MEDIA ADVISORY

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NEW YORK—On Wednesday, August 9, at 10AM EDT, the Federal Reserve Bank of New York will release a research report by its Community Development Team, “Sizing the CDFI Market – Understanding Industry Growth.” The authors of the report find that both total assets and the number of Community Development Financial Institutions (CDFIs) have grown significantly in the last five years.

CDFIs were designated under a 1994 law to provide financing to households, businesses, and real estate developers in low- and moderate-income communities. The law also created the CDFI Fund, a sub-agency of the U.S. Treasury Department, which is the gatekeeper for CDFI certification. Institutions with CDFI certification are eligible for competitive federal awards to finance activities including mortgages for first-time homebuyers, flexible underwriting for community facilities, and commercial loans for businesses in low-income areas. CDFIs also use capital from banks, other government agencies, philanthropies, and other investors.

This research report was written by the New York Fed’s Community Development Team, which has three areas of focus: health, household financial well-being, and climate risk.

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