

NM Indian Livestock Days

“Akiptan CDFI”

May 10, 2017



Five C's of lending

Collateral
Character
Capacity
Capital
Conditions



IAWG-Financing for Indian Agriculture Endeavors

“The majority of commercial banks do not provide adequate long or short term credit at rates to meet the needs of individual Indian operators”



The Myth of Trust Land

“You can’t mortgage trust land.”

(Commercial Bankers, Lance Morgan, and countless other experts in Indian Law, 1980’s-2016)



Credit Deserts

“the lack of presence and availability of credit
at fair and reasonable rates”
(IAC TA Network Report, 2012)



Solutions



AKIPTAN CDFI



Five C's of lending

Collateral
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The PART of addressing Credit Deserts

Potential
Availability
Relationship
Terms



Potential

Aware of and committed to the Potential
Impact of Lending



Availability

Readily accessible in a timely manner
In the community



Relationship

Familiarity with borrowers
Familiarity with legal structures
Familiarity with industry



Terms

Flexible

Fair

Collateral=Asset



“Akiptan”

Lakota word for joining together, a joint effort, cooperatively, sharing



So what the heck is a
CDFI?



Community Development Financial Institution (*CDFI*)

A private entity dedicated to delivering responsible, affordable lending to low-income, low wealth, and other disadvantaged people and communities



Community Development Financial Institution (*CDFI*)

Business Coaching
Business Planning
Tax Planning
Credit Counseling
Accounting Support



AKIPTAN CDFI

Timeline

Decision
Treasury Grant
Market Study
Charter
First Loan
Treasury Certification



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Structure

Board of Directors

Location

National

Focus



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Funding

Treasury Department
Keepseagle
Philanthropy
Farm Credit Service
Farm Service Agency
BIA Guaranteed Loans



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Customers

Individuals
Other CDFI's



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Products

Credit Repair (build customers)

“Prove us wrong” loans

Value-added loans (break the commodity cycle)

Relending to other CDFI's



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Collaborators

Farm Credit Services of America
Farm Service Agency
IAC TA Network



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Questions, Comments, Suggestions

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