



# Native CDFI Financial & Lending Performance Report

A 2024 Side-by-Side Industry Snapshot



# Table of Contents

Overview of Native CDFIs.....	3
Funding Sources & Capitalization.....	4
Key Funding Sources for Native CDFIs .....	4
Capitalization Strategies for Native CDFIs.....	5
Strategies, Challenges, & Opportunities .....	6
Operational Strategies for Native CDFIs .....	6
Innovative Approaches for Native CDFIs .....	6
Challenges for Native CDFIs .....	7
Opportunities for Native CDFIs .....	8
Overview of Industry Snapshot.....	9
Geographic Areas.....	9
Peer Group Definitions.....	9
Collective Lending Impact in 2024 .....	10
Social Impact Details of 2024 .....	12
All Native CDFIs Revolving Loan Funds.....	13
Native CDFIs with Less Than \$5 Million in Assets.....	14
Native CDFIs with \$5 to \$15 Million in Assets.....	15
Native CDFIs with \$15 to \$30 Million in Assets.....	16
Native CDFIs with More Than \$30 Million in Assets.....	17
Native CDFI Banking Institutions Breakdown.....	18
Ratio Definitions .....	19
Acknowledgements.....	20
About Oweesta Corporation.....	20

## Overview of Native CDFIs

Native Community Development Financial Institutions (Native CDFIs) are specialized financial institutions that serve Native American, Alaska Native, and Native Hawaiian communities. They provide financial services, development services, and technical assistance with the goal of promoting economic development and self-sufficiency.

This report provides a comparative analysis of the current landscape of Native CDFIs, highlighting their roles, impact, financial health, and operational strategies across various sectors. Native CDFIs play a critical role in advancing economic equity by providing affordable financial services to underserved communities that have traditionally lacked access to mainstream financial institutions.

Native CDFIs serve as essential financial intermediaries for Native American, Alaska Native, and Native Hawaiian communities. They address capital access challenges, promote economic development, and strengthen tribal sovereignty.

This report compares several key categories, including:

1. **Financial Performance** – evaluates the financial health of leading NCDFIs, including assets, liabilities, and capital reserves. It analyzes profitability, lending volumes, and return on investment, providing insights into the operational efficiency of different NCDFIs.
2. **Market Reach & Demographics** – deep dive into the communities served by NCDFIs, comparing geographic distribution, sector focus (e.g., small business lending, affordable housing, etc.), and demographic profiles. This analysis reveals patterns in NCDFI service to low-income communities, minority populations, and rural areas.
3. **Impact Metrics** – measures the tangible outcomes of NCDFIs' work, including job creation, wealth building, and community development. Impact data includes the number of loans issued, projects financed, and businesses supported. It also considers long-term community resilience and sustainability outcomes.
4. **Funding Sources & Capitalization** – overview of the various funding sources available to NCDFIs, including government grants, private sector investments, and philanthropic contributions.
5. **Operational Strategies & Innovations** – discusses best practices in NCDFI operations, exploring innovative products and services, technological integration, and partnerships with other community organizations.
6. **Challenges & Opportunities** – detailed examination of the challenges facing NCDFIs, such as regulatory pressures and capital constraints. Additionally, the report explores emerging opportunities in areas such as digital lending, sustainable investments, and collaboration with mainstream financial institutions.

This report provides actionable insights for stakeholders, policymakers, and investors in the NCDFI ecosystem, outlining key takeaways for improving the effectiveness and sustainability of NCDFIs. It also offers recommendations for strategic growth and leveraging partnerships to increase financial inclusion across underserved communities.

Overall, Native CDFIs are a pivotal force in fostering inclusive economic development, and understanding the nuanced differences across institutions helps to identify avenues for optimization and growth in this vital sector.

## Funding Sources & Capitalization

### Key Funding Sources for Native CDFIs

#### 1. CDFI Fund (U.S. Department of the Treasury)

The *Native American CDFI Assistance Program (NACA Program)* provides financial and technical assistance specifically for Native CDFIs with the goal of empowering these organizations to grow, achieve sustainability, and contribute to the revitalization of the communities they serve.

The program offers both Financial Assistance (FA) and Technical Assistance (TA) awards. FA awards are offered to provide affordable financial products in economically distressed communities. TA awards are offered to build Native CDFI organizational capacity.

This is a competitive grant program that serves as one of the largest sources of capital for many Native CDFIs.

#### 2. Philanthropic Foundations

*Philanthropic foundations* are organizations that support charitable activities primarily through grantmaking.

Examples include the Ford Foundation, W.K. Kellogg Foundation, Surdna Foundation, and Northwest Area Foundation.

These foundations provide grants, PRIs (Program-Related Investments), and operating support.

#### 3. Federal Agencies (Beyond Treasury)

Outside of the CDFI Fund, there are other federal agencies that provide funding to Native CDFIs. Common examples include:

- *U.S. Department of Agriculture (USDA)* – Rural development grants and loans.
- *Small Business Administration (SBA)* – Loan guarantee programs and support for microlenders.
- *U.S. Department of Housing and Urban Development (HUD)* – Indian Housing Block Grants and other housing-related funds.
- *Economic Development Administration (EDA)* – For infrastructure and business support.

#### 4. Banks and CRA Investments

Banks often invest in and partner with Native CDFIs to meet their *Community Reinvestment Act (CRA)* obligations. The CRA requires depository institutions to meet the needs of the communities where they operate, including low- and moderate-income areas.

These investments and partnerships may be in the form of loans, equity, or in-kind support.

#### 5. Tribal Governments

Some tribal nations allocate funding from their own resources or from generated revenues (e.g., gaming or natural resource income) to support Native CDFIs.

Tribes may provide loan capital, operational support, or in-kind services.

#### 6. Private Investors & Impact Investors

*Private investors* are individuals and organizations who provide funding to other entities outside of the public market assets like stocks and bonds. *Impact investors* are private investors who are interested in generating financial returns while creating a positive social or environmental impact.

These investors include mission-driven lenders, social impact funds, and socially conscious individuals.

Capital from these investors may come in the form of loans, equity, or PRIs.

#### 7. Program Income & Earned Revenue

Native CDFIs are able to generate revenue from their operational activities. This can be from interest on loans, fees for services, and other business activities.

Due to the non-profit nature of Native CDFIs, this *earned revenue* is reinvested into operations and loan funds to ensure sustainability.

### Capitalization Strategies for Native CDFIs

Native CDFIs use various strategies to structure their financial resources to sustain and expand their operations, projects, and loan funds. Common capitalization strategies include:

- *Layered Capital Stacks* – Native CDFIs often blend different types of capital—grants, equity, debt, and loan guarantees—to meet their capital needs.
- *Loan Capital Pools* – Used to fund lending activities—sourced from grants, debt, or investments.
- *Net Asset Building* – Growing unrestricted net assets to increase long-term financial sustainability.
- *Loan Participation* – Loans made by multiple lenders to a single borrower—used to fund larger projects and initiatives. Native CDFIs can either receive participation loans to meet their organizational needs or participate as a lender to meet the needs of their target market.

## Strategies, Challenges, & Opportunities

Native CDFIs face unique challenges and opportunities as they work to support economic development in Native American, Alaska Native, and Native Hawaiian communities.

To be effective and sustainable, Native CDFIs must blend operational strategies with innovative approaches tailored to their unique cultural and economic contexts.

### Operational Strategies for Native CDFIs

In order to achieve their mission and support their communities, Native CDFIs often employ the following strategies:

- 1. Community-Centered Governance**
  - Engage tribal leaders and community stakeholders in governance.
  - Incorporate traditional knowledge and values in strategic decision-making.
- 2. Capacity Building**
  - Invest in training staff and board members.
  - Partner with technical assistance providers and networks like the *Native CDFI Network (NCN)*.
- 3. Financial Sustainability**
  - Diversify revenue streams with grants, program-related investments, and earned income.
  - Establish loan loss reserves and risk management policies.
- 4. Client-Focused Services**
  - Offer culturally relevant financial education and coaching.
  - Customize lending products (e.g., microloans, credit builder loans) to meet local needs.
- 5. Data-Driven Decision Making**
  - Use impact metrics to evaluate programs and adjust strategies.
  - Track outcomes beyond financials—e.g., community well-being, business success.

### Innovative Approaches for Native CDFIs

Native CDFIs enact innovative approaches to meet the needs of Native communities and overcome their unique challenges. Examples include:

- 1. Digital Transformation**
  - Leverage mobile banking, online loan applications, and virtual coaching to reach remote clients.
  - Implement CRM and loan management systems tailored for small CDFIs.

## 2. **Place-Based Investment Models**

- Use Opportunity Zones, New Markets Tax Credits, and other place-based tools for community reinvestment.
- Support land reacquisition and housing development initiatives.

## 3. **Partnership Ecosystems**

- Collaborate with tribal enterprises, philanthropic organizations, and mainstream banks.
- Form consortia with other Native CDFIs to co-lend or pool capital.

## 4. **Sovereign Investment Vehicles**

- Explore tribal investment funds or revolving loan funds governed by tribal law.
- Align financial products with tribal economic development plans.

## 5. **Cultural Capital Integration**

- Embed Native identity and values in branding, services, and impact frameworks.
- Support arts, traditional crafts, and cultural tourism enterprises.

## 6. **Climate and Sustainability Innovation**

- Develop green financing tools for renewable energy, sustainable housing, and climate resilience.
- Fund Native-led environmental businesses and land stewardship.

## **Challenges for Native CDFIs**

Native CDFIs have to overcome challenges that other organizations, including other CDFIs, do not typically face. Common challenges include:

### 1. **Limited Access to Capital**

- Native CDFIs often struggle to access consistent funding from mainstream financial markets or federal programs.
- Tribal communities tend to have weaker banking infrastructure—making access difficult.

### 2. **Decreasing Federal Support**

- Federal agencies, such as the *U.S. Treasury's CDFI Fund*, *HUD*, and *USDA*, are decreasing funding for Native CDFIs.

### 3. **Regulatory and Sovereignty Issues**

- Tribal sovereignty can create jurisdictional complexities that deter outside investment.
- Land held in trust limits collateralization, complicating lending and real estate development.

### 4. **Capacity Constraints**

- Many Native CDFIs operate with small staff and limited operational budgets, impacting their ability to scale or innovate.

- Workforce development within Native CDFIs is also a constraint, especially for financial expertise.

#### 5. **Geographic Isolation**

- Many Native communities are in remote areas with limited infrastructure, reducing economic activity and increasing the cost of delivering financial services.

#### 6. **Historic Mistrust of Financial Institutions**

- Generational distrust stemming from a history of exploitation can make it harder to engage Native clients and build financial literacy.

### **Opportunities for Native CDFIs**

Despite the challenges Native CDFIs face, they also present unique opportunities for their communities and the economic landscape as a whole. Some of these include:

#### 1. **Cultural Relevance and Trust**

- Native CDFIs are uniquely positioned to deliver services that are culturally appropriate and responsive to community needs.
- They often serve as trusted institutions, enabling deeper engagement in financial education and entrepreneurship.

#### 2. **Tailored Lending Models**

- Native CDFIs can innovate with flexible loan products that fit local contexts, such as microloans, informal collateral models, or community guarantees.

#### 3. **Growing Philanthropic Support**

- Philanthropic interest in racial equity and Indigenous-led initiatives is rising.

#### 4. **Entrepreneurship and Economic Development**

- Native CDFIs support tribal entrepreneurs, helping create jobs, retain wealth locally, and foster long-term self-sufficiency.
- Investment in green energy, tourism, and traditional crafts presents promising development sectors.

#### 5. **Sovereign Investment Strategies**

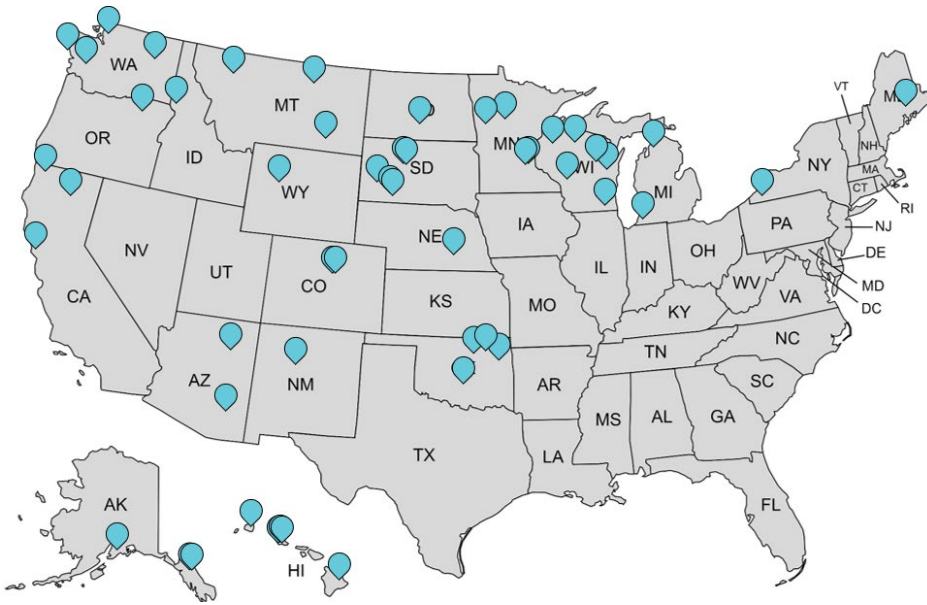
- Tribes can partner with Native CDFIs to use revenue from gaming or natural resources to invest in broader community development.

#### 6. **Technology and Integration**

- Digital platforms provide opportunities to expand reach, improve efficiency, and offer services like remote financial education or mobile banking.

# Overview of Industry Snapshot

This industry snapshot is a reference guide for Native CDFIs and all stakeholders in the Native CDFI industry. In this report, we focused on forty-three (43) Native CDFI revolving loan funds and three (3) Native CDFI banking institutions. The data presented is from the calendar year 2024.



## Geographic Areas

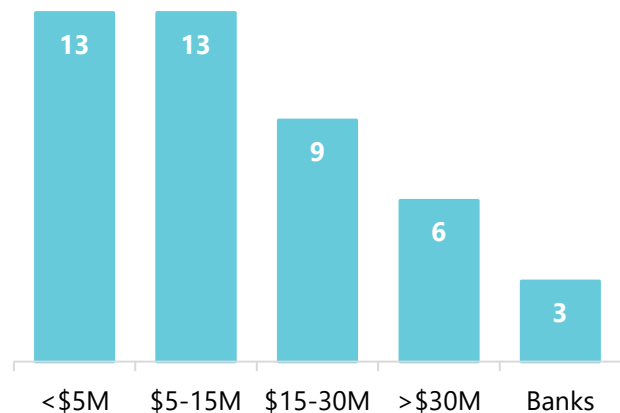
The forty-three (43) Native CDFI revolving loan funds and three (3) Native CDFI banking institutions represented in this report are located across the lower 48 United States, Alaska, and Hawaii. Most of these loan funds serve target markets consisting of rural Native communities located in persistent poverty zones. The above map showing the locations of Native CDFIs and the communities they serve indicates

Native people are clustered in certain regions, counties, and neighborhoods rather than spread evenly across the Nation. Native Americans in these persistently poor zones face various barriers endemic to low-income areas, including poor housing and health conditions, higher crime and school dropout rates, and employment dislocations.

## Peer Group Definitions

For this report, we used data from forty-three (43) Native CDFI revolving loan funds and three (3) Native CDFI banking institutions. To group similar Native CDFIs revolving loan funds together by comparable organizational capacity and financial benchmarks, we split the 43 RLF organizations into four (4) groups based on their total asset size. These include less than \$5 million in total assets, \$5 to \$15 million in total assets, \$15 to \$30 million in total assets, and more than \$30 million in total assets. The chart to the right indicates how many Native CDFIs are in each group.

## Native CDFIs in Each Group



## Collective Lending Impact in 2024

### Overview

Total Dollar Amount Lent by All Native CDFIS	<b>\$368,179,884</b>
Total Loans Closed by Native CDFIS	<b>8,433</b>
Total Native American Borrowers	<b>5,722</b>
Average Size of Loan	<b>\$43,659</b>

### Total Amount All Business Loans **\$222,208,764**

Total Amount General Small Business Loans	74,135,408
Total Amount Commercial Real Estate Small Business Loans	100,755,281
Total Amount Artist Loans	257,100
Total Amount Tribal Enterprise Loans	9,623,134
Total Amount Community Development Loans	375,000
Total Amount Facility Loans	12,823,000
Total Amount Other Business Loans <sup>1</sup>	24,239,840

### Total Amount All Consumer Loans **\$45,288,556**

Total Amount Auto Loans	21,480,210
Total Amount Credit Builder/Repair Loans	2,332,309
Total Amount Debt Consolidation Loans	5,444,659
Total Amount Employee Loans	2,156,538
Total Amount Emergency Loans	619,864
Total Amount Holiday Loans	478,699
Total Amount Other Consumer Loans <sup>2</sup>	12,776,277

### Total Amount All Housing Loans **\$75,478,339**

Total Amount Single-Family Home Purchase Loans	25,679,067
Total Amount Single-Family New Construction Loans	15,462,644
Total Amount Single-Family Refinance Loans	20,217,376
Total Amount Single-Family Home Improvement/Rehab/Repair Loans	2,760,687
Total Amount Single-Family Home Equity Lines of Credit	1,514,821
Total Amount Single-Family Second Mortgage/Gap Financing	769,452
Total Amount Single-Family Other Loans <sup>3</sup>	365,841
Total Amount Multi-Family Home Purchase Loans	6,987,768
Total Amount All Other Multi-Family Home Loans	0
Total Amount Closing Cost Assistance Loans	22,000
Total Amount Down Payment Assistance Loans	1,698,683

### Total Amount Agriculture Loans **\$25,204,225**

<b>Total Number All Business Loans</b>	<b>851</b>
Total Number General Small Business Loans	487
Total Number Commercial Real Estate Small Business Loans	201
Total Number Artist Loans	12
Total Number Tribal Enterprise Loans	13
Total Number Community Development Loans	1
Total Number Facility Loans	3
Total Number Other Business Loans <sup>1</sup>	134
<b>Total Number All Consumer Loans</b>	<b>6,877</b>
Total Number Auto Loans	869
Total Number Credit Builder/Repair Loans	843
Total Number Debt Consolidation Loans	278
Total Number Employee Loans	905
Total Number Emergency Loans	226
Total Number Holiday Loans	559
Total Number Other Consumer Loans <sup>2</sup>	3,197
<b>Total Number All Housing Loans</b>	<b>375</b>
Total Number Single-Family Home Purchase Loans	116
Total Number Single-Family New Construction Loans	47
Total Number Single-Family Refinance Loans	85
Total Number Single-Family Home Improvement/Rehab/Repair Loans	59
Total Number Single-Family Home Equity Lines of Credit	16
Total Number Single-Family Second Mortgage/Gap Financing	9
Total Number Single-Family Other Loans <sup>3</sup>	6
Total Number Multi-Family Home Purchase Loans	4
Total Number All Other Multi-Family Home Loans	0
Total Number Closing Cost Assistance Loans	3
Total Number Down Payment Assistance Loans	30
<b>Total Number Agriculture Loans</b>	<b>330</b>

<sup>1</sup> According to the NCDFIs submissions through Oweesta's Quarterly Borrower Report, Other Business Loans include business loan packaging, working capital loans, equipment financing loans, and other special business loan products.

<sup>2</sup> According to the NCDFIs submissions through Oweesta's Quarterly Borrower Report, Other Consumer Loans include personal loans, personal lines of credit, recreational vehicle loans, school loans, cultural loans, and consumer relief assistance.

<sup>3</sup> According to the NCDFIs submissions through Oweesta's Quarterly Borrower Report, Other Housing Loans include land purchases, land leaseholds, and additional dwelling units.

## Social Impact Details of 2024

### Small Business Impacts

Total Loans to Native-Owned Businesses	705
Total Loans to Women-Owned Businesses	273
Total Loans to Veteran-Owned Businesses	15
Total Loans to Start-Up Businesses	163
Total Loans to Existing Businesses	795
Total Jobs Created	542
Total Jobs Retained	1,711

### Housing Impacts

Total Housing Loans to Native Borrowers	185
Total Housing Loans to First-Time Buyers	114
Total Housing Loans to Female Heads-Of-Household	100
Total Housing Loans to Veterans	7

### Agricultural Impacts

Total Loans to Native Ranchers	254
Total Loans to Native Farmers	13
Total Loans to Native Fishers	15
Total Loans to Native Harvesters	9



## All Native CDFIs Revolving Loan Funds

Forty-three (43) organizations are included in the data below.

Entity Characteristics	Average	Low	Median	High
<b>Organization Details</b>				
Age of Organization (Years)	18	4	16	68
Number of FTE	8	2	5	37
<b>Capital Structure</b>				
Asset Size	\$14,621,488	\$559,439	\$11,626,318	\$87,065,569
Net Asset Ratio	60.4%	3.9%	67.4%	96.0%
Net Asset w/o Donor Restrictions Ratio	53.7%	0.0%	56.8%	91.1%
Leverage Ratio	209.8%	4.2%	48.5%	2467.1%
<b>Portfolio</b>				
Portfolio Size	\$8,031,742	\$343,037	\$4,730,332	\$60,373,553
90+ Days Delinquency Ratio	4.7%	0.0%	3.2%	31.3%
Charge-Off Ratio	1.4%	0.0%	0.0%	10.4%
Loan Loss Reserve Ratio	9.1%	0.0%	5.8%	80.3%
<b>Earnings</b>				
Net Income	\$2,393,193	\$(1,449,552)	\$712,802	\$21,447,763
Earned Revenue	\$825,920	\$22,340	\$543,047	\$6,251,536
Operating Expenses	\$1,355,813	\$57,130	\$1,013,558	\$4,501,188
Self-Sufficiency Ratio	68.5%	4.1%	39.7%	312.6%
Operating Liquidity (Months)	34	3	20	164
<b>Lending in 2024</b>				
Number of Loans Closed	169	4	85	1,382
Amount of Loans Closed	\$3,566,483	\$63,612	\$1,539,456	\$24,329,962
<b>Efficiency</b>				
# Loans Closed / FTE	30.9	0.5	10.1	288.5
\$ Loans Closed / FTE	\$520,942	\$31,106	\$275,413	\$3,041,245
Operating Expenses / # Loans Closed	\$48,431	\$336	\$14,190	\$450,119
Operating Expenses / \$ Loans Closed	0.9	0.1	0.5	5.0

## Native CDFIs with Less Than \$5 Million in Assets

Thirteen (13) organizations are included in the data below.

Entity Characteristics	Average	Low	Median	High
<b>Organization Details</b>				
Age of Organization (Years)	17	1	15	68
Number of FTE	4	1	4	8
<b>Capital Structure</b>				
Asset Size	\$2,336,122	\$434,081	\$1,913,565	\$4,926,264
Net Asset Ratio	49.0%	8.7%	45.7%	96.0%
Net Asset w/o Donor Restrictions Ratio	45.5%	8.7%	45.7%	91.1%
Leverage Ratio	237.6%	4.2%	119.6%	1053.9%
<b>Portfolio</b>				
Portfolio Size	\$1,302,950	\$297,682	\$1,549,744	\$2,634,766
90+ Days Delinquency Ratio	7.9%	0.0%	5.7%	31.3%
Charge-Off Ratio	2.3%	0.0%	0.0%	10.4%
Loan Loss Reserve Ratio	13.5%	0.0%	6.6%	80.3%
<b>Earnings</b>				
Net Income	\$102,576	\$(326,725)	\$13,245	\$762,574
Earned Revenue	\$231,315	\$22,340	\$88,397	\$1,666,109
Operating Expenses	\$479,900	\$243	\$339,855	\$1,121,459
Self-Sufficiency Ratio	40.2%	10.2%	31.2%	148.6%
Operating Liquidity (Months)	13	3	9	51
<b>Lending in 2024</b>				
Number of Loans Closed	134	5	44	577
Amount of Loans Closed	\$474,221	\$63,612	\$421,600	\$947,006
<b>Efficiency</b>				
# Loans Closed / FTE	40.4	1.5	13.0	288.5
\$ Loans Closed / FTE	\$123,095	\$31,806	\$103,848	\$218,150
Operating Expenses / # Loans Closed	\$16,282	\$27	\$6,947	\$93,455
Operating Expenses / \$ Loans Closed	1.1	0.0	1.1	2.6

## Native CDFIs with \$5 to \$15 Million in Assets

Thirteen (13) organizations are included in the data below.

Entity Characteristics	Average	Low	Median	High
<b>Organization Details</b>				
Age of Organization (Years)	15	4	13	29
Number of FTE	8	3	6	22
<b>Capital Structure</b>				
Asset Size	\$10,360,981	\$5,731,318	\$11,036,341	\$14,783,980
Net Asset Ratio	62.4%	3.9%	74.0%	94.2%
Net Asset w/o Donor Restrictions Ratio	49.8%	0.0%	57.4%	80.4%
Leverage Ratio	332.1%	6.1%	35.2%	2467.1%
<b>Portfolio</b>				
Portfolio Size	\$4,441,704	\$641,995	\$3,666,901	\$8,846,264
90+ Days Delinquency Ratio	3.3%	0.0%	3.2%	7.4%
Charge-Off Ratio	1.3%	0.0%	0.0%	10.3%
Loan Loss Reserve Ratio	8.4%	0.6%	5.9%	37.2%
<b>Earnings</b>				
Net Income	\$1,248,037	\$(1,449,552)	\$661,873	\$6,302,243
Earned Revenue	\$505,256	\$51,581	\$499,629	\$1,965,327
Operating Expenses	\$1,256,402	\$321,946	\$1,134,426	\$4,501,188
Self-Sufficiency Ratio	57.9%	4.1%	26.7%	268.2%
Operating Liquidity (Months)	44	4	29	164
<b>Lending in 2024</b>				
Number of Loans Closed	181	4	20	1,382
Amount of Loans Closed	\$1,799,863	\$248,851	\$1,400,775	\$4,218,338
<b>Efficiency</b>				
# Loans Closed / FTE	26.4	0.5	3.9	172.8
\$ Loans Closed / FTE	\$346,284	\$31,106	\$289,026	\$902,342
Operating Expenses / # Loans Closed	\$109,306	\$892	\$46,081	\$450,119
Operating Expenses / \$ Loans Closed	1.2	0.3	0.6	5.0

## Native CDFIs with \$15 to \$30 Million in Assets

Nine (9) organizations are included in the data below.

Entity Characteristics	Average	Low	Median	High
<b>Organization Details</b>				
Age of Organization (Years)	19	10	17	32
Number of FTE	10	3	6	37
<b>Capital Structure</b>				
Asset Size	\$18,801,190	\$15,027,069	\$18,174,573	\$25,709,199
Net Asset Ratio	65.3%	43.6%	63.9%	91.0%
Net Asset w/o Donor Restrictions Ratio	61.6%	36.1%	55.7%	90.1%
Leverage Ratio	61.3%	9.9%	56.4%	129.4%
<b>Portfolio</b>				
Portfolio Size	\$10,942,762	\$7,580,886	\$9,780,110	\$14,672,400
90+ Days Delinquency Ratio	3.7%	0.0%	3.7%	7.8%
Charge-Off Ratio	0.5%	0.0%	0.1%	2.0%
Loan Loss Reserve Ratio	5.5%	2.2%	5.3%	8.7%
<b>Earnings</b>				
Net Income	\$3,185,229	\$204,839	\$2,530,534	\$7,190,543
Earned Revenue	\$883,619	\$556,350	\$653,872	\$1,759,230
Operating Expenses	\$1,834,530	\$545,292	\$1,341,117	\$4,208,825
Self-Sufficiency Ratio	87.0%	18.1%	68.1%	312.6%
Operating Liquidity (Months)	46	4	32	115
<b>Lending in 2024</b>				
Number of Loans Closed	169	63	121	512
Amount of Loans Closed	\$6,123,166	\$2,177,554	\$6,427,017	\$13,398,320
<b>Efficiency</b>				
# Loans Closed / FTE	25	4	19	60
\$ Loans Closed / FTE	\$948,452	\$194,958	\$544,388	\$2,142,339
Operating Expenses / # Loans Closed	\$13,258	\$2,882	\$8,655	\$28,438
Operating Expenses / \$ Loans Closed	0.4	0.1	0.3	1.0

## Native CDFIs with More Than \$30 Million in Assets

Six (6) organizations are included in the data below.

Entity Characteristics	Average	Low	Median	High
<b>Organization Details</b>				
Age of Organization (Years)	19	7	21	24
Number of FTE	9	1	10	17
<b>Capital Structure</b>				
Asset Size	\$51,937,737	\$30,945,836	\$40,837,302	\$87,065,569
Net Asset Ratio	61.1%	55.8%	58.7%	71.8%
Net Asset w/o Donor Restrictions Ratio	54.9%	39.7%	56.2%	64.4%
Leverage Ratio	65.0%	39.2%	70.6%	79.3%
<b>Portfolio</b>				
Portfolio Size	\$25,815,246	\$6,885,260	\$21,893,856	\$60,373,553
90+ Days Delinquency Ratio	5.7%	0.2%	3.9%	13.4%
Charge-Off Ratio	0.2%	0.0%	0.0%	0.7%
Loan Loss Reserve Ratio	7.9%	4.8%	7.0%	14.2%
<b>Earnings</b>				
Net Income	\$12,931,012	\$4,244,458	\$7,698,325	\$29,959,545
Earned Revenue	\$2,997,087	\$1,126,026	\$2,763,606	\$6,251,536
Operating Expenses	\$7,032,716	\$1,046,464	\$2,415,635	\$30,784,315
Self-Sufficiency Ratio	122.4%	10.9%	129.5%	216.7%
Operating Liquidity (Months)	25	8	23	47
<b>Lending in 2024</b>				
Number of Loans Closed	141	26	98	421
Amount of Loans Closed	\$9,519,214	\$1,611,830	\$9,589,711	\$24,329,962
<b>Efficiency</b>				
# Loans Closed / FTE	15.9	3.3	8.0	52.6
\$ Loans Closed / FTE	\$1,041,101	\$134,102	\$737,670	\$3,041,245
Operating Expenses / # Loans Closed	\$259,414	\$4,140	\$38,689	\$1,184,012
Operating Expenses / \$ Loans Closed	4.2	0.1	0.4	19.1

## Native CDFI Banking Institutions Breakdown

The section below details metrics for the three (3) Native CDFI Banking Institutions in Oweesta's loan portfolio. Native CDFI Banking Institutions are larger and more regulated than the standard Native CDFI Revolving Loan Fund, and they use different financial ratios to evaluate the health of their institution. All figures are based on financial statements and required reporting for each organization.

Entity Characteristics	Average	Low	Median	High
<b>Organization Details</b>				
Age of Organization (Years)	57	26	29	117
Number of FTE	55	37	54	73
<b>Capital Structure</b>				
Asset Size	\$362,183,893	\$278,225,000	\$401,622,250	\$406,704,430
Net Asset Ratio	12.1%	8.0%	11.5%	16.8%
Net Asset w/o Donor Restrictions Ratio	12.1%	8.0%	11.5%	16.8%
Leverage Ratio	802.9%	495.5%	769.2%	1144.0%
<b>Portfolio</b>				
Portfolio Size	\$191,674,704	\$113,396,000	\$178,219,368	\$283,408,745
90+ Days Delinquency Ratio	1.2%	0.0%	1.1%	2.5%
Charge-Off Ratio	0.2%	0.0%	0.2%	0.4%
Loan Loss Reserve Ratio	1.1%	0.7%	0.8%	1.7%
<b>Earnings</b>				
Net Income	\$3,775,891	\$1,672,172	\$3,823,000	\$5,832,501
Earned Revenue	\$17,840,062	\$13,455,000	\$18,118,864	\$21,946,322
Operating Expenses	\$13,408,777	\$8,326,000	\$12,616,777	\$19,283,553
Self-Sufficiency Ratio	139.7%	113.8%	143.6%	161.6%
Operating Liquidity (Months)	15	2	18	26
<b>Lending in 2024</b>				
Number of Loans Closed	757	65	1062	1143
Amount of Loans Closed	\$79,219,197	\$43,169,253	\$64,951,161	\$129,537,178
<b>Efficiency</b>				
# Loans Closed / FTE	15.5	1.2	14.5	30.9
\$ Loans Closed / FTE	\$1,381,339	\$1,166,737	\$1,202,799	\$1,774,482
Operating Expenses / # Loans Closed	\$73,182	\$7,284	\$18,158	\$194,104
Operating Expenses / \$ Loans Closed	0.2	0.1	0.2	0.2

## Ratio Definitions

<b>Net Asset Ratio</b>	<i>Net Assets / Total Assets.</i> This ratio shows the amount of equity an organization has as a percentage of its total assets. A general guideline is that a financially healthy CDFI RLF has a net asset ratio of at least 20%.
<b>Net Asset without Donor Restrictions Ratio</b>	<i>Net Assets without Donor Restrictions / Total Assets.</i> This ratio shows what percentage of an organization's total assets are composed of unrestricted net assets.
<b>Leverage Ratio</b>	<i>Total Debt / Total Net Assets.</i> This ratio shows the rate at which an organization is leveraging its net assets. A ratio of 100% would show that for every \$1 in net assets, an organization is leveraging \$1 in debt.
<b>90+ Delinquency Ratio</b>	<i>Total \$ Amount of Loans 90+ Delinquent / Portfolio Balance.</i> This ratio shows the percentage of the portfolio that is 90 days or more delinquent.
<b>Charge-Off Ratio</b>	<i>Total Loans Charged Off / Portfolio Balance.</i> This ratio shows the percentage of the year end portfolio balance that was charged off during the year.
<b>Loan Loss Reserve Ratio</b>	<i>Total \$ Loan Loss Reserve / Portfolio Balance.</i> This ratio shows the percentage by which the value of the portfolio has been reduced to account for expected loan losses.
<b>Net Income</b>	<i>Total Income – Total Expenses.</i> The difference between income and expenses.
<b>Earned Revenue</b>	The average amount, in dollars, of earned revenue generated over the year. Earned revenue is defined as income generated from operations. Typically, earned revenue is generated from loan interest and fees or a contract to provide development services.
<b>Self-Sufficiency Ratio</b>	<i>Earned Revenue / Total Expenses.</i> This ratio shows the percentage of operating expenses covered by earned revenue.
<b>Operating Liquidity</b>	<i>Operating Cash &amp; Cash Equivalents / (Total Expenses / 12).</i> This ratio shows how many months of operating cash the organization has on hand.
<b># Loans Closed to FTE</b>	<i># Loans Closed / # FTE.</i> This ratio shows how many loans were closed per FTE <sup>4</sup> over the year.
<b>\$ Loans Closed to FTE</b>	<i>\$ Loans Closed / # FTE.</i> This ratio shows how many dollars in loans were closed per FTE over the year.
<b>Operating Expenses to # Loans Closed</b>	<i>Operating Expenses / # Loans Closed.</i> This ratio shows how many dollars, on average, it costs the organization to close a loan.
<b>Operating Expenses to \$ Loans Closed</b>	<i>Operating Expenses / \$ Loans Closed.</i> This ratio shows the comparison between total operating expenses to how many dollars in loans were closed.

<sup>4</sup> FTE (Full-time equivalent) employee.

## Acknowledgements

This report was written by Florence Ludka and Alexandra Shaughnessy from Oweesta Corporation. We believe in widely sharing best practices, key findings and successful or promising models with practitioners in Indian Country, government entities (federal, state, local and tribal), mainstream philanthropy, and the public at large. For more information, or to order additional copies of this report, please email [florence@oweesta.org](mailto:florence@oweesta.org).

## About Oweesta Corporation

Oweesta Corporation (Oweesta) is a national non-profit organization located in Longmont, Colorado. Oweesta is a Native CDFI intermediary offering financial products and development services exclusively to Native CDFIs and Native communities. Specifically, Oweesta provides training, technical assistance, investments, and research to help Native communities develop an integrated range of asset-building products and services.

Oweesta’s mission is to provide opportunities for Native people to develop financial assets and create wealth by assisting in the establishment of strong, permanent institutions and programs contributing to economic independence and strengthening sovereignty for all Native communities. Native community development financial institutions directly provide Native American communities the tools and capital support required for real and sustainable job creation, small business development, commercial real estate development, and affordable housing/home ownership, while also offering basic banking services and financial literacy training to “underbanked” Native American communities who have been historically targeted by predatory lending practices.

Embedded in our strategy is the belief that when armed with the appropriate resources, Native peoples hold the capacity and ingenuity to ensure the sustainable, economic, spiritual, and cultural well-being of their communities.

To learn more about Oweesta Corporation, our work, and our impact, please go to our website at [www.oweesta.org](http://www.oweesta.org) or scan the QR code below.

