



2009 Annual Development Banking Conference
November 4-5, 2009

**The Power of Networks –
The NCIF New Markets Tax Credits Strategy
3:00 pm – 3:30 pm**

Panelists:

Saurabh Narain
Chief Fund Advisor, National Community Investment
Fund

Matt Reilein
Senior Vice President, JPMorgan Chase

November 4, 2009

www.ncif.org



**NCIF NMTC
Transaction Structure**

November 4, 2009

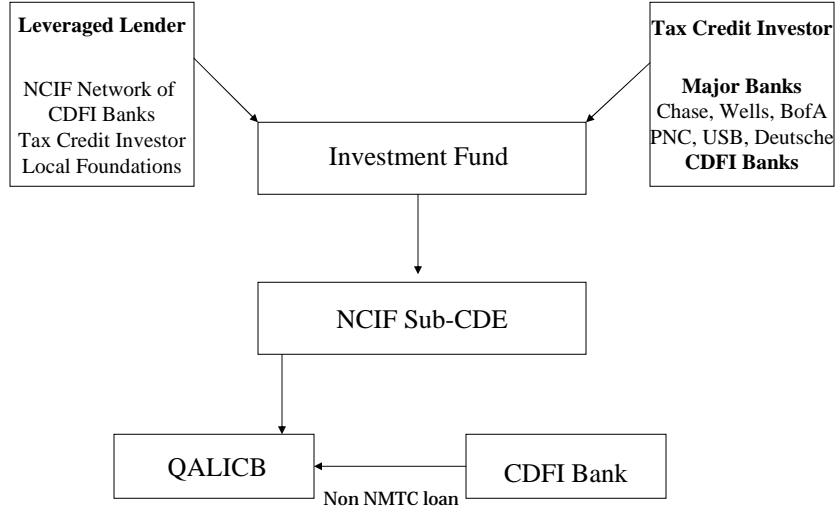
NCIF NMTC Allocation

- **Amount:** \$128 million
 - **Objectives:** Working with CDFI Banks
 - **Distress:** 100% in highly-distressed census tracts
 - **Rural:** 5% in rural investment areas
 - **Type:** Real Estate and Non Real Estate Projects
Economic Development – Commercial Real Estate, Mixed Use Projects, Community Facilities, Charter Schools
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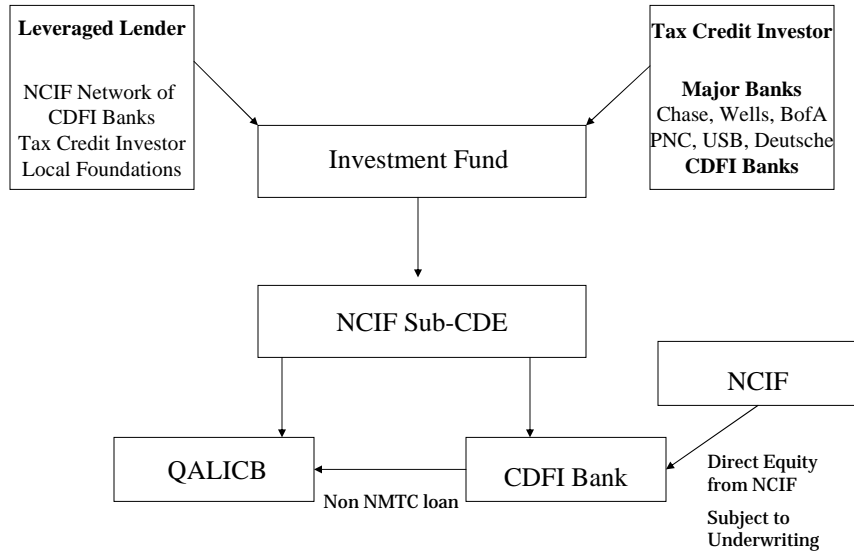
3-Way Partnership

- **Deal Sourcing:** CDFI Bank and/or Tax Credit Investor
Some CDFI Banks also want to invest
 - **Leveraged Lender:** CDFI Bank and/or Tax Credit Investor
 - **Allocation Provider:** NCIF
 - **Compliance:** CDFI Bank and NCIF
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NCIF NMTC Structure



Structure Being Examined



Impact

- QALICB

- But For Test: gets funded, that would not have been otherwise funded
- Impact: QALICB is operating in highly distressed census tracts

- CDFI Bank

- But For Test: CDFI Bank gets equity they would not have received otherwise
 - Impact:
 - CDFI Bank equity is leveraged 10x to raise deposits and make more loans in Investment Areas
 - Larger loans can be accommodated if outside leveraged lender is identified
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