Findings from the Citywide Financial Services Study

The Citywide Financial Services Study provides key data about financial behavior and access to financial services among New Yorkers with low and moderate incomes. The purpose of the study was to quantify the unbanked marketplace in New York City, identify critical indicators of financial behavior and household financial stability, and inform the development and targeting of financial education and asset-building programs and initiatives.

Methodology

The New York City Department of Consumer Affairs Office of Financial Empowerment commissioned Social Compact, a leading nonprofit research firm, and Axiom, a global marketing services company, to provide analytical estimates of banking patterns. Data sources used in the study derive from public and private data sets, including InfoBase-X data, the largest collection of U.S. consumer data available in one source.

Key Findings

1. In New York City, more than 13 percent of households have no bank account ("unbanked").

• New York City households are considerably more likely than households nationally to be unbanked (7.7% nationwide).[1]
• Approximately 405,000 households are unbanked. More than 825,000 adults live in these unbanked households.[2]
• Bronx households are more than twice as likely to be unbanked than the City average.

Estimated Unbanked Households by Borough

Borough	Number of adults*	Number of households*	Percent of households
Bronx	269,213	134,293	28.7%
Brooklyn	288,432	137,625	15.7%
Manhattan	166,414	95,306	13.0%
Queens	108,413	47,926	6.2%
Staten Island	6,305	2,989	1.8%
New York City Total	827,334	405,573	13.4%

*The New York City Total may not equal the Borough totals due to overlap between Community Districts.

2. New York City's unbanked households are highly concentrated in certain neighborhoods.

• Nearly half (48%) of unbanked households in New York City are in one of 10 neighborhoods.[3]
• Residents of the top 10 unbanked neighborhoods are predominantly Black or Latino/a (89% compared to 53% Citywide) and have a median household income of $30,005 compared to a median income of $47,581 for the City as a whole.
• Residents of the top 10 unbanked neighborhoods in New York City are less likely to have a college degree (19%) than the City average (32%) and less likely to be homeowners (17% compared to 34%).

3. Proximity to a bank or credit union is no guarantee that residents will open a bank account.

• The top 10 unbanked neighborhoods have only one bank or credit union present for every two alternative financial services providers. Citywide, there are 1.5 banks and credit unions for every alternative financial services provider.
• Average distance to financial services also measures access. Unbanked residents of Manhattan live an average of 0.2 miles from a traditional financial institution compared to 0.4 miles for unbanked residents of Brooklyn.

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[1]FDIC National Survey of Unbanked and Underbanked Households, December 2009
[2]Adults are defined as persons aged 18 and older.
[3]They include: Washington Heights / Inwood (46%); Highbridge / Concourse (51%); Morris Heights / University Heights (53%); Ocean Hill / Brownsville (47%); Bushwick (47%); West Harlem (38%); Central Harlem (36%); East Harlem (37%); Jamaica (24%); and Mott Haven / Melrose (56%)