NCIF NATIONAL COMMUNITY INVESTMENT FUND

LEVERAGING CAPITAL FOR CHANGE

DEVELOPMENT IMPACT OF NCIF INVESTEES

FY 2006 AGGREGATE REPORT

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I. Executive Summary - FY 2006 & Cumulative

The National Community Investment Fund (NCIF) invests private capital in, and facilitates knowledge transfer to, depository institutions that increase access to financial services in underserved communities. As part of this effort, it is imperative that NCIF analyze the lending activity and branch location of its portfolio institutions to evaluate the impact of these institutions in underserved, low income communities.

Since 1998, NCIF has tracked the lending activities of the institutions within its portfolio in an attempt to measure the level of lending activity that is being directed towards low income areas and borrowers. NCIF classifies these loans to underserved communities as "development loans," defined as loans originated to a low income borrower or to an individual, business or other entity that is located within a low-income community.[1]

Beginning this year, NCIF is including in this report the scores of the portfolio institutions on the newly created NCIF Social Performance Metrics. The NCIF Social Performance Metrics use publicly available home-mortgage lending and branch location data for every domestic bank and thrift to create positive screens that highlight institutions that are active in low income communities. The two primary screens are **Development Lending Intensity – Home Mortgage Disclosure Act (DLI-HMDA)** and **Development Deposit Intensity (DDI)**. DLI-HMDA is the percentage of an institution's single and multi-family housing loan originations and purchases that is located in CDFI Fund Investment Area census tracts. DDI is the percentage of an institution's branch locations that is similarly located in Investment Area census tracts.[2] Using these metrics, NCIF or any other investor or stakeholder in the community development finance industry is able to identify banks and thrifts that direct a large proportion of their lending and financial services to underserved, low income communities.

Going forward, NCIF will work with the industry to converge these two forms of analysis in order to provide a full illustration of an institution's entire lending portfolio, not just home lending. The result of this analysis is to create a positive screen based on a transparent methodology that investors can utilize to direct their investment decisions. NCIF is currently working to organize a pilot for this 'Deposit Allocation Methodology' and will report the results as they become available.

Key Findings

- Since NCIF began tracking the activities of its portfolio institutions in 1998, they have generated over $3.04 billion in over 74,320 loans that are geo-coded and tracked to low income communities or low income borrowers.

- For FY2006, the development banks and credit unions in NCIF's portfolio originated 8,805 new development loans amounting to $555.26 million.

- For banks in FY 2006, consumer loans constitute the largest percentage of loan volume by number (57.2%), while commercial real estate loans constitute the largest percentage by dollar amount (50.5%).

- For credit unions in FY 2006, consumer loans constitute the largest percentage of loan volume by number (89.1%) as well as by dollar amount (53.9%).

- The average size of a development loan for banks is $113,294. The average size of a development loan for credit unions is $11,408. This demonstrates the nature of the low-income borrowers that these institutions serve.

- The average DLI-HMDA for the NCIF portfolio banks and thrifts is 53.37%. This represents a 5.0% increase over the average DLI for 2005 (50.83%).

- The average Development Deposit Intensity (DDI) for the NCIF portfolio banks and thrifts is 80.78%. This represents a 0.3% increase from the average DDI for 2005 (80.50%).

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[1] Classified by CDFI Fund Investment Area criteria. Investment Areas are census tracts that exhibit a poverty rate that is greater than 20%, an unemployment rate that is 1.5 times the national average or a median household income that is less than 80% of the relative statistical area's median household income.

[2] For additional information about the NCIF Social Performance Metrics, please visit www.ncif.org.

Development Impact of NCIF Investees

II. Portfolio Summary – FY2006

Table 1: FY 2006 NCIF Development Loans – Summary by Loan and Institutional Type

NCIF FY 2006	Number	% (#)	Dollar	% ($)	Average
Small Business	675	7.67%	$ 75,174,565	13.54%	$ 111,370
Special Purpose	23	0.26%	$ 9,204,920	1.66%	$ 400,214
Commercial Real Estate	509	5.78%	$ 255,182,777	45.96%	$ 501,341
Subtotal NMTC Qualifying	**1,207**	**13.71%**	**$ 339,562,262**	**61.15%**	**$ 281,327**
Housing Loans	896	10.18%	$ 91,910,306	16.55%	$ 102,578
Consumer Loans	6,420	72.91%	$ 48,021,642	8.65%	$ 7,480
Agricultural and Farm Lending	244	2.77%	$ 48,135,819	8.67%	$ 197,278
Other	38	0.43%	$ 27,634,831	4.98%	$ 727,232
TOTAL	**8,805**	**100.00%**	**$ 555,264,860**	**100.00%**	**$ 63,062**
Banks Total	4,464	50.70%	$ 505,742,203	91.08%	$ 113,294
Credut Unions Total	4,341	49.30%	$ 49,522,657	8.92%	$ 11,408
Per Institution Averages					
Bank Average	343		$ 38,903,246		$ 113,294
Credit Union Average	620		$ 7,074,665		$ 11,408

- **Number of Development Loans:**
  As Table 1 illustrates, for FY 2006, NCIF portfolio institutions originated 8,805 development loans totaling over $555.26 million. The number of originations represents a 12.41% decrease from the previous year (10,052) while the total loan amount represents a 21.9% increase ($455.6 million).

- **Dollar Value of NMTC Qualifying Loans:**
  In recent years, NCIF has aggregated loans that we believe would be eligible under the New Markets Tax Credit (NMTC) program. In FY2006, we believe that more than $339.5 million of small business, special purpose, and commercial real estate, or 61.2% of all new development loan dollars, would be eligible under NMTC.

- **Portfolio Breakdown:**
  In terms of number of loans originated by NCIF FY 2006 Portfolio Institutions, 72.9% were consumer loans. However, in dollar terms, most of the loans were directed toward commercial real estate (45.96%). This distribution is more skewed than in FY 2005 when 66.5% of originations were for consumer loans and 33.7% of the total loan amount was directed towards commercial real estate.

- **Average Loan Size:**
  The average loan size for FY 2006 was $63,062. This represents a 39.1% increase over the previous year ($45,323). The average development loan equaled $113,294 for the banks and $11,408 for the credit unions.

- **Comparison between Banks and Credit Unions:**
  Banks originated 50.7% of the development loans in the portfolio while credit unions originated the remaining 49.3%. The banks accounted for the vast majority of the dollar amount by providing 91.1% of the total lending.

- **Average Loans Per Institution:**
  On average, each of the 13 banks originated 343 new development loans, totaling $38.9 million. On average, each of the 7 credit unions originated 620 new development loans, totaling $7.1 million.

III. Portfolio Bank & Thrift Summary – FY2006

Chart 1: Historical Trend of New Bank & Thrift Development Loans

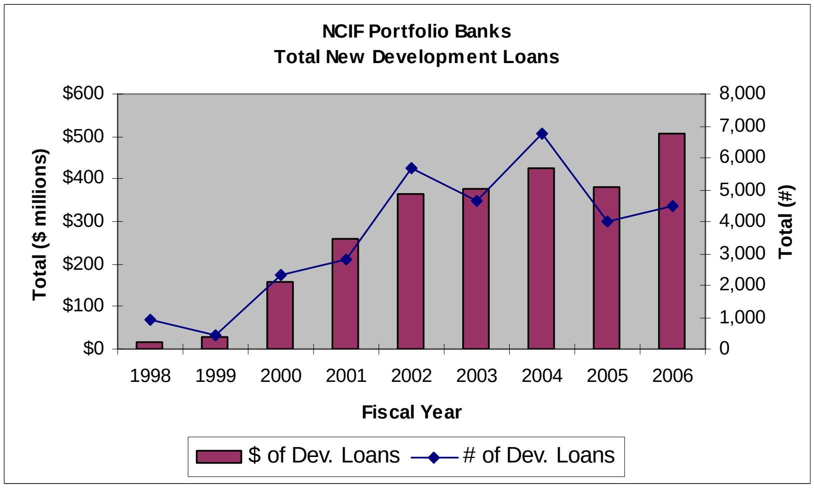


Table 2: FY 2006 Bank & Thrift Lending Activity

BANK TOTAL 2006	Number	% (#)	Dollar	% ($)	Average
Consumer Loans	2,553	57.19%	$ 21,342,007	4.22%	$ 8,360
Small Business Loans	548	12.28%	$ 72,265,010	14.29%	$ 131,870
Special Purpose Programs	23	0.52%	$ 9,204,920	1.82%	$ 400,214
Commercial Real Estate	509	11.40%	$ 255,182,777	50.46%	$ 501,341
Agricultural and Farm Lending	244	5.47%	$ 48,135,819	9.52%	$ 197,278
Housing Loans	549	12.30%	$ 71,976,839	14.23%	$ 131,105
Other	38	0.85%	$ 27,634,831	5.46%	$ 727,232
TOTAL	**4,464**	**100%**	**$ 505,742,203**	**100%**	**$ 113,294**
Average Development Loans per Bank	**343**		**38,903,246**		**$ 113,294**

- **Number of Development Loans:**
  The 13 development banks (average asset size of $218.58 million) in NCIF's portfolio originated 4,464 new development loans amounting to $505.74 million in FY2006, constituting slightly more than 91% in dollar volume of loan transactions in the portfolio (up from 83.5% in FY2005*)*.

- **Portfolio Breakdown:**
  In terms of number of originations, most bank loans were consumer loans (57.19%). In terms of dollar volume, the majority went to commercial real estate (50.46%) with the next highest percentage directed to small business loans (14.29%) followed by housing loans (14.23%). The remaining dollar volume went mostly to special purpose loans, agricultural loans and consumer loans. This distribution is more skewed toward than in FY 2005 when 45.94% of originations were for consumer loans and only 38.58% of the total loan volume was directed towards commercial real estate loans.

- **Average Loan Statistics:**
  On average, the banks originated 343 development loans amounting to $38.9 million per institution.

- **Performance Ratios:**
  In dollar terms, 59.92% of all the loans originated went to low income communities. In terms of number of transactions, 63.82% went to such communities.

- **Leverage:**
  For FY2006, NCIF investee banks generated new development loans that were 172.22% of total equity capital down from 180.96% in FY2005; and 15.42% of total assets up slightly from 15.32% in FY2005.

IV. Portfolio Credit Union Summary

Chart 2: Historical Trend of New Credit Union Development Loans

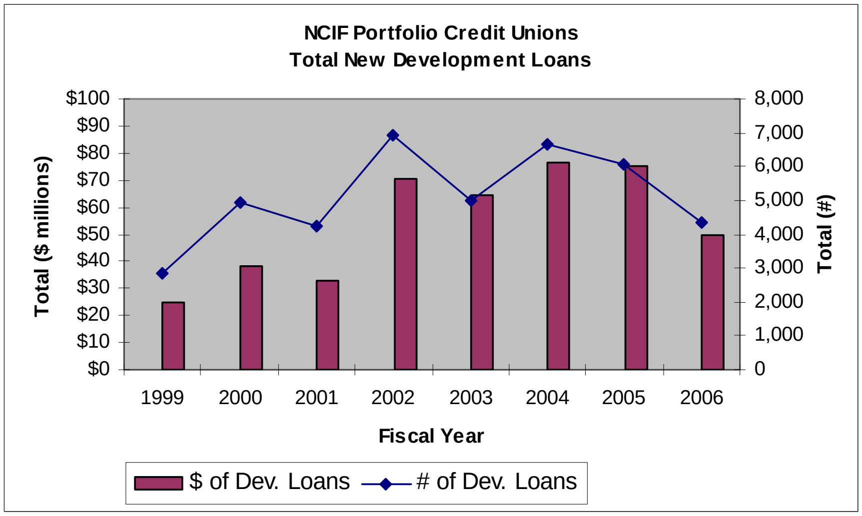


Table 3: FY 2006 Credit Union Lending Activity

CREDIT UNION TOTAL	Number	% (#)	Dollar	% ($)	Average
Consumer Loans	3,867	89.08%	$ 26,679,636	53.87%	$ 6,899
Small Business Loans	127	2.93%	$ 2,909,555	5.88%	$ 22,910
Housing Loans	347	7.99%	$ 19,933,467	40.25%	$ 57,445
TOTAL	**4,341**	**100%**	**$ 49,522,657**	**100%**	**$ 11,408**
Average Development Loans per CU	**620**		**7,074,665**		**$ 11,408**

- **Number of Development Loans:**
The 7 credit unions (average asset size of $41.73 million) originated 4,341new development loans amounting to $49.52 million in FY2006, constituting 49.3% of the loan transactions in the portfolio (down from 60.3% in FY2005) and representing 8.92% of the total dollar volume of loans.

- **Portfolio Breakdown:**
In terms of number of transactions, most of the loans were consumer loans (89.1%). In terms of dollar volume, 53.87% was directed toward consumer lending and 40.3% went to housing loans. This distribution is similar to FY 2005 when 80.1% of originations and 49.3% of the total loan amount was directed toward consumer lending.

- **Average Loan Statistics:**
The average loan size for credit unions in FY 2006 was $11,408. Per institution, each credit union originated 620 development loans on average, amounting to $7.07 million per institution.

- **Performance Ratios:**
For FY2006, 61.89% of the dollar volume and 60.2% of their number of all loans originated went to low income communities.

- **Leverage:**
For FY2006, NCIF investee credit unions generated development loans that were 259.62% of total equity capital down from 508.55% in FY2005; and 16.95% of total assets down from 30.86% in FY2005.

V. Historical Comparison - FY 2006 v. FY2005

Along with the modest decrease in the number of reporting institutions, in FY2006 the banks and credit unions in the portfolio decreased total development lending by 12.4% in total number of development loan transactions but total lending increased 21.88% in dollar terms compared to FY2005.

Per institution development loan output increased in dollar terms by 3.60% in FY2006 from $26.79 million in FY 2005 to $27.76 million in FY 2006. The average bank showed a 12.56% increase in the dollar volume and a 5.33% decrease in total loan originations compared to FY2005. The average credit union showed a decrease of 43.7% in total dollar volume and a 38.6% decrease in the number of loans. Table 4 compares development loan activity from FY2005 to FY2006.

Table 4: NCIF FY2006 to FY2005 Portfolio Development Loan Comparison

	FY 2005 Development Loans			FY 2006 Development Loans			% Change FY 2005 to FY 2006		
	Number	**Dollar**	**Average**	**Number**	**Dollar**	**Average**	**Number**	**Dollar**	**Average**
Consumer Loans	6,688	$ 58,763,388	$ 8,786	6,420	$ 48,021,642	$ 7,480	-4.01%	-18.28%	-14.87%
Housing Loans	1,949	$ 113,472,444	$ 58,221	896	$ 91,910,306	$ 102,578	-54.03%	-19.00%	76.19%
Small Business	970	$ 87,380,626	$ 90,083	675	$ 75,174,565	$ 111,370	-30.41%	-13.97%	23.63%
Special Purpose	56	$ 34,486,072	$ 615,823	23	$ 9,204,920	$ 400,214	-58.93%	-73.31%	-35.01%
Commercial Real Estate	345	$ 153,638,719	$ 445,330	509	$ 255,182,777	$ 501,341	47.54%	66.09%	12.58%
Agricultural and Farm Lending	44	$ 7,845,197	$ 178,300	244	$ 48,135,819	$ 197,278	454.55%	513.57%	10.64%
Other	-	$ -	$ -	38	$ 27,634,831	$ 727,232	-	-	-
Total Development Loans	**10,052**	**$ 455,586,446**	**$ 45,323**	**8,805**	**$ 555,264,860**	**$ 63,062**	**-12.41%**	**21.88%**	**39.14%**
Banks Total	3,990	$ 380,194,213	$ 95,287	4,464	$ 505,742,203	$ 113,294	11.88%	33.02%	18.90%
Credit Unions Total	6,062	$ 75,392,233	$ 12,437	4,341	$ 49,522,657	$ 11,408	-28.39%	-34.31%	-8.27%

Note: The above table includes only loans made by insured depositories in NCIF's portfolio, and does not include loans made by the National Federation of Community Development Credit Unions, a credit union intermediary, or Hawaiian Community Assets, a mortgage broker primarily serving Native Hawaiian households.

NCIF Social Performance Metrics

VI. NCIF Investee Banks & Thrifts

The **NCIF Social Performance Metrics** demonstrate the community development focus of financial institutions by analyzing publicly available information to determine the level of a depository institution's lending and retail services activity that is focused on low to moderate income individuals and low to moderate income communities.

Development Lending Intensity – Home Mortgage Disclosure Act (DLI-HMDA) is a calculation of the percentage of an institution's real estate lending (as reported through the Home Mortgage Disclosure Act) that is located in low to moderate income communities. Similarly, **Development Deposit Intensity (DDI)** is a calculation of the percentage of an institution's branch locations that are located in low to moderate income communities.[3]

Using the two primary NCIF Social Performance Metrics (DLI-HMDA and DDI), NCIF has determined the DLI-HMDA and DDI values for every domestic bank and thrift for FY2006. Using that data, NCIF is able to propose benchmark values for the entire universe of banks and thrifts to create the positive screen between a high and low value on each metric. To illustrate, it is possible to plot every institution on the displayed below.

Table 5: FY2006 NCIF Social Performance Metrics for Bank Subsectors

Bank Subsector	#	Average DLI-	Average DDI
All Banks	8,464	20.8	28.2
CDFI Banks	55	60.3	73.6
Top Ten Banks (Assets)	10	19.0	33.6

Chart 3: NCIF Social Performance Metrics Quadrant Diagram

Development Lending Intensity (DLI)		
	Quadrant 2:High DLI + Low DDI: Lots of lending in LMI areas but not too many branches -- EXAMINE	**Quadrant 1**:High DDI + High DLI: Demostrates a very high focus in LMI areas - STRONG SUPPORT
	Quadrant 4: Low DLI and Low DDI - FOR LATER	**Quadrant 3**: Low DLI + High DDI: Since many branches in LMI areas there could be a social orientation -- EXAMINE

Development Deposit Intensity (DDI)

Based on the above data, it is observed that CDFI banks have an average DLI of 60.3% which is approximately 3 times greater than the average for "top 10 banks" and "for all banks in the U.S." With the objective of increasing the asset class of CDBIs, NCIF is proposing a threshold level of 40% for "High DLI-HMDA" i.e. a number that is equivalent to 2 times the average DLI-HMDA for all banks in the country (20.8%). A possible use of this threshold is to say that "a non-CDFI bank that has a DLI-HMDA greater than 40%", is likely to have a social mission either by choice or by virtue of its activities in low income

[3] For additional information on the NCIF Social Performance Metrics, please visit our website at www.ncif.org.

areas. Similarly for DDI, NCIF is proposing a threshold level of 50% to indicate “High DDI” and therefore making a statement about its low income service orientation.

Using these screen values, NCIF can place each investee bank & thrift into one of the four quadrants detailed above. Table 6 lists the DLI-HMDA and DDI value for each portfolio bank and thrift for 2005 and 2006 and lists the Quadrant location for 2006.

Table 6: NCIF Social Performance Metrics for Portfolio Banks (2005 & 2006)

Institution	Quadrant_06	DLI_06	DLI_05	DDI_06	DDI_05
Broadway Federal Bank, F. S. B.	1	48.5%	83.0%	50%	50%
Carver Federal Savings Bank	1	74.3%	44.2%	71%	75%
Central Bank of Kansas City	1	51.0%	41.6%	57%	50%
Citizens Savings Bank and Trust Company	1	100.0%	29.6%	100%	100%
Citizens Trust Bank	1	58.0%	25.0%	72%	75%
City First Bank of D.C., National Association	1	95.7%	NA	100%	100%
City National Bank of New Jersey	1	42.1%	47.6%	100%	100%
Douglass National Bank	1	100.0%	63.8%	100%	100%
Dryades Savings Bank, F.S.B.	3	9.6%	13.7%	50%	50%
First American International Bank	1	63.0%	62.4%	100%	80%
Liberty Bank and Trust Company	3	30.1%	34.1%	69%	69%
Mission Community Bank	3	3.7%	59.7%	60%	60%
South Carolina Community Bank	1	40.9%	66.1%	100%	100%
Southern Bancorporation	1 or 3				
Elk Horn Bank and Trust Company	4	21.3%	NA	25%	50%
Delta Southern Bank	1 or 3	NA	NA	100%	90%
First Bank of the Delta	1 or 3	NA	NA	100%	100%
The Community's Bank	1 or 3	NA	NA	100%	100%
University National Bank	1	62.3%	89.9%	100%	100%
Median		51.0%	47.6%	100.00%	85.00%
Average		53.4%	50.8%	80.78%	80.50%

As the above indicates, 11 of the 18 banks and thrifts in the portfolio are located in the High DLI-HMDA, High DDI Quadrant 1. Also, three additional banks (Delta Southern, First Bank of the Delta and The Community’s Bank) are likely located in Quadrant 1, but due to their rural location, were not required to submit a HMDA report for FY 2006 and so there is no DLI-HMDA value available for these institutions.

Summary Information

- **Development Lending Intensity:**
  Of the 13 NCIF investee institutions that reported HMDA information for both 2005 and 2006, six of the institutions exhibited an increase in DLI, year-over-year. For all reporting institutions within the portfolio, the average DLI rose 5.0% from 2005.

- **Development Deposit Intensity:**
  For the 18 institutions within the NCIF portfolio, the average DDI value increased slightly, from 80.50% in 2005 to 80.78% in 2006. Ten of the eighteen institutions exhibit a DDI value of 100%.

VII. NCIF Social Performance Metrics Going Forward

As NCIF continues to generate investor interest in the Social Performance Metrics, we are concurrently working with banks to request additional information on loan originations and purchases.

The NCIF Social Performance Metrics are calculated using data acquired through the Home Mortgage Disclosure Act. However, as Table 4 illustrated, community banks have moved away from home mortgage lending and increased their lending activity directed toward Commercial Real Estate. Due to this, NCIF is working with institutions and requesting that they provide lending data on those loans that are not reported through HMDA. This will allow community development banks the opportunity to differentiate themselves from those community banks without a development focus.

As an example, Table 7 lists the NCIF portfolio banks along with their 2006 DLI-HMDA and Housing Focus (the percentage of a bank's outstanding loan portfolio composed of single and multi-family loans). Also included in the table are the DLI values calculated using the annual development loan reporting. At this time, an institution's DLI-HMDA value may differ from the DLI Housing value because of variances within the reporting methodologies. NCIF is working to merge the reporting requirements to correct any discrepancy. By providing additional data, a bank with a low housing focus and a relatively low DLI is able to communicate to investors that a significant portion of its Commercial Real Estate portfolio or its Small Business portfolio is directed towards low to moderate income communities. This provides these institutions a channel to display their social performance even though their lending activity is not adequately tracked by a DLI value based solely on HMDA reporting.

Table 7: DLI & Development Lending Percentages for NCIF Portfolio Banks

			Calculated via NCIF Reporting		
Institution	**Housing Focus**	**DLI HMDA**	***DLI Housing***	***DLI CRE***	***DLI Small Business***
Broadway Federal Bank, F. S. B.	62.67%	48.47%	54.43%	18.00%	60.01%
Liberty Bank and Trust Company	54.76%	30.06%	58.75%	81.25%	65.72%
Dryades Savings Bank, F.S.B.	42.81%	9.56%	9.28%	97.44%	60.46%
Carver Federal Savings Bank	35.32%	74.33%	80.43%	78.60%	61.71%
Douglass National Bank	28.84%	100.00%	59.37%	96.77%	100.00%
Elk Horn Bank and Trust Company	27.46%	21.26%	21.99%	22.04%	11.36%
City First Bank of D.C., NA	26.02%	95.72%	65.78%	63.54%	100.00%
The Community's Bank	22.78%	NA	0.00%	60.54%	18.26%
City National Bank of New Jersey	21.71%	42.05%	62.74%	51.57%	58.24%
South Carolina Community Bank	16.54%	40.95%	21.63%	51.73%	31.28%
First American International Bank	15.04%	63.04%	54.18%	65.48%	NA
Mission Community Bank	12.18%	3.74%	20.66%	51.20%	38.72%
Citizens Savings Bank and Trust Co.	9.55%	100.00%	78.96%	100.00%	100.00%

All information is for FY 2006

APPENDIX:

VIII. Development Impact of NCIF Investees - Methodology

The FY 2006 report is based on information from 20 institutions: 13 banks and 7 credit unions, up from 17 institutions in FY2005 (11 banks and 6 credit unions). Institutions reporting for 2006 include:

Banks:
1. Broadway Federal Bank (Los Angeles, CA)
2. Carver Federal Savings Bank (New York, NY)
3. Citizens Savings Bank (Nashville, TN)
4. City First Bank (Washington, DC)
5. City National Bank of New Jersey (Newark, NJ)
6. Douglass Bank (Kansas City, MO)
7. Dryades Savings Bank (New Orleans, LA)
8. First American International Bank (New York, NY)
9. Liberty Bank & Trust (New Orleans, LA)
10. Mission Community Bank (San Luis Obispo, CA)
11. South Carolina Community Bank (Columbia, SC)
12. Southern Bancorp, Inc. (Arkansas and Mississippi)
13. Urban Financial Group (Bridgeport, CT)

Credit Unions:
1. Alternatives Federal Credit Union (Ithaca, NY)
2. Appalachian Federal Credit Union (Berea, KY)
3. Dakotaland Federal Credit Union (Huron, SD)
4. Latino Community Credit Union (Durham, NC)
5. Lower East Side Peoples Federal Credit Union (New York, NY)
6. Opportunities Credit Union (Burlington, VT)
7. Saguache County Federal Credit Union (Moffat, CO)

The information is gathered through the completion of a survey by each of the reporting institutions. The survey that NCIF uses to collect this information breaks down each institution's loan data into six major categories with several subcategories within each:

- Consumer Loans (includes auto and personal loans)
- Housing Loans
- Small Business Loans
- Special Purpose Programs (includes loans to community organizations and to programs that promote child-care, business development, employment and housing development).
- Commercial Real Estate Programs
- Agricultural and Farm Lending.

For this analysis, a development loan is defined as a loan that is made in a low-income community or to a low income borrower. A low income community is any census tract with a poverty rate of at least 20%, an unemployment rate that is 1.5 times the national average, or where the median family income does not exceed 80% of the median family income of the relevant state or metropolitan statistical area. The CDFI Fund maintains a list of all census tracts in the U.S. that qualify under these conditions and identifies the tracts as Investment Areas.

Loans originated within the fiscal year are matched to a specific census tract and compared with the list of Investment Area census tracts per the CDFI Fund. Some loans may not be located in low income census tracts, but are nevertheless made to low income borrowers. We add all such loans to total new loans, provided that the bank or credit union can verify low household incomes of its borrowers.

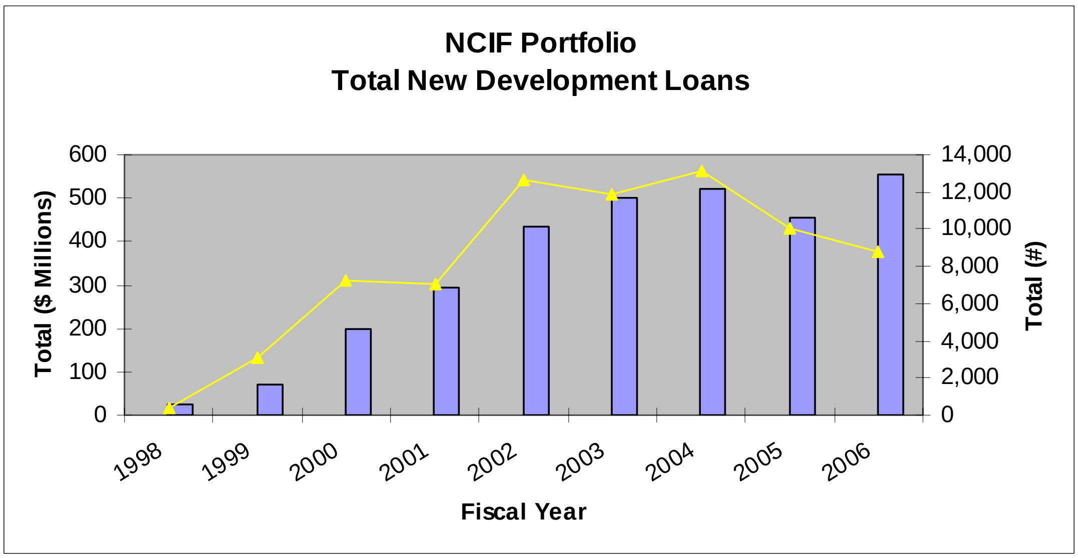
IX. Development Impact of NCIF Investees - History

NCIF started collecting new development loan level data from its investees in FY1998, when its portfolio consisted of five institutions.

As NCIF's portfolio grew, the effort expanded to include as many as 22 institutions, and became more standardized. In collecting development lending data for the past five years, NCIF has offered to geocode the loans on behalf of the investees. Now, investees supply information on all new loans originated in the fiscal year on an Excel spreadsheet, which NCIF then geocodes to determine new development loan originations.

The below chart details the trend in development lending over time.

Chart 4: Historical Trend of NCIF Portfolio Development Lending



To put context to these gross development figures, NCIF also selected several ratios as proxies for the scale and efficiency of the investees' development lending activities. To determine what percentage of the investees' overall lending activity went to or benefited low income communities, NCIF created a Development Lending Intensity value for each category of lending as well as a Development Lending Intensity for the institution's comprehensive lending portfolio for a given year. To get a sense of how efficiently the investees used their resources for development work, NCIF looked at the ratio of the development loans to equity capital and total assets.

With this information at hand, NCIF creates two basic types of reports: 1) charts and tables specific to an institution that are included in NCIF's quarterly transaction reports to its trustees and 2) an aggregate report that that shows the types of loans generated by the portfolio, and a comparison of lending activities of banks and credit unions.

Table 8: Cumulative New Development Loans by NCIF Portfolio Institutions Since Inception*

	Institutions Reporting			Portfolio Development Loans			Portfolio Change from Prior Year			Per Institution New Development Loans			Institution Change From Prior Year		
Total Loans	**# Banks**	**# CUs**	**Total**	**Total #**	**Total $**	**Avg ($)**	**% Ch #**	**% Ch $**	**% Ch Av**	**Total #**	**Total $**	**Avg ($)**	**% Ch #**	**% Ch $**	**% Ch Av**
Development Loans in FY2006	13	7	**20**	8,805	$555,264,860	$63,062	-12.41%	21.88%	39.14%	440	$27,763,243	$63,062	-25.51%	3.60%	39.14%
Development Loans in FY2005	11	6	**17**	10,052	$455,586,447	$45,323	-23.30%	-12.96%	13.47%	591	$26,799,203	$45,323	-18.80%	-12.70%	13.20%
Development Loans in FY2004	12	6	**18**	13,105	$523,433,373	$39,941	13.77%	10.80%	-2.61%	728	$30,715,206	$39,941	26.41%	23.11%	-2.61%
Development Loans in FY2003	13	7	**20**	11,878	$498,977,886	$42,009	-5.80%	14.51%	21.57%	594	$24,948,894	$42,009	3.61%	25.97%	21.57%
Development Loans in FY2002	15	7	**22**	12,610	$435,736,551	$34,555	78.84%	48.79%	-16.80%	573	$19,806,207	$34,555	38.19%	14.97%	-16.80%
Development Loans in FY2001	13	4	**17**	7,051	$292,852,525	$41,533	-2.91%	47.33%	51.74%	415	$17,226,619	$41,533	-20.04%	21.33%	51.74%
Development Loans in FY2000	9	4	**14**	7,262	$198,768,000	$27,371	132.46%	187.41%	23.64%	519	$14,197,714	$27,371	16.23%	43.71%	23.64%
Development Loans in FY1999	4	3	**7**	3,124	$69,157,867	$22,138	621.48%	179.99%	-61.19%	446	$9,879,695	$22,138	415.34%	99.99%	-61.19%
Development Loans in FY1998	4	NFCDCU	**5**	433	$24,700,000	$57,044	NA	NA	NA	87	$4,940,000	$57,044	NA	NA	NA
Cumulative Dev Loans (98-06)				**74,320**	**$3,054,477,509**										

* The percentage increases are calculated year to year. Note that the number and dollar volume of loans is driven by the number of institutions in NCIF's portfolio for each year, as well as the productivity of these institutions in generating new development loans. For this reason, the Development Loans Per Institution data is particularly important, as it tracks the increased productivity of institutions in NCIF's portfolio over time.

Contact Information

For more information about Development Impact at NCIF and the NCIF Social Performance Metrics, please visit us at our website, www.ncif.org, or feel free to contact us directly.

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