

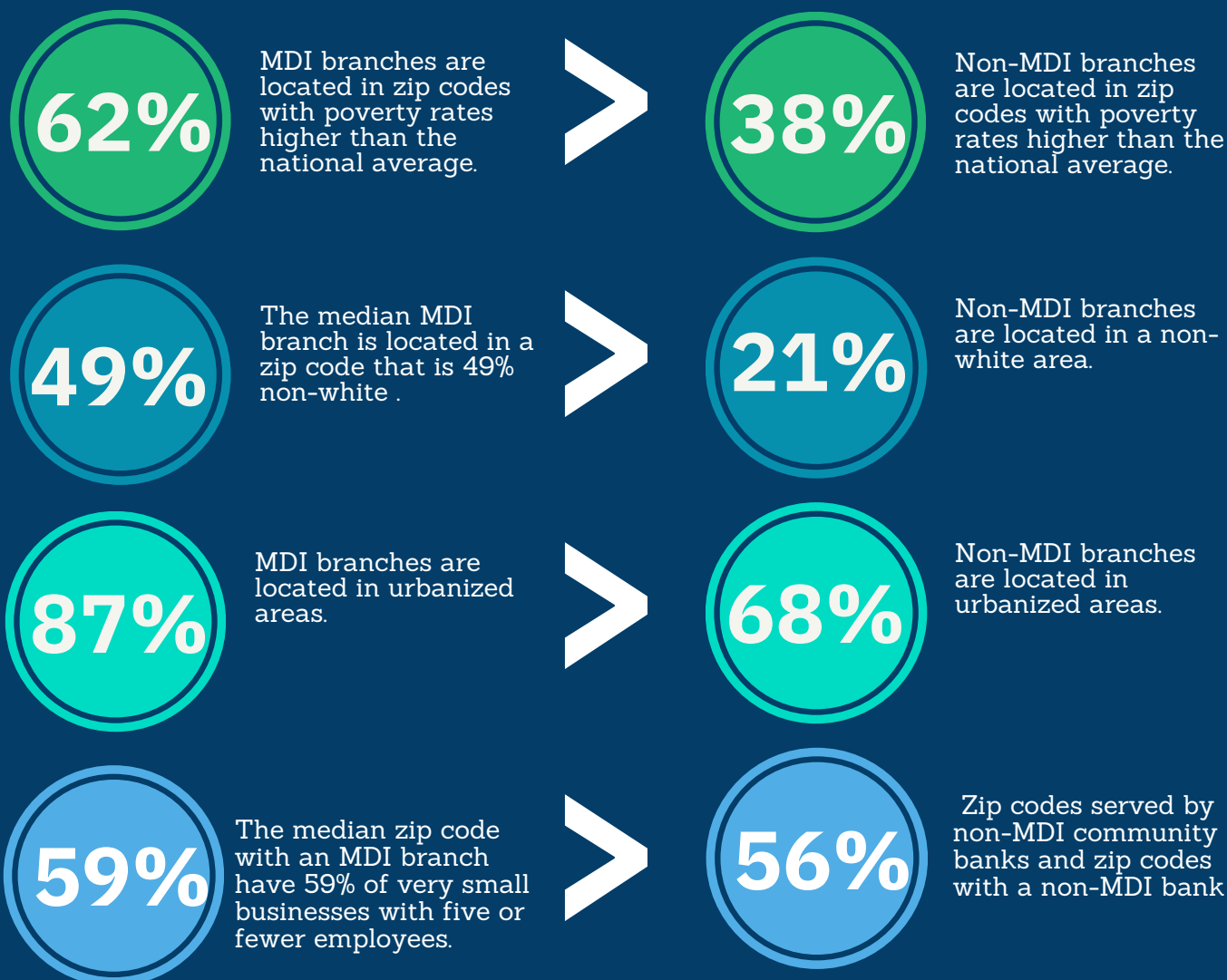
LEARN ABOUT

THE STATE OF MINORITY DEPOSITORY INSTITUTIONS

The analysis demonstrates that MDIs continue to serve a crucial role in increasing financial inclusion for underserved individuals and communities. As mission-driven banks, MDIs are key institutions in the broader work of closing the racial wealth gap particularly through creating opportunities for homeownership and entrepreneurship. These institutions can also serve as stabilizing forces for households and firms during times of crisis such as we witnessed with the COVID-19 pandemic.



Significance of Minority Depository Institutions in the industry



MDI zip codes tend to have higher shares of businesses in educational services, health care and social assistance, and especially in professional, scientific, and technical services.



25% of MDI branches are located in zip codes in which the MDI is the only bank with a physical presence in that zip code.

This means that MDIs are the only bank branch in 174 zip codes home to

3.5 million people

Minority Depository Institutions in the greater context



Zip codes with an MDI branch have higher climate risk exposure, especially heat and wind risk.



Zip codes with an MDI branch have greater economic mobility rates than similar zip codes without MDI presence.



The metropolitan areas where MDIs operate tend to have higher rates of unbanked households (6.4%) than those where non-MDIs operate (5%).



The median zip-code with an MDI branch has a median income of \$32,285.

Source: National Bankers Association, National Bankers Association Foundation, Johns Hopkins 21st Century Cities Initiative Minority Depository Institutions: State of Knowledge, Sector Summary & Lending Activity, and Impact, 2010 – 2022 (2023)



Since 1927, the National Bankers Association has served as the leading trade association for minority depository institutions (MDIs). Our members are Black, Hispanic, Asian, Pacific Islander, Native American, and women-owned and -operated banks across the country, all working to help low- and moderate-income communities who are underserved by traditional banks and financial service providers.

Go to nationalbankers.org for more on how our banks are on the front lines of closing the racial wealth gap.