Capital Impact Partners, District of Columbia; General Obligation

**Primary Credit Analyst:**
Ki Beom K Park, New York (1) 212-438-8493; kib.park@spglobal.com

**Secondary Contact:**
David Greenblatt, New York + 1 (212) 438 1383; david.greenblatt@spglobal.com

**Table Of Contents**
- Rationale
- Outlook
- Issuer Credit Rating Overview
Capital Impact Partners, District of Columbia; General Obligation

<table>
<thead>
<tr>
<th>Credit Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Impact Partners ICR</td>
</tr>
<tr>
<td>Capital Impact Partners Senior Unsecured Debt Obligations with tenors or 1-10 years</td>
</tr>
</tbody>
</table>

Rationale

S&P Global Ratings lowered its issuer credit rating (ICR) and long-term rating on Capital Impact Partners (CIP), D.C.’s existing notes to ‘A’ from ‘A+’. At the same time, S&P Global Ratings removed the rating from CreditWatch, where it was placed with negative implications on Nov. 1, 2019. The outlook on all ratings is stable.

The rating change is the result of a recalculation of net equity, and a resulting decline in total equity over the past five years given the growth in net assets. Because of an analytical error regarding the treatment of undrawn lines of credit, CIP’s net equity-to-assets ratio was overstated, and appeared to be comparable with those of similarly rated peers. The recalculation results in a net equity-to-assets ratio averaging 7.6% between fiscal years 2017 and 2018, which we view as in line with the current rating after considering this ratio in conjunction with other key analytical factors.

Further, CIP’s total equity ratio (net assets-to-total assets) has declined significantly in recent years, as increases in its outstanding loan balance have exceeded increases in net assets as a result of a marked reliance on debt. CIP’s strategy for meeting its mission and growing its loan portfolio (which increased 93% between fiscal years 2014 and 2018) included absorbing additional debt obligations (which rose more than 163% over that same five-year period). While net assets have increased in four of the last five years, there has been a steady decline in CIP’s total equity ratio, resulting in weaker capitalization and leverage ratios in absolute terms. Net assets were 49.5% of total assets in fiscal 2014, dropping to 30.2% in fiscal 2018, averaging 38.8% over these five years. This lower net assets ratio provides limited resources on CIP’s balance sheet to absorb potential loan losses.

Overall, the ratings reflects our view of CIP’s:

- Strong history of loan performance evidenced by nonperforming assets (NPAs) including troubled debt restructurings (TDRs) over total loans below 0.6% and very strong underwriting guidelines;
- Diverse asset base and ongoing growth in less-risky assets such as mortgage-backed securities (MBS); and
- Proactive management of its loan portfolio with comprehensive underwriting guidelines, low-risk debt profile with manageable variable-rate debt exposure, and strong oversight of interest-rate risk.

We believe weaknesses include:

- Weakening capitalization and leverage ratios as growth in CIP’s loan portfolio has largely been funded with debt,
with a 163% increase in debt outstanding and 90% increase in total assets between 2014 and 2018;

- Susceptibility to year-over-year government and private grants and contributions that may not be recurring, which leads to significant volatility in profitability, such as a 3.7% return on assets in 2018 following ratios of 0.18% in 2016 and 3.16% in 2017; and

- Exposure to a high balance of early financing loans.

CIP is a nonprofit community development financing institution (CDFI), with a 30-year history of delivering strategic financing, social innovation programs, and capacity building that creates social change and financial effects nationwide. Its mission is to provide financial services and technical assistance to underserved communities throughout the U.S. The institution focuses on developing and preserving affordable housing, senior housing/care, education (charter schools), public health centers, marketplaces/food, and community/mixed-use centers.

**Outlook**

The stable outlook reflects our view of CIP’s current-year performance and strategy over the next two years. Based on unaudited financials as of September 2019, CIP expects its loan portfolio growth to lighten somewhat, reflecting issues that affect CDFIs more broadly; this includes potential changes in the demand for loans to charter schools and the lack of a New Markets Tax Credit (NMTC) allocation in 2019, which diminishes CIP's capacity to offer certain loans. In addition, after realizing substantial declines in its total equity ratio as it expanded its loan portfolio using additional debt, CIP's capitalization strategy includes emphasizing off-balance-sheet loan originations and continuing to explore opportunities to grow and diversify revenue through fee income. We believe this strategy, combined with our review of September 2019 unaudited financials and loan portfolio quality as of September 2019, would stem the significant decline in its total equity ratio over the next two years, and lead to improved income growth and net equity that will remain sufficient to absorb potential loan losses at the current rating level. We believe CIP’s management of its net assets and debt position is critical to the stability of the rating.

**Downside scenario**

Since fiscal 2013, CIP’s adjusted net assets-over-total assets has declined. This has largely reflected an increased debt burden resulting from CIP's strategic plan to grow its lending portfolio at a fast pace. If the corporation pursues a strategy that includes further debt increases that significantly reduces their capital adequacy levels, we may take a negative rating action. We may also do so if CIP faces loan deterioration, or a significant volatility in grant income that makes up a substantial portion of revenue.

**Upside scenario**

If CIP maintains positive net income and strong profitability metrics while continuously building up its net assets level proportionately to asset growth, as well as preserving strong capital available to absorb loan losses, we could take a positive rating action. We could also do so should CIP’s net assets level rise while loan performance remains exceptional.
Issuer Credit Rating Overview

CIP is a nonprofit CDFI, with a 30-year history of delivering strategic financing, social innovation programs, and capacity building that creates social change and financial effects nationwide. Its mission is to provide financial services and technical assistance to underserved communities throughout the U.S. The institution focuses on developing and preserving affordable housing, senior housing/care, education (charter schools), public health centers, marketplaces/food, and community/mixed-use centers.

Equity and capital adequacy

For the purposes of this ICR, we mainly analyzed Capital Impact Partners–parent only, which represents nearly most of the corporate and its affiliates' total assets and liabilities. CIP’s growth strategy has led to its loan portfolio nearly doubling in the past five years, with its loan exposure reaching $347 million by the end of fiscal 2018. In addition, CIP has absorbed additional debt on its balance sheet as a means of financing this loan growth. An increase in debt outstanding of 163%, to $358 million by the end of fiscal 2018, limited the rise in net assets, and continued the downward trend in total equity.

This trend is not unique to CIP. We have seen a number of CDFIs use financing sources to help grow loan portfolios in a variety of communities nationwide, resulting in loans increasing quicker than net assets and leading to a general reduction in the total net assets-to-total assets ratio. CIP’s five-year average ratio of 38.8% is above the 35.1% median among its rated CDFI peers.

Our analysis places the highest emphasis on net equity or adjusted unrestricted net assets (UNA), after projected losses, because this indicates resources available to sustain operations during difficult circumstances. It also indicates how much CIP can dedicate to funding programs that further its mission of expanding housing affordability or other public purposes.

We believe CIP’s level of financial support is sufficient to warrant an 'A' rating, which, in our view, reflects the institution's overall asset quality, debt profile, liquidity, and sufficient net assets to cover potential losses at the 'A' stress scenario. Using our commercial mortgage-backed securities (CMBS) model, we assess the risk associated with CIP's loan portfolio based on the characteristics of the loans. We estimate credit enhancement required for CIP's loan receivables (parent only as of September 2019) at approximately 30.7% at the 'A' stress level, reduced from 35.9% in the previous review at the 'A+' stress level.

Although CIP’s loan loss history is very low (annually 0.4% in the past five years), our loss assumptions reflect a recovery-based analysis, which estimates the proportion of loans that can be recovered under the 'A' stress level. Potential losses are high, in our view, because of CIP’s concentration in early financing loans, which we view as risky relative to its remaining portfolio. In addition, we assume a 100% write-off to 3% of existing loans with nonreal estate secured or based collateral and 13% of early financing loans without committed takeout or debt service reserve in place.

After applying our loan-loss assumptions to CIP's total net assets ratio, our adjusted UNA ratio is 8.5% in fiscal 2018, the highest of any year for CIP following our recalculation, which reaches an average of 7.6% over the past two years.
Reflecting our capital adequacy analysis, we posit CIP will continue to demonstrate sufficient equity to cover potential losses at the 'A' stress scenario over the next two years. See Table 2 for a trend analysis of CIP's financial ratios.

CIP's senior management recognizes this decreasing trend in total equity, as well as our assessment of its loan portfolio. Contrary to recent years, during which CIP financed loans on-balance-sheet using additional debt sources, one of its strategic objectives is to proactively create off-balance-sheet loan funds that leverage investor capital for new loan origination volume and execute on a bulk loan sale in 2020.

A portion of CIP's revenue is derived from its contributions and grants receivables. Unrestricted grants are contributions that can be expended as best determined by CIP, and temporarily restricted grants are funds that can only be used as determined by the donor. Therefore, in our capital adequacy analysis, we deducted a portion of temporarily restricted net assets when grant and contribution sources were not fully available to absorb loan losses. Most contributions and grants receivables are multiyear so our adjustment on net assets with donor restrictions would vary year to year.

CIP's net income increased to $12.7 million in 2017 and $18.8 million in 2018. These increases were partially due to a cash infusion related to the creation of two newly created entities in which CIP is a managing member and holds 20% ownership, called Community Investment Impact Fund LLC (CIIF) and CIIF II. On the creation of these funds in 2017 and 2018, respectively, the nonmanaging member contributed cash to CIIF, which helped increase CIP's cash position on a consolidated basis, in exchange for CIP selling a total of approximately $30 million in outstanding loans into these funds. By the end of fiscal 2018, CIP's noncontrolling interest in CIIF and CIIF II was approximately $25 million.

We deducted this noncontrolling interest related to CIIF and CIIF II from S&P Global Ratings' adjusted net assets, as the net assets gained from the funds are not available for CIP's general loan loss. However, CIP does not maintain recourse on the loans sold to the funds. As a result, we excluded projected losses associated with loans in CIIF I and II in our total loss assumptions for CIP.

**Company overview**

CIP is a nonprofit CDFI with a 37-year history delivering strategic financing, social innovation programs, and capacity building that creates social change and financial effects nationwide. It is a District of Columbia nonprofit institution, formed in 1982 pursuant to Title 2 of the National Consumer Cooperative Bank Act of 1978, as amended, at the direction of the U.S. Congress. CIP is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, as amended ("the Code"), and a public charity, as described in Section 509(a)(1) and Section 170(b)(1)(A)(vi) of the Code. CIP's principal executive office is in Arlington, Va.; it also has offices in Oakland, Calif., Detroit, and New York City. Its mission is to provide financial services and technical assistance to underserved communities throughout the U.S. The institution focuses on developing and preserving affordable housing, senior housing/care, education (charter schools), public health centers, marketplaces/food, and community/mixed-use centers.

CIP runs several community development programs, including serving as Program Administrator for the Healthier California Fund, Detroit Neighborhoods Fund, Age Strong Fund, National Cooperative Grocers Fund, and Michigan Good Food Fund, through which it finances projects to expand underserved communities' access to healthy food. CIP has used its depth of experience, cooperative approach, and diverse network of alliances to generate more than $2.7 billion in critical investments that create a high quality of life for low-income people and communities. Products and
services include: financing for health care, charter schools, affordable housing and healthy food enterprises; co-op development; resources to create better options for low-income elders to age in their community.

<table>
<thead>
<tr>
<th>Subsidiary name</th>
<th>Ownership %</th>
<th>Purpose</th>
<th>Included in Consolidated Financials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Solutions Group, LLC</td>
<td>100.00%</td>
<td>Foster development and provide technical assistance to co-op organizations and provide capital in support of projects by making strategic grants and business planning advances. Includes the three technical assistance groups: Green House Replication Initiative, Cornerstone Partnership, and Center for Long Term Support Innovations.</td>
<td>Yes</td>
</tr>
<tr>
<td>NCBCI Education Conduit, LLC</td>
<td>100.00%</td>
<td>Facilitate, encourage, and assist in financing charter schools.</td>
<td>Yes</td>
</tr>
<tr>
<td>Community Economic Development, LLC (CED)</td>
<td>99.99%</td>
<td>Single-Purpose Entity to make qualified investments in Qualified Active Low-Income Community Businesses under the New Market Tax Credit Program</td>
<td>Yes</td>
</tr>
<tr>
<td>Impact V CDE 7, LLC (Lakepoint/CHC, Inc.)</td>
<td>99.99%</td>
<td>Single Purpose Entity to make qualified investments in Qualified Active Low-Income Community Businesses under the New Market Tax Credit Program</td>
<td>Yes</td>
</tr>
<tr>
<td>Impact NMTC Holdings LLC</td>
<td>99.99%</td>
<td>Act as non-managing member for New Market Tax Credit Community Development Entities with NCBCI acting as managing member. (Owns 0.01% of Impact V CDE 7 LLC)</td>
<td>Yes, through Impact V CDE 7's ownership of this subsidiary.</td>
</tr>
<tr>
<td>California FreshWorks Fund, LLC (CAFW)</td>
<td>100.00%</td>
<td>Provide financing for eligible fresh food retailers/distributors to overcome barriers and higher costs in underserved areas. Supports renovation/expansion of existing stores.</td>
<td>Yes</td>
</tr>
<tr>
<td>Impact VII CDE 11, LLC</td>
<td>100.00%</td>
<td>Act as taxable, nonmanaging member of CDEs on the unwind of NMTC transactions.</td>
<td>Yes</td>
</tr>
<tr>
<td>Woodword Corridor Investment Fund, LLC (WWCF)</td>
<td>100.00%</td>
<td>Support Community Development Projects benefiting low- and moderate-income populations. Provide financing to developers of multifamily rental housing and mixed-use facilities in Detroit. No activity in 2013-2014.</td>
<td>Yes</td>
</tr>
<tr>
<td>Detroit Neighborhoods Fund, LLC (DNF)</td>
<td>100.00%</td>
<td>Provide financing for mixed-use and multifamily rental housing in Detroit.</td>
<td>No</td>
</tr>
<tr>
<td>FPIF, LLC</td>
<td>100.00%</td>
<td>Channel funds to a predominately low-income population aged 50+. Currently negotiating with Calvert Foundation on a term sheet, plan to come to agreement in 2015.</td>
<td>No</td>
</tr>
<tr>
<td>Community Investment Impact Fund, LLC</td>
<td>20.00%</td>
<td>Established in 2017 and jointly owned by CIP and Annaly Social Impact LLC (nonmanaging member with 80% ownership). The loans in the fund are wholly owned by CIP and CIP will invest that equity from CHIF in various social loans.</td>
<td>No</td>
</tr>
<tr>
<td>Community Investment Impact Fund II, LLC</td>
<td>20.00%</td>
<td>Established in 2018 and jointly owned by CIP and Annaly Social Impact LLC (nonmanaging member with 80% ownership). The loans in the fund are wholly owned by CIP and CIP will invest that equity from CHIF in various social loans.</td>
<td>No</td>
</tr>
</tbody>
</table>

**Asset quality**

We believe CIP’s asset quality is very strong. CIP’s five-year average NPAs-to-total loans ratio of 0.34% compares favorably with those of other CDFIs that we rate. The institution does not typically have REO property, as it prefers to work out loans without resorting to foreclosure.

In our opinion, CIP’s allowance for loan loss practice and underwriting shows that the institution has prudent risk management, and is one factor in keeping its NPAs low. The company has a risk rating system for its portfolio that
takes into consideration various risk factors that are specific to a particular borrower. The system involves seven numerical grades where loans with similar credit and risk factors are grouped. CIP uses this analysis to determine what the loan loss reserves will be for each loan in the portfolio by borrower and loan type. In addition, it revisits its loan loss and risk rating migration annually to determine if it is accounting for the perceived and present risk on a year-to-year basis.

As of Dec. 31, 2018, CIP's asset base stood at $528.7 million, up 10% year over year. Its total assets have increased year over year, jumping 90% from 2014 to year-end 2018. This growth pattern differs substantially from that of other entities that we rate, including CDFI peers. CIP's growth pattern reflects a strategy that differs substantially from that of other entities that we rate. A focus on MBS assets, and using debt to finance growth in its loan portfolio, have characterized CIP's strategy in recent years.

Chart 1

Capital Impact Partners, DC -- Asset Growth

CIP's asset portfolio consists largely of $368 million in a diverse lending portfolio (69.7%), investments and cash (together, 28.3%), and other assets (2.0%) (see chart 2). CIP offers financing for a variety of community development projects but with an emphasis on the following categories:

- Affordable housing: Lending to develop as well as preserve existing affordable housing and provide support to disadvantaged neighborhoods through the Cornerstone Partnership (spun off at the end of 2015), District of Columbia's Department of Housing and Community Development Preservation Fund, and public policy

- Co-ops: CIP provides lending, grant funding, and technical assistance to co-op developers in the food, worker, and housing sectors through strategic financing, policy, and partnerships.

- Senior housing/care: Financing for projects that benefit low-income, older adults.

- Education: Financing for charter schools—CIP has directly financed 30% of all charter school lending nationwide while bringing in technical assistance and philanthropic partnerships.
• Health care: Financing for the development and maintenance of community health centers providing a full range of health-related services for patients.

• Commercial development: Financing for nonresidential real estate such as retailers and marketplaces, focusing on bringing fresh food to neighborhoods.

• Mixed-use development: Financing for various combination projects that include residential, commercial, cultural, and industrial development with a focus on revitalizing neighborhoods.

• Other: Financing developments or project lending that is not captured in the preceding categories.

Chart 2

Capital Impact Partners, DC -- Asset Base

(Mil. $)

Copyright © 2019 by Standard & Poor's Financial Services LLC. All rights reserved.

CIP has a diverse asset base that consists of multiple lending products, which we view as a strength. As of Dec. 31, 2018, education loans made up the largest share, or 38.5%, of CIP’s total loan portfolio, followed by affordable housing, health care, and community development, at 27.3%, 20.5%, and 13.7%, respectively (see chart 3). We believe that this diversified lending model allows CIP to provide capital financing to all aspects of community development while limiting its industry concentration. This also enables it to sustain its effects within communities while hedging its revenue streams across sectors and maintaining profitability. The institution's principal revenue sources are interest income and loan fees earned from investing and lending activities, program and service fees, and grants and contributions.

We believe CIP has a well-diversified business model with appropriate risk management. CIP has a highly conservative investment policy that provides guidance on how funds should be invested when not tied to an asset. S&P Global Ratings believes these guidelines and policies are evidence of the institution's prudent management of risk.
Operating performance

CIP has experienced volatile operating performance, given inconsistencies in year-over-year grants from both the public sector and private foundations (see chart 4). The institution depends on grant income to sustain its profitability, and the volatility of such income presents itself as a weakness, especially with regard to public grants. Its five-year average return on assets of 1.3% is lower than that of its CDFI peers, but CIP’s net interest margin is still strong.
CIP's net income increased to $12.7 million in 2017 and $18.8 million in 2018 from negative $9.7 million in 2015. These increases were partially due to an equity contribution from newly created CIIF. In 2015, CIP's overall growth in expenses outstripped revenue gains due to increased loan expenses, program and general expenses, and one-time expenses related to the institution's IT transformation, as well as other expenses due to rebranding, general ledger system conversion costs, and, to a lesser extent, consulting fees, among others.

We believe CIP's operating performance is strong, interest income from loans doubling from 2014 to 2018. We believe CIP maintains a profitable loan business, as measured by its 3.2% net interest margin on loans in 2018, which is comparable with that of other CDFIs.

**Debt obligations**
In our view, CIP has a strong debt structure but its debt burden has expanded. Management has a clear strategy and plans to build a financially self-sufficient business model to mitigate volatility of grants and net assets. As of Dec. 31, 2018, total liabilities were $357.6 million, up 163% from $136 million in fiscal 2014. We expect this significant increase would lighten somewhat in 2020 depending on the institution's debt financing, including using existing and future note issuances. CIP’s total net assets-to-total debt ratio of 67.9% (five-year average) has dramatically decreased to 44.7% in 2018 from 101% in 2014. We will monitor CIP's debt profile and any future debt obligations.

**Market position: Strategy and management**
We believe that CIP’s vision is defined and sets out the institution's overall strategic plan. With its national footprint, the institution is positioned to respond to the needs of underserved communities and has identified the following strategic pillars through its five-year strategic plan that takes CIP through 2020:

- Address systemic poverty by effecting systemic change at scale, from social systems to government programs.
- Create net assets by supporting equitable access to quality services and economic opportunity regardless of demographic.
- Build healthy communities by fostering connections and social supports that strengthen the links among health, education, housing, and opportunities that help people and communities thrive together.
- Promote inclusive growth by building diverse, mixed-income communities that promote economic mobility and empower individuals to break the barriers to success.

The institution plans to execute on its strategic pillars through a roadmap that aims to:

- Implement lending efforts that support connections across multiple sectors.
- Advance equitable growth and access through local, state, and federal advocacy.
- Convene cross-sector leaders, and expand programs that scale innovative practices.
- Establish policy to practice (P2P), which supports innovation within business sectors, as well as across the CDFI industry.
- Strengthen its financial position by expanding lending and capital diversification, and affect investing strategies.

CIP will continue to invest in the comprehensive revitalization of communities and to further its effects on the
Capital Impact Partners, District of Columbia; General Obligation

communities it serves through various financing options such as acquisition, construction, tenant improvement, and equipment loans, as well as government programs to offer NMTCs and federally guaranteed bonds. It furthers its mission with P2P, a range of nonlending activities, including technical assistance and thought leadership. P2P is accomplished through research, meetings, and participation in coalition and industry working groups, as well as development of policy briefs and white papers. CIP is intensively focused on revitalizing Detroit, as evidenced in 2015, when 26.6% of closed loans were in that region, and it plans to increase its engagement in the area to:

- Catalyze and stabilize the markets,
- Support mixed-income neighborhood development,
- Improve access to housing and services in a place, and
- Improve economic mobility for residents.

We view CIP's commitment to community development in relation to the institution's core values, mission, and overall strategy as very strong. We base this on the financial ratios, and the effects of more than $2.7 billion invested nationwide for more than 35 years. This financing has led to the creation of over 37,000 jobs and to the construction or expansion of:

- 541 health centers, serving more than 2.7 million patient visits annually;
- 259 charter schools, with a total of over 260,000 new school seats;
- 88 healthy food retailers, expanding access to healthy food for 1.1 million people;
- 38,000 units of affordable housing; and
- 221 cooperative businesses, serving 869,000 customers.

Executive management

An 11-member board of directors oversees CIP. Five directors are elected from among the then-current senior executive officers or directors of the National Cooperative Bank (NCB), the remaining directors (a majority) are independent of NCB. The directors include senior executives from the nation's largest private and nonprofit community development lenders, policy makers, and practitioners. The board is self-perpetuating, with annual elections held in May of each year; directors serve one-year terms and for no more than eight consecutive terms. The executive officers meet formally on a weekly basis to review corporate strategy, prioritize corporate initiatives, monitor mission-critical projects, and address operational issues.

The board includes the following standing committees: an Executive Committee; Finance, Audit and Risk Committee; and a Lending and Policy-to-Practice Committee. The board and each of its committees meet at least quarterly.

The board is responsible for setting the mission, vision, and direction of the institution, and for supervising management. Accordingly, it participates in the development of, and approves, CIP's strategic plan; sets annual corporate goals, which are measured against the strategic plan; approves, and monitors progress against, the annual corporate budget; and ensures that appropriate financial controls are in place.

There are three operating officers prescribed by the bylaws: president, corporate secretary, and treasurer. The
president, who the board appoints, selects the rest of the operating officers. With the approval of the board, supporting
the main board of directors is an established executive management team composed of the CEO, chief financial and
administrative officer, chief strategy and innovation officer, chief risk officer, chief lending officer, general counsel,
chief compliance officer, and corporate secretary.

**Table 2**

| Capital Impact Partners, DC -- Financial Statistics And Ratios |
|------------------|------------------|------------------|------------------|------------------|------------------|
| **Asset quality (%)** | **2014** | **2015** | **2016** | **2017** | **2018** |
| Total assets ($) | $277,809,318 | $283,793,920 | $325,305,783 | $478,741,976 | $528,718,437 |
| NPAs/total loans + REO | 0.39% | 0.29% | 0.26% | 0.28% | 0.50% |
| NPAs (TDR)/total loans + REO | 0.59% | 0.29% | 1.18% | 0.42% | 0.50% |
| Loan loss reserves/total loans | 4.80% | 4.40% | 3.49% | 3.05% | 3.21% |
| Loan loss reserves/NPA | 1240.40% | 1506.02% | 1366.96% | 1073.56% | 642.96% |
| **Liquidity (%)** | | | | | |
| Total loans/total assets | 68.81% | 75.07% | 76.43% | 75.25% | 69.66% |
| Short-term investments (including MBS)/total assets | 23.12% | 21.00% | 19.48% | 22.79% | 26.94% |
| Long-term investments/total assets | 2.67% | 2.59% | 1.72% | 1.21% | 1.34% |
| Total investments/total assets | 25.79% | 23.59% | 21.20% | 24.00% | 28.29% |
| **Profitability (%)** | | | | | |
| Return on average assets | 2.99% | (3.46%) | 0.18% | 3.16% | 3.73% |
| Return on average equity | 6.03% | (7.32%) | 0.42% | 9.44% | 12.50% |
| Net interest margin | 3.10% | 2.94% | 3.26% | 2.94% | 2.53% |
| Net interest margin (loans) | 3.98% | 3.98% | 3.91% | 3.47% | 3.20% |
| **Leverage (%)** | | | | | |
| Total equity/total assets | 49.51% | 45.04% | 39.46% | 29.47% | 30.24% |
| Total equity + reserves/total loans | 76.75% | 64.40% | 55.12% | 42.22% | 46.63% |
| Total equity/total debt | 100.95% | 84.14% | 66.30% | 43.45% | 44.70% |
| Net equity/total debt | N/A | N/A | N/A | 9.81% | 13.05% |
| Net equity/total asset | N/A | N/A | N/A | 6.71% | 8.45% |

N/A--Not applicable. MBS--Mortgage-backed securities. NPA--Nonperforming asset. REO--Real estate owned. TDR--Troubled debt restructuring.