National Community Investment Fund

Chicago, Illinois

National Community Investment Fund (NCIF) invests capital in institutions—primarily banks—which increase access to responsible financial products and services in underserved communities. NCIF contributes to their success by aggregating capital and knowledge and leveraging opportunities.

As the largest investor in the mission-oriented banking industry, NCIF has investments in 20 percent of all certified Community Development Financial Institution (CDFI) banks. With $195 million in assets under management, including $173 million in New Markets Tax Credit (NMTC) allocations, NCIF invests capital in and facilitates the flow of funds from investors to high-impact, mission-oriented banks, which struggled to access capital during the recent recession. As an impact investor, NCIF pursues a triple-bottom-line strategy that maximizes social, environmental, and financial returns. NCIF has been awarded over $6.3 million in Financial Assistance awards from the CDFI Fund to pursue its mission of supporting the industry.

NCIF builds opportunities for CDFI Banks, Minority Depository Institutions, and other mission-oriented financial institutions through a variety of programs. NCIF informs banks, investors, and others of the industry’s financial and social performance, using its specially developed Social Performance Metrics and its forward-thinking industry research. By connecting banks to one another, NCIF serves as a catalyst for collaboration and innovation, encouraging banks to leverage new opportunities and creative business models. In this way, NCIF and its network aspire to transform the mission-oriented financial industry and better address the realities of underserved, low-income communities.

NCIF aspires to see a society where responsibly-priced financial products and services are available to underserved communities. NCIF also aspires to encourage investors to value social and environmental returns, in addition to financial returns.

Broadway Financial

Broadway Financial is the parent company of Broadway Federal Bank, a CDFI and Minority Bank, founded in 1946 to serve minority consumers and businesses excluded by existing financial institutions. The bank operates its branches in low- and moderate-income communities in Los Angeles, California and does a majority of its home mortgage lending in these areas.

Broadway represents a prime example of the type of high-impact institution that NCIF seeks to support. NCIF invested $1 million in Broadway in 2006 and has since enjoyed a strong partnership with the bank in its industry gatherings and impact reporting initiatives.

Broadway experienced significant losses during the lending crisis and subsequent recession, related to the bank’s involvement in vulnerable low-income areas. NCIF supported its long-term partner by making an additional $575,000 investment in 2013 to facilitate a recapitalization of Broadway, which is helping to bolster the bank on its way back to financial health and stability.

This investment will assist Broadway in generating loanable funds for local community members and businesses, allowing the bank to continue to serve its community and further its mission.