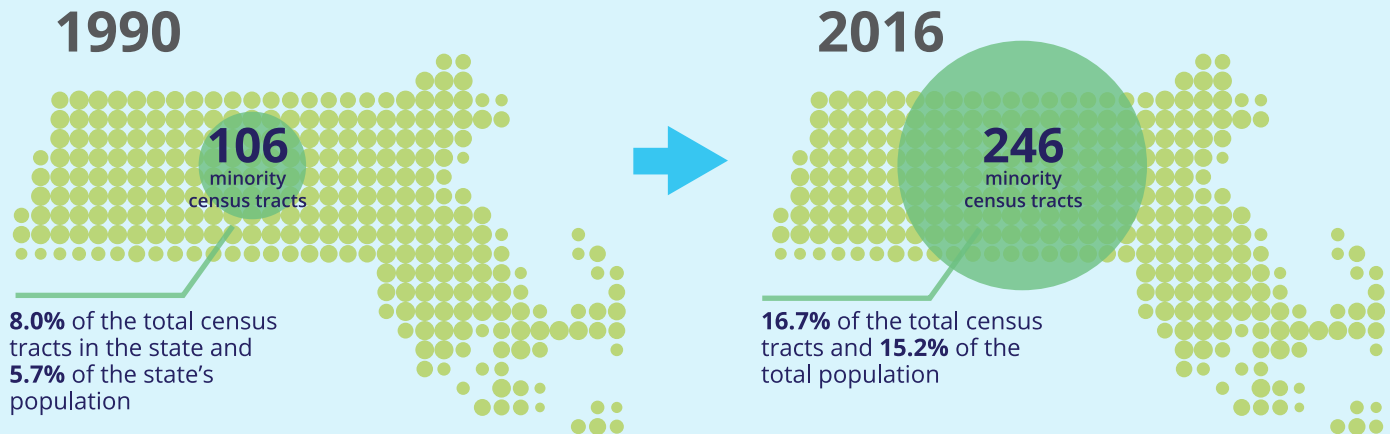


SMALL BUSINESS LENDING IN MINORITY NEIGHBORHOODS IN MASSACHUSETTS 2007 - 2016

SMALL BUSINESS LENDING TRENDS IN MINORITY NEIGHBORHOODS

Number and Size of Minority Neighborhoods in MA has Increased Significantly



There are currently over 1 million Massachusetts residents living in minority census tracts in the state, compared to under 350,000 resident in 1990.

LOAN VOLUME

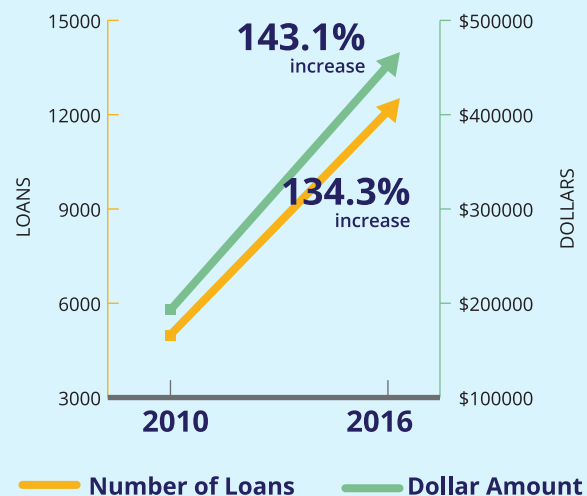
12,119
small business
loans in
minority areas

=

\$452.8
million in
small business
loans in
minority areas



The volume of small business loan originations in 2016 was more or less in line with the percentage of firms in minority areas (9.0%) but was somewhat less than one might expect based on the percentage of the population in minority areas (13.6%).



Originations in minority areas increased since 2010 when loan volume reached its recent lows, compared to 43.6% and 38.1% in white areas.

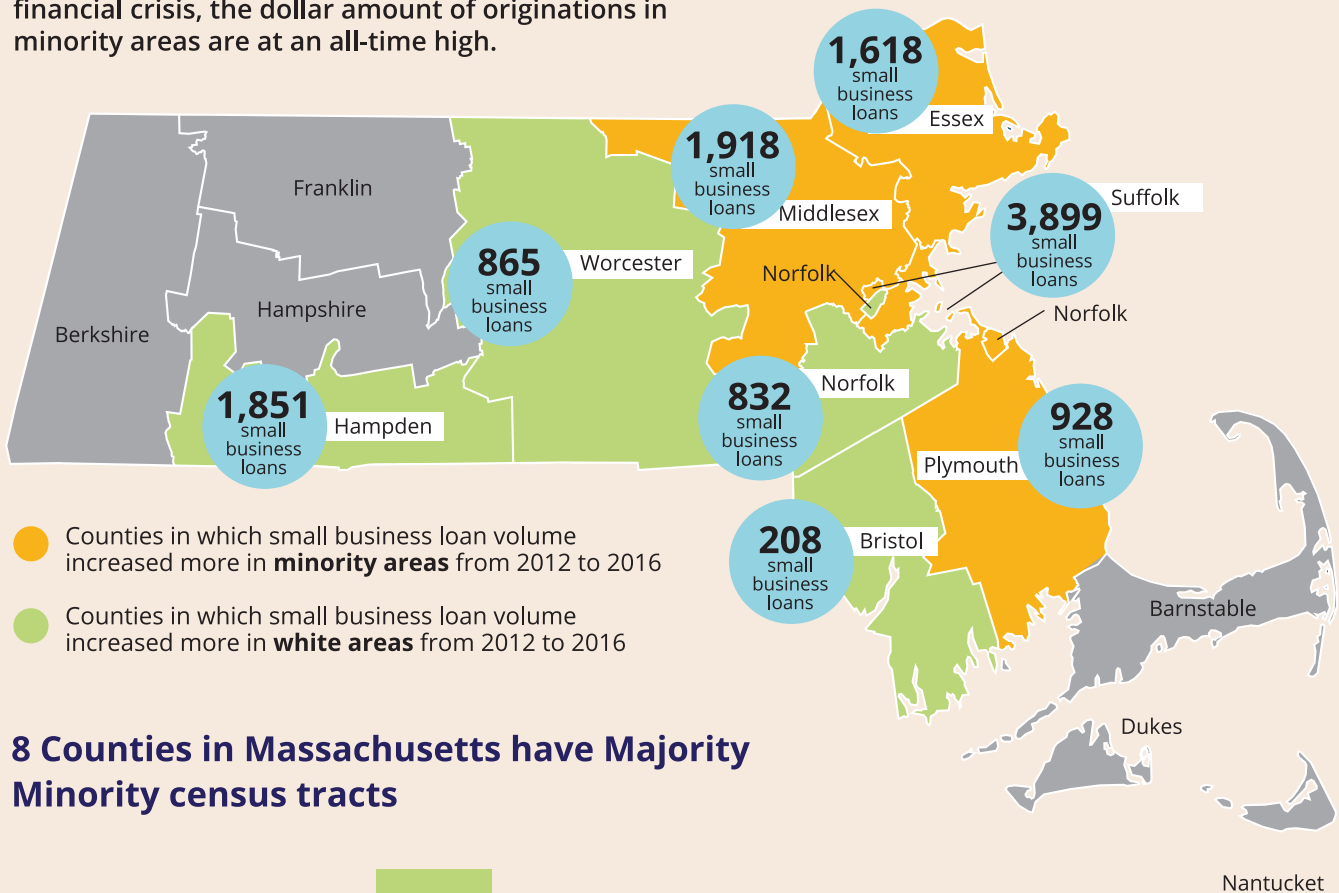


This report reviews the small business lending trends in minority neighborhoods in Massachusetts from 2007 to 2016 with comparisons to lending trends in majority white neighborhoods and with comparisons to local demographic characteristics. For the purposes of this report, minority neighborhoods are defined to be those neighborhoods where minorities represent the majority (i.e. more than 50% of the local population).

SMALL BUSINESS LENDING IN MINORITY NEIGHBORHOODS IN MASSACHUSETTS

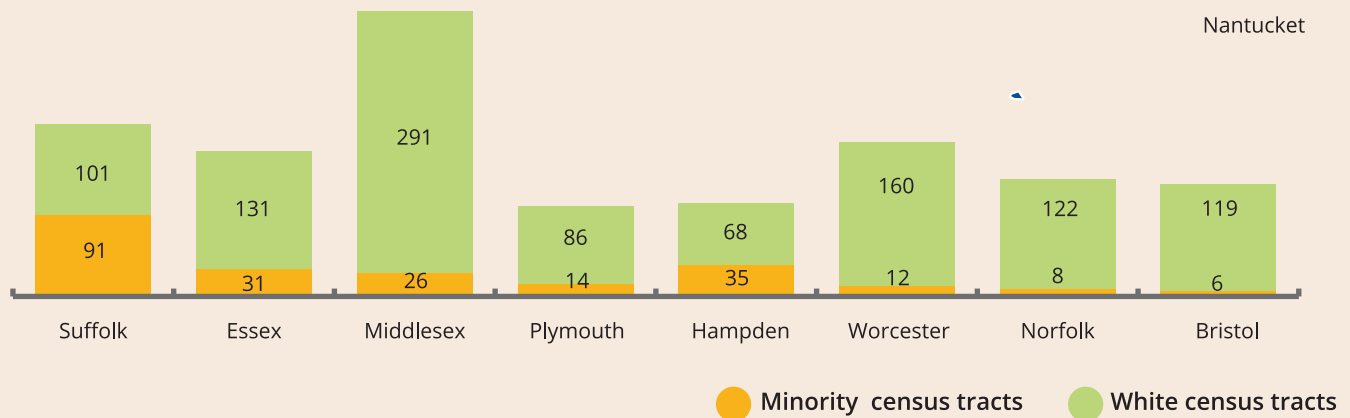
GAINS IN LENDING TO MINORITY AREAS ARE UNEVEN THROUGHOUT STATE

While the number of loans originated in minority areas remains below the levels that were reached before the financial crisis, the dollar amount of originations in minority areas are at an all-time high.



- Counties in which small business loan volume increased more in **minority areas** from 2012 to 2016
- Counties in which small business loan volume increased more in **white areas** from 2012 to 2016

8 Counties in Massachusetts have Majority Minority census tracts



About M|C|B|C

The Massachusetts Community & Banking Council (MCBC) was established in 1990 to bring together community organizations and financial institutions to affect positive change in the availability of credit and financial services across Massachusetts by encouraging community investment in low and moderate income and minority group neighborhoods and providing research, other information, assistance and direction in understanding and addressing the credit and financial needs of low and moderate income individuals and neighborhoods.

To view the full report go to:

<http://mcbc.info/publications/small-business-lending-minority-neighborhoods-massachusetts-2007-2016/>

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Massachusetts Community & Banking Council

www.mcbc.info

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