MetroEdge Financial Services Survey

- 21 low- and moderate-income census tracts in each of Los Angeles, Chicago and Washington DC
- 1532 respondents, 48% response rate
- Survey available in English and Spanish, and 10% took it in Spanish
- One-third conducted in person and two-thirds by phone
- Field work done between September 2003 and January 2004
Banked/Unbanked Dichotomy Is Incomplete

Almost two-thirds of the banked survey respondents use non-bank services as well

Banked (70.4%)
- 20.2% receive income in cash
- 38.1% of those with checking accounts pay rent with cash or by money order
- 25.9% of those who cashed checks did so at a non-bank

User of non-bank services (60.9%)

Fully banked (30.1%)

Formerly Banked (47.8%)

Never banked (52.2%)

Those that use non-bank services are: foreign-born, less-educated, households with more kids, and younger, black and Hispanic respondents

Half the unbanked respondents were formerly banked

Unbanked (29.6%)
- 47.8% have had a checking or savings account in the past
- 25.5% of those who cashed a check did so at a bank

Shorebank Advisory Services
## Savers are Asset Builders

<table>
<thead>
<tr>
<th></th>
<th>Percent of Savers</th>
<th>Percent of Non-Savers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have a Savings Account</td>
<td>90%</td>
<td>11%</td>
</tr>
<tr>
<td>Have a Checking Account</td>
<td>80%</td>
<td>43%</td>
</tr>
<tr>
<td>Have a Credit Card</td>
<td>70%</td>
<td>27%</td>
</tr>
<tr>
<td>Own a Car</td>
<td>73%</td>
<td>41%</td>
</tr>
<tr>
<td>Own Their Home</td>
<td>44%</td>
<td>17%</td>
</tr>
</tbody>
</table>
Key Findings

- Banked/Unbanked dichotomy incomplete
- Informal networks important for payments and credit; substantial savings in cash and other non-formal forms
- Apparent debt-aversion, and limited use of alternative credit sources
- Saving matters—savers have more assets, asset-based debt, more insurance and seem to save in the face of life setbacks