CDCI **ANNUAL USE OF CAPITAL SURVEY - 2012**

NAME OF INSTITUTION
(Include Holding Company Where Applicable)

North Side Community Federal Credit Union

Person to be contacted regarding this report:	Jennifer Weitzel	RSSD: (For Bank Holding Companies)	
UST Sequence Number:	1387	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	325,000	FDIC Certificate Number: (For Depository Institutions)	
CPP/CDCI Funds Repaid to Date:	0	Credit Union Charter Number: (For Credit Unions)	21550
Date Funded (first funding):	Sep 29, 2010	City:	Chicago
Date Repaid[1]:	N/A	State:	Illinois

[1]If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

☒	Increase lending or reduce lending less than otherwise would have occurred.	During 2012, a 2% increase in lending occurred from 2011, for a total of $2,423,741 in new loans and $4,210,808 in loans outstanding.
☒	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Major loan types includes residential mortgages, home equity, credit card loans, and other consumer loans (auto, personal, secured), and small business micro loans. The highest number of loans disbursed occurs within our small dollar loan portfolio with loan amounts ranging from $500-1000.
☐	Increase securities purchased (ABS, MBS, etc.).	

☐	Make other investments	
☐	Increase reserves for non-performing assets	
☐	Reduce borrowings	
☐	Increase charge-offs	
☐	Purchase another financial institution or purchase assets from another financial institution	
☒	Held as non-leveraged increase to total capital	As of December 2012, total assets were $10,762,870. To support a continued increase in assets, while building our net worth ratio, CDCI secondary capital enabled the institution to maintain a solid regulatory net worth position at the end of 2012 of 7.3%

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

CDCI secondary capital funds allowed the institution to achieve asset growth, while at the same building our net worth ratio. If the institution had not received CDCI secondary capital funds, it would have been challenging for the credit union to grow and difficult to avoid a being required by the NCUA to develop a net worth restoration plan. A net worth ratio of above 7% is considered well-capitalized by the NCUA. Without the CDCI funds, the credit union would not have been able to maintain a solid net worth position, thereby threatening its financial soundness.

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.

The credit union has been able to launch a lending program focused on assisting small business owners with the capital necessary to start, maintain, and expand their businesses. The credit union is now able to lend up to $35,000 to small businesses located in the City of Chicago. In the small business loan program's first two years, the credit union was able to lend nearly $300,000 to small business owners that were unable to access conventional small business loans. The average small business microloan size is $21,879.