



**WE BELIEVE  
IN OPPORTUNITY.  
FOR ALL.**

# Opportunity Finance Network

Presentation to Minority Business Development Agency: 3/4/15

# Opportunity Finance Network (OFN)

- Leading national network of community development financial institutions (CDFIs) investing in opportunities that benefit low-income, low-wealth, and other underserved communities across America.
- Our Network has originated more than \$35 billion in financing in urban, rural, and Native communities.

# What is a Community Development Financial Institution (CDFI)?

- Private, mission-driven financial institution.
- Delivers responsible, affordable capital to low-income, low-wealth communities.
- Assists underserved individuals and communities in reaching the financial mainstream.
- Provides innovative financing products and/or services, as well as technical assistance.

# Types of CDFI Lending

- Business Financing
  - Microenterprise
  - Small business
- Affordable Housing
  - Housing finance to individuals
  - Housing finance to organizations
- Community Facilities
  - Commercial real estate
  - Charter schools
  - Health centers
- Consumer Finance
- Healthy Foods Financing

# Video: We Believe in Opportunity. For All.

LEARN JOIN LEAD

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OPPORTUNITY. FOR ALL.**

JOIN US.

# Size and Scope of OFN Membership

# OFN: by the Numbers

**\$11 million:** Average amount of direct financing provided per OFN Member in FY 2012.

**\$2.6 billion:** Total amount of financing to people, markets, and communities provided by OFN Members in FY 2012.

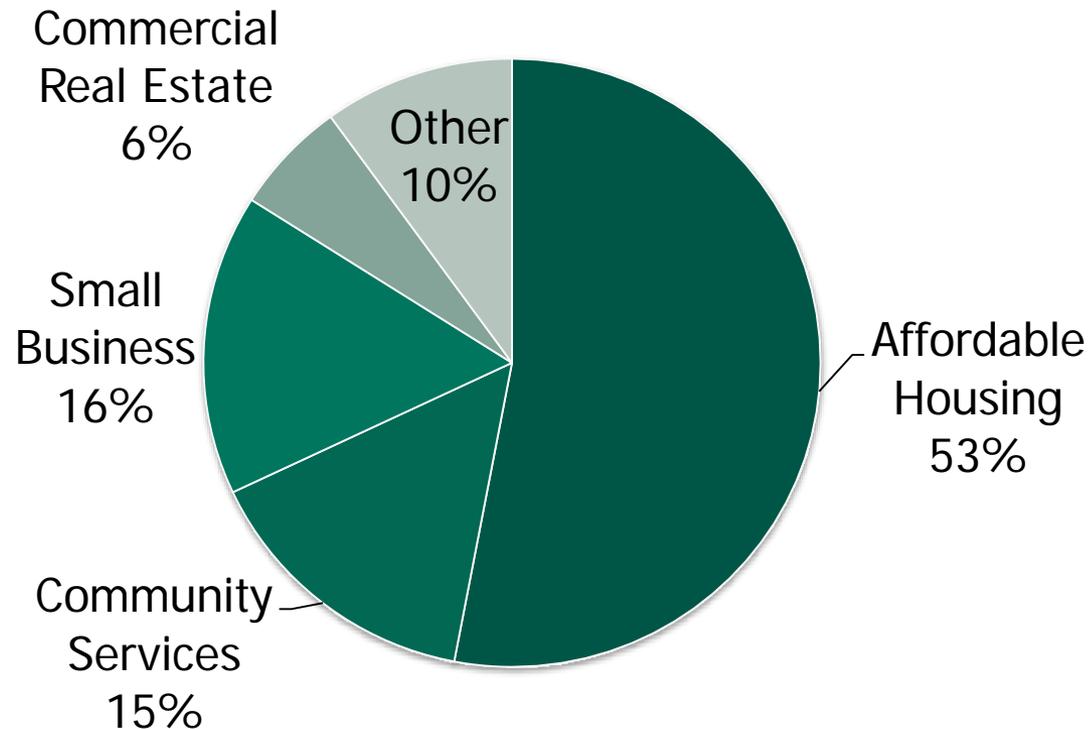
**\$6.6 billion:** Total OFN Member financing outstanding through FY 2012.

**\$11 billion:** Total OFN Member assets in FY 2012.

**\$33 billion:** Lifetime, cumulative OFN Member financing for community development activities, through FY 2012.

# Providing Access to Responsible, Affordable Capital

■ \$6.6 billion in total loans outstanding in FY 2012



Loans outstanding by sector based on dollar amount of financing

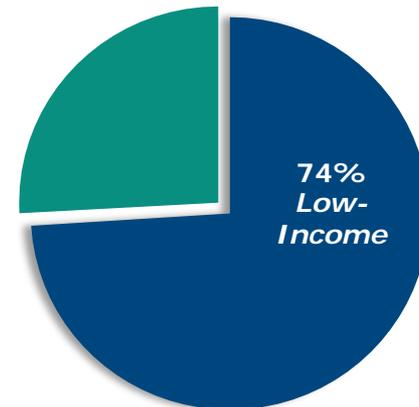
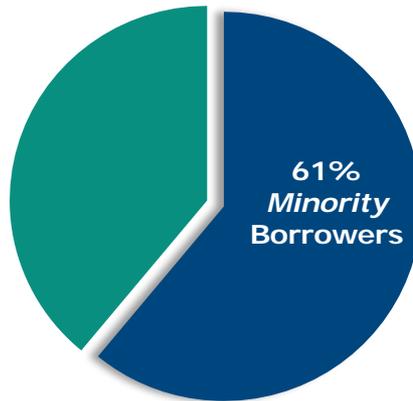
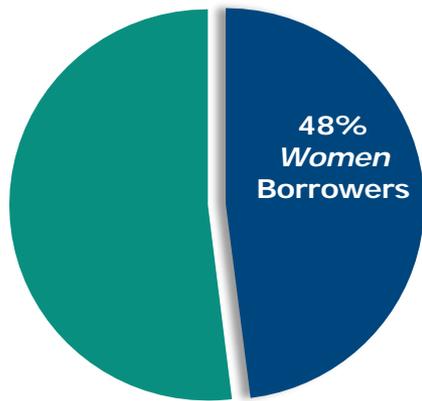
Source: OFN's 2012 Side-by-side

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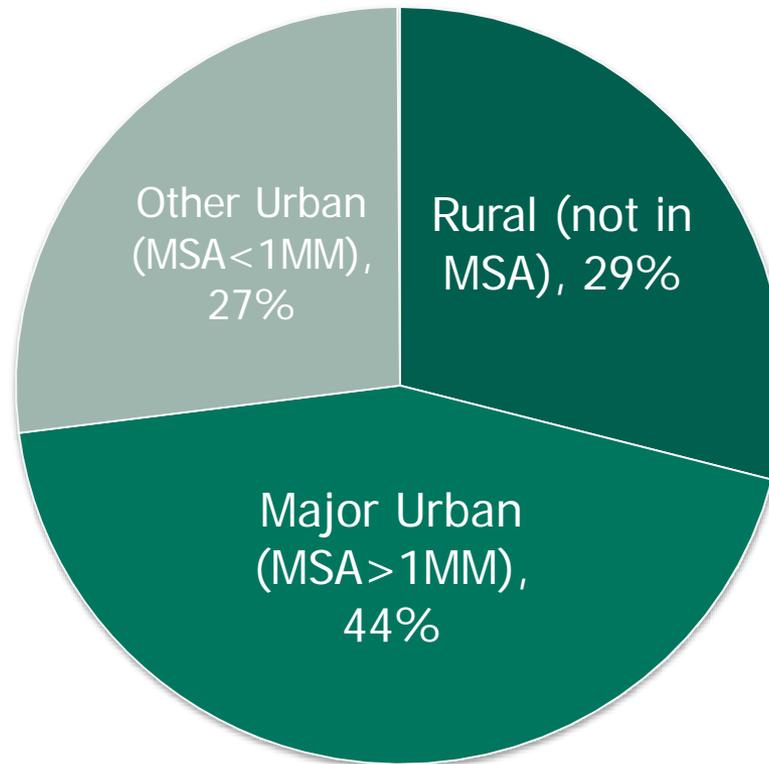
**OFN.ORG**

# Providing Access to Responsible, Affordable Capital

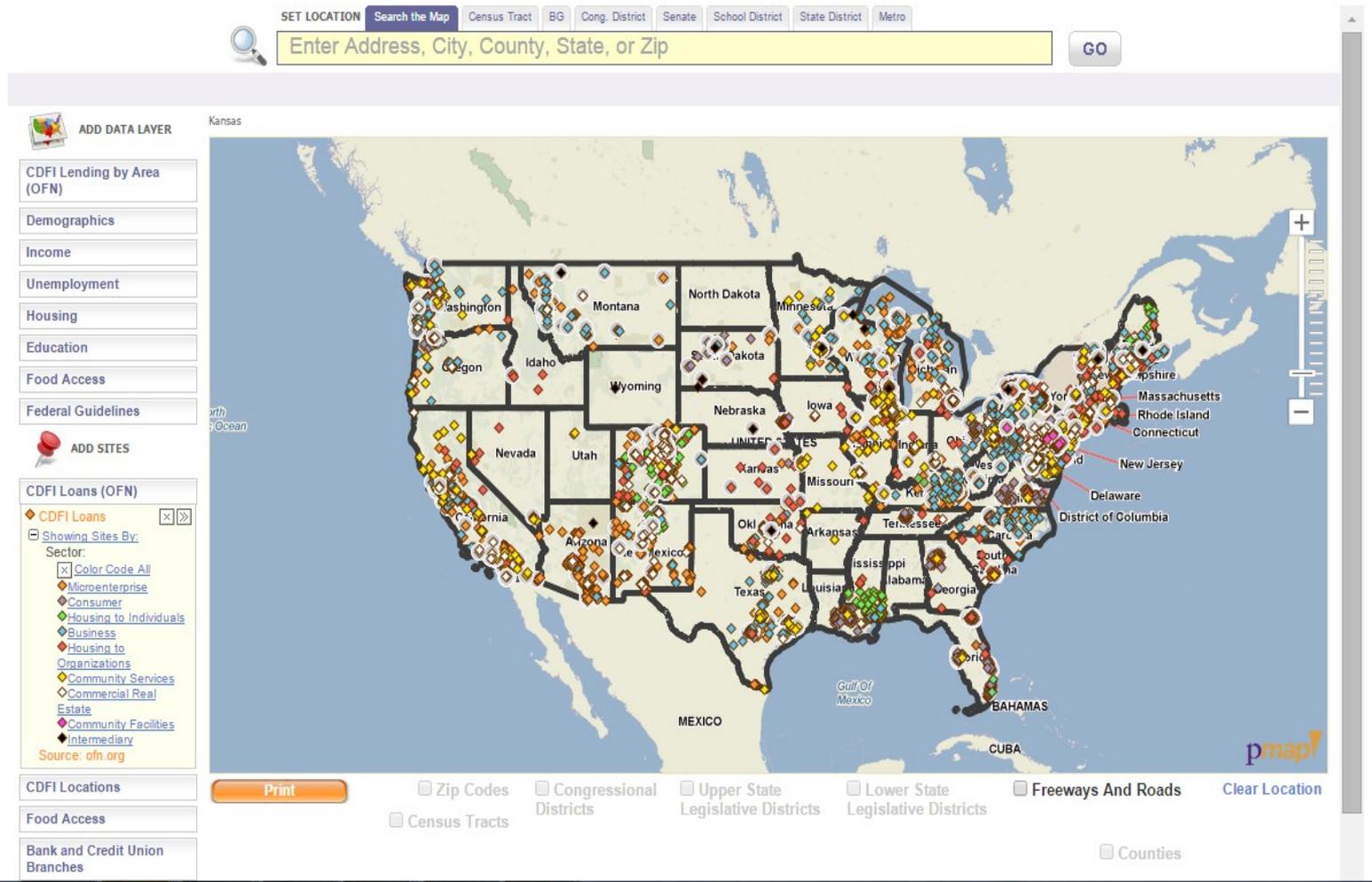
- \$2.6 billion in new financing in FY 2012
- OFN Members lend to traditionally underserved populations



# Where OFN Members Work: Rural & Urban



# Our Members: CDFI Coverage Map



# OFN Main Page



The screenshot shows the OFN Main Page with a dark background. At the top left is the OFN logo. To its right are three buttons: 'LEARN', 'JOIN', and 'LEAD'. On the far right is a hamburger menu icon. Below the navigation is a search bar with the placeholder text 'Enter Search Criteria'. The main content area is titled 'Where would you like to go?' and is organized into four columns of links. The first column is 'What is Opportunity Finance?', the second is 'Opportunity Finance Network', the third is 'Stories', and the fourth is 'Industry Initiatives'. There are also sections for 'Membership', 'News', and 'Training & Events'. At the bottom center, there is a MasterCard logo and the text 'OFN.org is made possible in part with support from MasterCard.' In the bottom left corner, there is a small text box with the URL 'ofn.org/cdfi-bond-program'. In the bottom right corner, there is a blue banner with the text 'We Believe in Opportunity. For All.' and the 'OFN.ORG' logo.

**LEARN** **JOIN** **LEAD**

Enter Search Criteria

## Where would you like to go?

- What is Opportunity Finance?**
  - What is Opportunity Finance?
  - Who We Are
  - Video: Opportunity. Multiplied.
  - Video: We Believe in Opportunity. For All.
  - What is a CDFI?
  - CDFI Locator
- Opportunity Finance Network**
  - About OFN
  - Strategic Plan
  - Member Profile Directory
  - Careers at OFN
  - OFN Staff
  - Contact Us
  - Internships
- Stories**
  - Borrower Stories
- Expertise**
  - Consulting
  - Financing
  - Public Policy
- Resources**
  - CDFIs and Universities
  - Industry Job Bank
  - Industry Speeches
  - OFN Conference 2013 Recap
  - OFN@30: CDFIs Making History
  - Podcasts
  - Publications
  - Webinars
- Industry Initiatives**
  - CDFI Bond Guarantee Program
  - CDFI Coverage Map
  - Citi Leadership Program for Opportunity Finance
  - Energy Efficiency Financing
  - Financing Community Health Centers
  - Goldman Sachs 10,000 Small Businesses CDFI Growth Collaborative
  - Growing Microfinance to Scale
  - Nurturing Healthy Food Financing
  - Performance Counts
  - Small Business Financing Initiative
  - Small Business Leader Award for Mission-Driven Lenders
  - Starbucks: Create Jobs for USA
  - Strengthening Small & Emerging CDFIs
  - Wells Fargo NEXT Awards for Opportunity Finance
  - Youth Opportunity Pledge
- Membership**
  - Become A Member
  - Become An Ally
  - Customized CDFI Brand Video
- News**
  - Press Releases
  - Press Clippings
  - CDFI Connect
  - OPPORTUNITIES: OFN's eNewsletter
  - Community Development Banking ListServ (CDB-L)
- Training & Events**
  - OFN Events and Webinars
  - Advocacy Day 2014
  - Fundamentals in Opportunity Finance Industry Course
  - Small Business Finance Forum 2014
  - OFN Conference 2014

 OFN.org is made possible in part with support from MasterCard.

ofn.org/cdfi-bond-program

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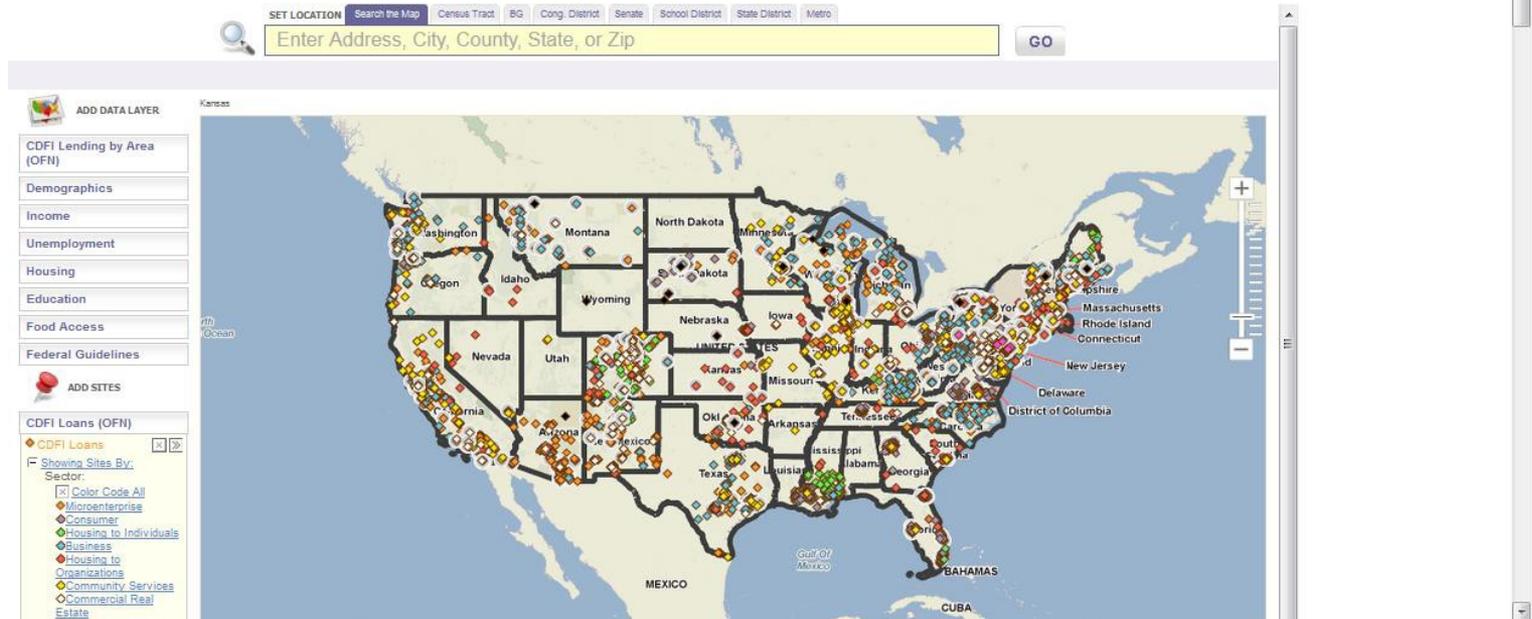
# CDFI Map



LEARN JOIN LEAD



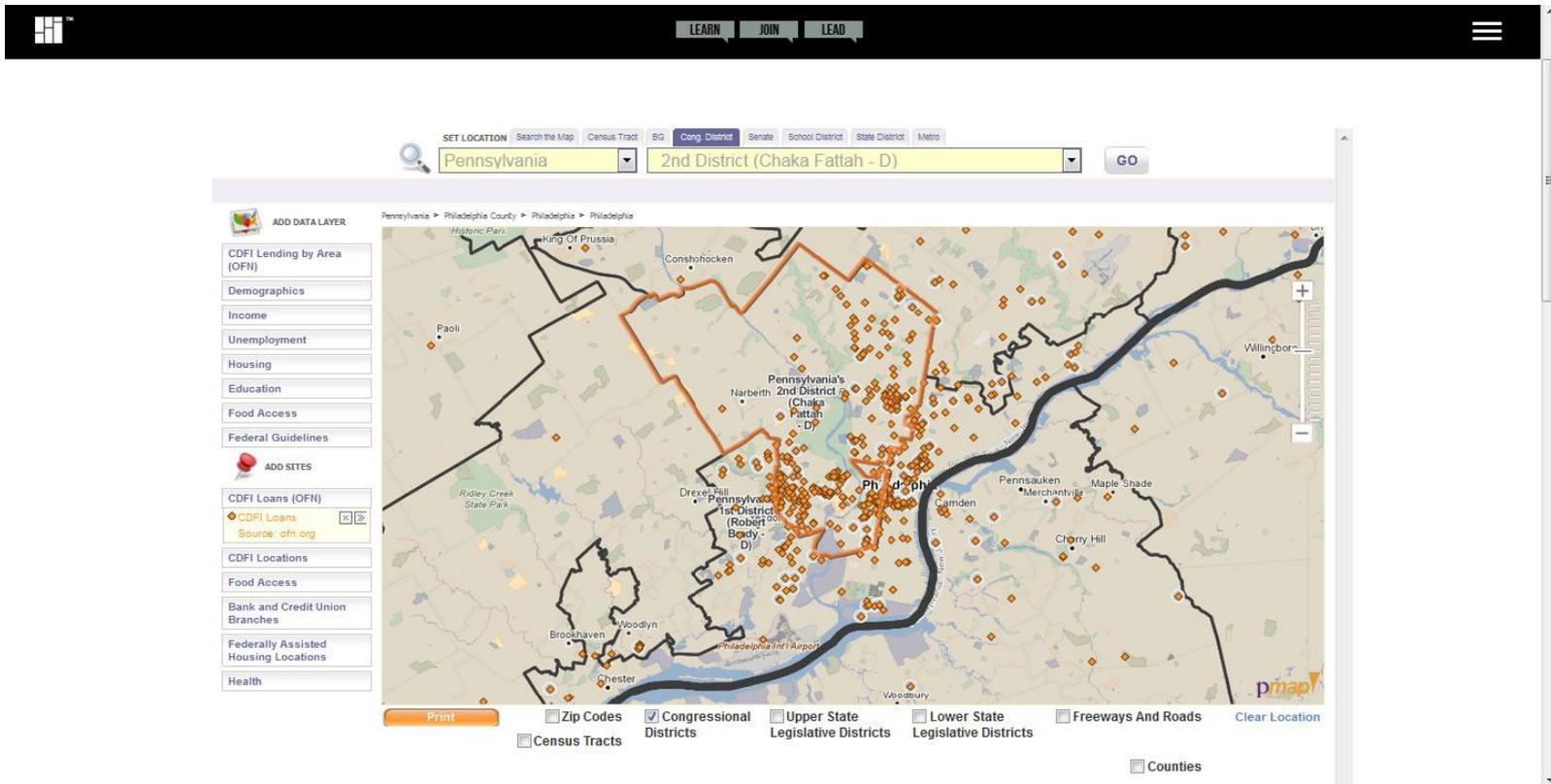
## CDFI COVERAGE MAP



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# CDFI Map—Philadelphia, PA District-02



# OFN Members and Small Business Lending

# CDFIs: Channeling Capital to Underserved Businesses

- CDFIs make start-up loans, microenterprise loans, provide gap financing, and offer training and technical assistance
- Focus lending on minority and/or low-income borrowers in distressed communities
- Small business lending by CDFIs:
  - 183 OFN members report increase of 43% from 2012-13
  - \$300 million to \$437 million

# OFN Members: Business Lending

**\$10.7 million:** Average total financing outstanding.

**\$13,500:** Average microenterprise loan outstanding.

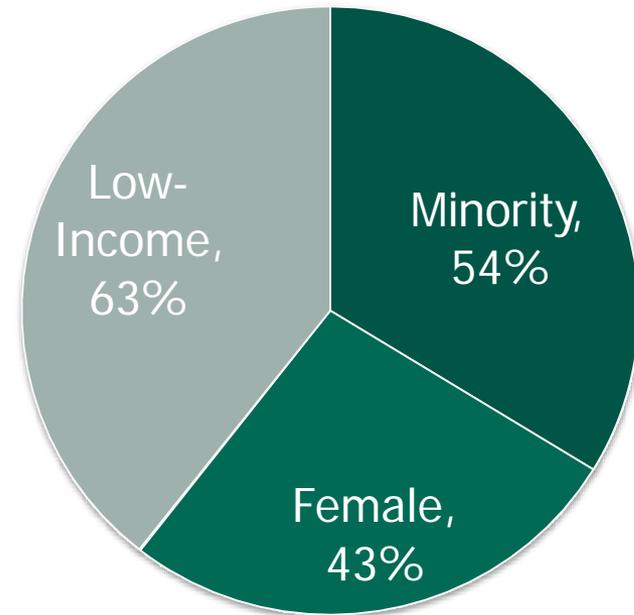
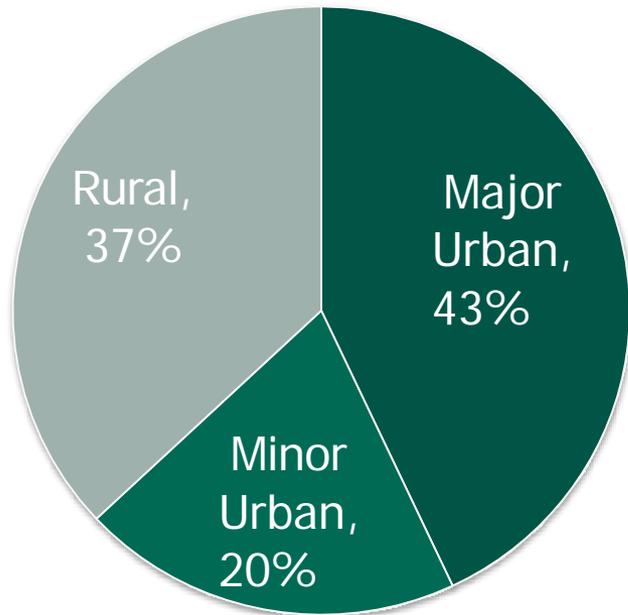
**\$108,000:** Average small business loan outstanding.

**7.5%:** Weighted average interest rate of loans.

**2.7%:** Average net loan loss ratio.

# OFN Members: Business Lending

## Average Percentage of Demographics Served



# OFN Member Activity in SBA Programs

## Microloan

- OFN Members: 59
- Certified CDFIs: 98

## Community Advantage

- OFN Members: 39
- Certified CDFIs: 48

## 7a

- OFN Members: 29
- Certified CDFIs: 125

## 504

- OFN Members: 21
- Certified CDFIs: 21

## Intermediary Lending Program

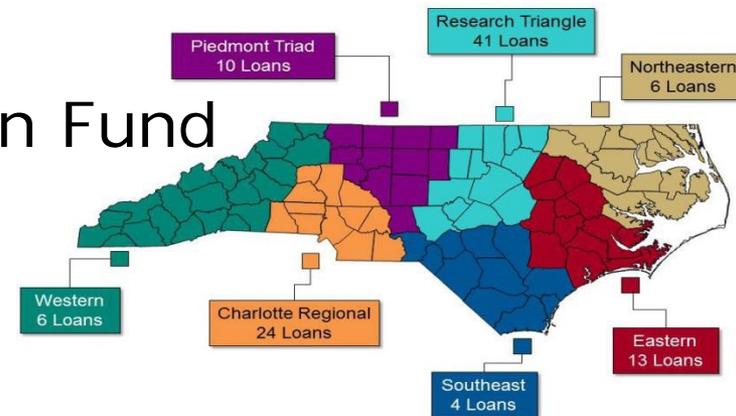
- OFN Members: 12
- Certified CDFIs: 16

## Member Focus: The Support Center

- Founded in 1990. Serves North Carolina.
- Minority-led CDFI.
- Approved lender for SBA Community Advantage, USDA Farm Service Agency and USDOT Guarantee Loan Programs.

### ■ Small Business Revolving Loan Fund

- \$9.6 million business financing
- 105 loans to small businesses
- 363 jobs created or retained





## Member Focus: Black Business Investment Fund

- Founded in 1987 in Orlando. Serves Florida.
- Only approved SBA Community Advantage lender in the state of Florida.
- One of eight certified Black Business Investment Corporations in the state of Florida.
- Historical Impact
  - \$38 million in business financing
  - 320 loans to small businesses
  - 10,958 jobs created or retained



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For All.

[OFN.ORG](http://OFN.ORG)

# CDFIs: Partners in Reaching Underserved Businesses

- Alternative lenders in underserved markets
  - Channel capital to borrowers
  - Affordable, responsible financial products
- Experienced with public-private partnerships
  - Collaborate with banks, foundations, government agencies and other stakeholders
  - Intermediaries for public funds
- Technical assistance providers
  - Provide training and business development services
  - Assistance to start, strengthen, or expand businesses

# Contact Us

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