2) the narrative column is titled “Accountability to the Target Market.” This column should be labeled “Skills and Expertise” instead. “Accountability to the Target Market” should be assessed only during an annual CDFI certification review; whereas “skills and expertise” to carry out a business plan is more appropriate for a funding request.

Management Changes Drop Down: The chart should be expandable to offer 1,000 characters for EACH senior leadership change. Alternatively, a general narrative response may be more appropriate for this type of question than a drop down box.

FINANCIAL POSITION SECTION

Question 19: Definition

The CDFI Fund should define “formally defaulted.”

Question 20c: MAPS Scores

MAPS scores should be averaged over 3 historic years and AMIS should be able to provide this calculation in real time as the applicant is inputting the data into the system. Question 20c asks an applicant to explain a MAPS score of 4 or 5 in the three most recently completed historic years, and to explain what caused performance problems and “relevant trends”. The question should be amended to ask: (1) what caused the performance problems; (2) what has been done to mitigate the issues; (3) the applicant’s current status; and (4) projected timeframe for improvement.

AMIS Financial Drop Down Questions

The third drop down should be reworded to say “what type of a portfolio management system does this CDFI use to manage its portfolio.” Further, drop down questions 17 and 18 should define what “PG&M” means.

GROWTH AND FINANCIAL PROJECTIONS SECTION

Question 23 -- Projected Activity Levels Chart

See comment above under Activity Level Charts.

V. AMIS Specific Suggestions

To reduce data entry errors, it is recommended that AMIS’ functionality be enhanced to allow upload and/or import of data from an Excel spreadsheet. In addition, for the purposes of completing new applications and reports, it would be helpful if AMIS provided the ability to update (i.e. auto populate) previously reported information (e.g. Management & Staffing questions).

VI. FY 2017 Application Deadline

We strongly recommend that the application deadline should be not less than 60 days from publication of the Notice of Funding Availability (NOFA). Alternatively, the CDFI Fund should commit to a standard application format for a least 2 years and announce dates ahead of time to allow potential applicants time to plan.

In conclusion, the membership of CDBA fully appreciates the thoughtful consideration of the CDFI Fund and its staff in continuously seeking to improve the effectiveness of all of its programs. We sincerely we appreciate the opportunity to comment and offer feedback on the proposed new CDFI Program application. We look forward to future discussion on these important issues.

If you have any questions, please contact Jeannine Jacokes, CDBA Chief Executive Officer, at 202-689-8935 ext. 222 or jacokesj@pcgloanfund.org.

Thank you for considering our recommendations.



Jeannine Jacokes
Chief Executive Officer

The Membership of the Community Development Bankers Association

ABC Bank (Chicago, IL)
Albina Community Bank (Portland, OR)
Bank2 (Oklahoma City, OK)
Bank of Anguilla (Anguilla, MS)
Bank of Commerce (Greenwood, MS)
Bank of Kilmichael (Kilmichael, MS)
Bank of Lake Village (Lake Village AR)
Bank of Montgomery (Montgomery, LA)
Bank of Winona (Winona MS)
BankFirst Financial Services (Macon, MS)
BankPlus (Ridgeland, MS)
Beneficial State Bank (Oakland, CA)
Broadway Federal Bank (Los Angeles, CA)
Carver Federal Savings Bank (New York, NY)
Carver State Bank (Savannah, GA)
Central Bank of Kansas City (Kansas City, MO)
Citizens National Bank (Meridian, MS)
City First Bank of DC (Washington, DC)
City National Bank of New Jersey (Newark, NJ)
Community Bancshares of Mississippi (Brandon, MS)
Community Bank of the Bay (Oakland, CA)
Community Capital Bank of Virginia (Christiansburg, VA)
Concordia Bank & Trust (Vidalia LA)
Cross Keys Bank (St. Joseph, LA)
Farmers & Merchants Bank (Baldwyn, MS)
First American International Bank (Brooklyn, NY)
First Eagle Bank (Chicago, IL)
First Independence Bank (Detroit, MI)
First Security Bank (Batesville, MS)
First SouthWest Bank (Alamosa, CO)

FNBC Bank (Ash Flat AR)
Guaranty Bank and Trust Company (Belzoni, MS)
Illinois Service Federal Savings and Loan Association (Chicago, IL)
Industrial Bank (Washington, DC)
International Bank of Chicago (Stone Park, IL)
Mechanics and Farmers Bank (Durham, NC)
Merchants and Planters Bank (Raymond, MS)
Metro Bank (Louisville, KY)
Mission National Bank (San Francisco, CA)
Mission Valley Bank (Sun Valley, CA)
Native American Bank (Denver, CO)
Neighborhood National Bank (National City, CA)
Noah Bank (Elkins Park, PA)
Northern Hancock Bank (Newell WV)
OneUnited Bank (Boston, MA)
Oxford University Bank (Oxford, MS)
Pan American Bank (Chicago, IL)
Peoples Bank (Mendenhall, MS)
Planters Bank and Trust (Indianola MS)
Priority One Bank (Magee MS)
Richland State Bank (Rayville LA)
RiverHills Bank (Port Gibson, MS)
Savoy Bank (New York NY)
Security Federal Bank (Aiken, SC)
Sycamore Bank (Senatobia MS)
Southern Bancorp (Little Rock, AR)
Spring Bank (Bronx, NY)
Start Community Bank (New Haven, CT)
State Bank & Trust Company (Greenwood, MS)
Sunrise Banks (St. Paul, MN)
The Bank of Vernon (Vernon, AL)
The Commercial Bank (DeKalb, MS)
The First, A National Banking Association (Hattiesburg, MS)
The Jefferson Bank (Greenville MS)
United Bank (Atmore, AL)
United Bank of Philadelphia (Philadelphia, PA)
Urban Partnership Bank (Chicago, IL)

| Appendix A: RECOMMENDED LOAN CLASSIFICATIONS BY CDFI TYPE | | | |
|---|---------------------------------------|---|-----------|
| Single Family Housing | | | |
| Bank | U.S. RE: Cl-end Frst Lien 1-4 (\$000) | Total value outstanding of closed-end loans secured by first liens on 1-4 family residential properties | RCON5367 |
| | U.S. RE: Cl-end Jr Lien 1-4 (\$000) | All permanent loans secured by junior (i.e. other than first) liens on 1-4 family residential properties, for U.S. offices only. This includes loans secured by junior liens even if the bank also holds a loan secured by a first lien on the same 1-4 family residential property and there are no intervening junior liens. Includes liens on: nonfarm property containing 1-4 dwelling units or more than 4 dwelling units if each is separated from other units by dividing walls that extend from ground to roof, mobile homes where (a) state laws define the purchase or holding of a mobile home as the purchase of real property and where (b) the loan to purchase the mobile home is secured by that mobile home as evidenced by a mortgage or other instrument on real property, individual condominium dwelling units and loans secured by an interest in individual cooperative housing units, even if in a building with 5 or more dwelling units, vacant lots in established single-family residential sections or areas set aside primarily for 1-4 family homes, housekeeping dwellings with commercial units combined where use is primarily residential and where only 1-4 family dwelling units are involved. | RCON5368 |
| Credit Union | U.S. RE: Cl-end Frst Lien 1-4 (\$000) | Total value outstanding of closed-end loans secured by first liens on 1-4 family residential properties | 703 |
| | Total Other RE Lns/LOC (\$000) | Include the dollar amount of any outstanding real property loans secured by an interest on the property other than a first lien. Typically this would include home equity and second mortgage loans. | 386 |
| Aeris | Housing - Home Financing | | |
| Multifamily Housing | | | |
| Bank | U.S. RE: Multifamily Loans (\$000) | All other permanent nonfarm residential loans secured by real estate as evidenced by mortgages or other liens, for U.S. offices only. This includes specifically loans on: nonfarm properties with 5 or more dwelling units in structures used primarily to accommodate households on a more or less permanent basis, 5 or more unit housekeeping dwellings with commercial units combined where use is primarily residential, cooperative-type apartment buildings containing 5 or more dwelling units, vacant lots in established multifamily residential properties. | RCON 1460 |
| Aeris | Housing - Development | | |

| Agriculture | | | |
|-------------------------|--|---|----------|
| Bank | U.S. RE: Farm Loans (\$000) | Loans secured by farmland and improvements thereon, as evidenced by mortgages or other liens, for U.S. offices only. This includes all land known to be used or usable for agricultural purposes, such as crop and livestock production. Also includes loans secured by farmland that are guaranteed by the Farmers Home Administration (FmHA) or by the Small Business Administration (SBA) and that are extended, serviced, and collected by any party other than the FmHA or SBA. | RCON1420 |
| Credit Union | Outsd MBLs: Secured by Farmland (\$000) | Amount of member business loans secured by farmland outstanding | 042A1 |
| Commercial & Industrial | | | |
| Bank | DOM: Commercial & Industrial Loans (\$000) | Loans for commercial and industrial purposes to sole proprietorships, partnerships, corporations, and other business enterprises, whether secured (other than by real estate) or unsecured, single-payment or installment, in the form of either direct or purchased loans, for domestic offices only. Includes loans to individuals for commercial, industrial, and professional purposes; such loans to corporations, companies, and other enterprises; loans for the purpose of financing capital expenditures and current operations; loans to business enterprises guaranteed by the SBA; loans to farmers for commercial and industrial purposes; loans supported by letters of commitment from the Agency for International Development; loans made to finance construction that are not secured by RE; loans to merchants or dealers on their own promissory notes secured by the pledge of their own installment paper; loans extended under credit cards and related plans that are readily identifiable as being issued in the name of a commercial or industrial enterprise; dealer flooring or floor-plan loans; loans collateralized by production payments; and loans and participations in loans secured by conditional sales contracts made to finance the purchase of commercial transportation equipment; commercial and industrial loans guaranteed by foreign governmental institutions. | RCON1766 |
| Credit Union | Outsd MBLs: Comm & Ind (\$000) | Amount of commercial and industrial member business loans outstanding | 400L |
| Aeris | Business | | |
| | Microenterprise | | |

| Construction & Land Development | | | |
|---------------------------------|--|---|--|
| Bank | U.S. RE: Constr & Land Dev (\$000) | Loans secured by real estate made to finance land development preparatory to erecting new structures or the on-site construction of industrial, commercial, residential, or farm buildings, for U.S. offices only, including not only construction of new structures, but also additions or alterations to existing structures and the demolition of existing structures to make way for new structures. This includes loans secured by real estate the proceeds of which are to be used to acquire and improve developed and undeveloped property and loans made under the National Housing Act that conform to the definition of construction stated above and that are secured by real estate. | RCONF158 RCONF159 |
| Credit Union | Constr & Dev Loans (\$000) | Net member business loan balance (NMBLB) of any construction and development business loans, excluding any loan made to finance the construction of a single-family residence if a prospective homeowner has contracted to purchase the property and a loan to finance the construction of one single-family residence per member-borrower or group of associated member-borrowers, irrespective of the existence of a contractual commitment from a prospective homeowner to purchase the property. Due to call report changes this field was not reported in 2011Q1 and reinstated the following reported period in 2011Q2. | 143B |
| Consumer | | | |
| Bank | DOM: Consumer Loans (\$000) | All loans to individuals for household, family, and other personal expenditures that are not secured by real estate, whether direct loans or purchased paper, for domestic offices only | RCONB538 RCONB539 RCONK137 RCONK207 |
| Credit Union | Unsecd Credit Card Lns/LOC (\$000) | Include the dollar amount of outstanding credit card loans. | 396 |
| | All Other Unsecd Lns/LOC (\$000) | Include the dollar amount of outstanding unsecured loans. | 397 |
| | Payday Alternative Loans (PAL) (\$000) | Payday Alternative Loans (PAL). Reported by Federal Credit Unions (FCU) only. | 397A |
| | Non-Fed Guaranteed Student Lns (\$000) | Amount of non-federally guaranteed, or private, student loans | 698A |
| | New Vehicle Loans (\$000) | Include the dollar amount of new vehicle loans where the vehicle is pledged as security. | 385 |
| | Used Vehicle Loans (\$000) | Include the dollar amount of used vehicle loans where the vehicle is pledged as security. | 370 |
| | Leases Receivable (\$000) | Dollar amount of outstanding direct financing leases. | 002 |
| | All Oth Lns/LOC to Mbrs (\$000) | Total dollar amount of outstanding loans to members. Typically this would include member business loans and business loans and business purpose loans not secured by real estate, share secured loans, agriculture loans, etc. | 698 |
| Aeris | Consumer | | |

Commercial Real Estate

| | | | |
|--------------|--|--|----------|
| Bank | U.S. RE: Comm RE(Nonfarm/NonRes) (\$000) | Loans secured by real estate as evidenced by mortgages or other liens on business and industrial properties, hotels, motels, churches, hospitals, educational and charitable institutions, dormitories, clubs, lodges, association buildings, homes for aged persons and orphans, golf courses, recreational facilities, and similar properties, for U.S. offices only | RCONF160 |
| | | | RCONF161 |
| Credit Union | Outsd MBLs: Owner-Occ (\$000) | Amount of member business loans secured by owner occupied, non-farm, non-residential property outstanding | 400H |
| | Outsd MBLs: Non-Owner Occ (\$000) | Amount of member business loans secured by non-owner occupied, non-farm, non-residential property outstanding | 400J |
| Aeris | Commercial Real Estate | | |
| | Community Facilities | | |

Appendix B: RECOMMENDED LOAN CLASSIFICATIONS BY CDFI TYPE AGGREGATED

| Lending Type | Aeris | Bank | Credit Unions |
|---------------------------------|--------------------------|--|---|
| Agriculture | | U.S. RE: Farm Loans (\$000) | Outsd MBLs: Secured by Farmland (\$000) |
| Commercial & Industrial | Business | DOM: Commercial & Industrial Loans (\$000) | Outsd MBLs: Comm & Ind (\$000) |
| | Microenterprise | | |
| Construction & Land Development | | U.S. RE: Constr & Land Dev (\$000) | Constr & Dev Loans (\$000) |
| Consumer | Consumer | DOM: Consumer Loans (\$000) | Unsecd Credit Card Lns/LOC (\$000) |
| | | | All Other Unsecd Lns/LOC (\$000) |
| | | | Payday Alternative Loans (PAL) (\$000) |
| | | | Non-Fed Guaranteed Student Lns (\$000) |
| | | | New Vehicle Loans (\$000) |
| | | | Used Vehicle Loans (\$000) |
| | | | Leases Receivable (\$000) |
| | | | All Oth Lns/LOC to Mbrs (\$000) |
| Commercial Real Estate | Commercial Real Estate | U.S. RE: Comm RE(Nonfarm/NonRes) (\$000) | Outsd MBLs: Owner-Occ (\$000) |
| | Community Facilities | | Outsd MBLs: Non-Owner Occ (\$000) |
| Single family Housing | Housing – Home Financing | U.S. RE: Cl-end Frst Lien 1-4 (\$000) | U.S. RE: Cl-end Frst Lien 1-4 (\$000) |
| | | U.S. RE: Cl-end Jr Lien 1-4 (\$000) | Total Other RE Lns/LOC (\$000) |
| Multifamily Housing | Housing – Development | U.S. RE: Multifamily Loans (\$000) | |