WELCOME

Local Presence, National Impact

The National Association of State and Local Equity Funds (NASLEF), is a professional, nonprofit association formed to promote the efficient management of state and local equity funds. Throughout 42 states, NASLEF Active Members raise capital for affordable rental housing developments that qualify under the Low Income Housing Tax Credit (LIHTC) program. Collectively through 2018, member funds have raised over $15.6 billion in equity capital for rental housing developments throughout the country, creating or rehabilitating more than 190,026 units of affordable housing in 3,968 developments.

Our Mission

NASLEF's mission is to promote a greater understanding of tax credit and other financing programs, to advocate for community development resources and to encourage the professional development of its member organizations all in support of the communities we serve. Our work is fueled by our members' leadership in affordable housing advocacy, connection with community organizations, and knowledge of local markets. These organizational attributes enable NASLEF members to invest capital in strategic community endeavors, especially in underserved markets.

Our Impact

NASLEF Active Members are visible in the communities they serve by providing affordable housing opportunities, strengthening neighborhoods, and impacting the lives of residents. Many member funds have developed philanthropic affiliates and foundations that fund programs that assist residents socially, economically, and educationally. Member funds also provide value-added services to development partners in the areas of technical assistance, training, engaging in local and state housing policy groups, and providing lending opportunities as certified CDFI organizations.

NASLEF member funds will continue to lobby for the continuation of the most successful affordable housing program in the nation. Fund members will continue to raise capital to provide affordable housing options for families, seniors, individuals, and special needs populations. NASLEF will continue to be a local presence with national impact on affordable housing.

NASLEF STAFF & BOARD MEMBERS

NASLEF STAFF

Mary Kay Meagher
Deputy Executive Director
Columbus, Ohio

BOARD MEMBERS

Bill Shanahan
President
Northern New England
Housing Investment Fund

Bob Newman
Vice President
Virginia Community
Development Corporation

John Kennedy
Treasurer
St. Louis Equity Fund, Inc.

Jim Peffley
Secretary
Cinnaire

Hal Keller
Immediate Past President
Ohio Capital Corporation for
Housing

PRESIDENT'S MESSAGE

Bill Shanahan
NASLEF President

2018 was a year of figuring things out. We knew going into 2018 that the Tax Cuts and Jobs Act had become law and the Housing Credit program was alive and well, but the new law meant there would be changes to the Housing Credit program and there was uncertainty concerning investor demand for tax credits now that investors had a reduced tax liability. What NASLEF members came to realize was the strength of the tax credit program carried over into 2018 and investors continued their support of the program.

In 2018, the twelve NASLEF organizations raised over $1B in equity and that translates to nearly 10,000 units of housing. In terms of footprint, NASLEF members work in forty-two states and serve a range of communities. NASLEF members have long had the reputation for placing investments in markets that others may not focus on. The strength of our portfolios is a testament to our ability to serve such a range of tenant populations and communities. When Fannie and Freddie reentered the market in 2018 with the goal of investing in underserved markets, they teamed up with a number of NASLEF organizations to meet that goal.

NASLEF members have always valued the collegial relationships that have developed among members. The sharing of information and the open communication happens on a regular basis but it is particularly evident at our annual conference. This year we met in Boston and Massachusetts Housing Investment Corporation did a wonderful job hosting us. For those that have attended other NASLEF conferences, it's plain to see that these conferences have evolved, consistent with the evolution of NASLEF member organizations. We now focus on a much wider range of topics such as business diversification and staff development.

Of course, our advocacy efforts have made NASLEF unique and set us apart from others in the industry. We continue to offer our unique local knowledge to inform affordable housing policy at the state and national level.

Nevertheless, all of our good work needs to continue. The Housing Credit program has succeeded beyond what we may all have expected. However, we need to continue to protect this critical program and increase its efficiency while diligently preserving the number of units that have been created by the program. Clearly, our work is far from done as we see increasing demand for affordable housing and we witness the increasing number of people that are economically burdened with rent payments.

In 2019, expect NASLEF and its members to continue advocating for all those that need affordable housing. We will continue working with all our partners to produce and preserve housing that is so critical to the lives of the people that need it and to the communities in which they live.

LEGISLATIVE UPDATE

Robert Rozen
March 4, 2019

With the election of a new Congress in November, 2018 the state of play in Washington has changed considerably. While Republicans continue to hold the White House and Senate, Democrats have assumed control of the House. This alters the landscape for tax and budget legislation, making it more difficult to move legislation through Congress to enactment.

However, the Low-Income Housing Tax Credit ("Housing Credit") has always commanded strong bipartisan support and fortunately that support will endure notwithstanding the changes in Congress. Yes, the program lost its primary Republican Senate sponsor, the powerful chairman of the Senate Finance Committee Orin Hatch (R-UT) who retired. But at the same time, our primary Democratic House supporter, Richard Neal (D-MA) has become the powerful chairman of the House Ways and Means Committee. With the considerable turnover in Congress, the tax-writing committees which are responsible for the Housing Credit, have many new Members. Some of our strong supporters are no longer serving in Congress. New Members, who we must get to know, have joined the tax writing committees in the House and Senate.

With the convening of a new Congress all legislation from the previous Congress dies and new bills must be introduced. As of this writing, much work is being devoted to reviewing the Housing Credit bills from the last Congress, and to lining up our key sponsors. The bills are expected to include a handful of new provisions reflecting issues that have arisen in the last few years. The Senate bill from the last Congress eventually attracted the sponsorship of 46 Senators while the House bill had 183 cosponsors. That is a achievement that the Housing Credit community can be proud of. While a long list of cosponsors is not a guarantee that t legislation will be enacted in full, the broad, bipartisan congressional support we enjoy is a very positive indicator for the program. It helps insulate us from outside attack and increases our ability to get more resources for affordable housing. The challenge this year and next is to generate as much support for the Housing Credit bills introduced in this Congress.

In the last Congress, the House and Senate bills were identical except the House bill did not include the 50% increase in the credit allocation cap. Our objective this year is to introduce identical bills in both bodies. We don't expect these bills to be enacted without changes. Nor do we expect the bills to move on their own independently. Individual tax bills are generally incorporated into larger legislation and the prospects for appropriate vehicles are hard to discern right now with the beginning of a new Congress. But that is not our focus. Our job is to continue to engage elected officials, make sure they understand the crisis in affordable housing, and build support for our efforts to get more resources for the Housing Credit program. At some point, an appropriate legislative vehicle will come forth and with the strong support that we have built for our legislation we will be able to make a case for inclusion in the broader bill.

Building that support is a responsibility for the entire affordable housing community. We have met the challenge in the past and must continue to do so going forward. Congress changes, majorities come and go, but with all our efforts the Housing Credit will continues to enjoy broad bipartisan support and we will eventually get more resources for affordable housing.

NASLEF DIRECTORS

2018 NASLEF DIRECTORS

Dana S. Boole
President and Chief
Executive Officer
CAHEC

Mark McDaniel
President & CEO
Cincinnaire

Stacy L. Sur
Member
Hawaii Housing
Finance, LLC

Nancy Owens
President
Housing Vermont

Peter Sargent
Director of Capital Development
Massachusetts Housing
Investment Corporation

Lisa Castillo
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Merritt Community
Capital Corporation

John Wiechmann
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Midwest Housing
Equity Group, Inc.

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Mountain Plains
Equity Group, Inc.

Bill Shanahan
President
Northern New England
Housing Investment Fund

Hal Keller
President
Ohio Capital Corporation
for Housing

John Kennedy
President & CEO
St. Louis/Kansas City
Equity Fund, Inc.

Robert Newman
President & CEO
Virginia Community
Development Corporation

Photo by:
John Hession

NASLEF WELCOMES NEW DIRECTOR

Peg Moertl joined Ohio Capital Corporation for Housing (OCCH) as President in April 2019. Peg comes to OCCH from HCDC, a 35 year-old non-profit economic development agency that grows jobs and the economy through innovation incubation, small business lending, and development services. HCDC serves as the economic development arm of Hamilton County and the jurisdictions in the county outside the City of Cincinnati, by contract with the county, and operates the Office of Innovation + Creativity.

Prior to her work with HCDC, Peg served as Senior Vice President of Community Development Banking at PNC Bank for nearly 15 years, leading teams responsible for community development loans and investments, grant-making and sponsorships, along with increasing small business lending in low-to-moderate income neighborhoods using creative bank-community partnerships. Peg's experience includes serving as the CRA Market Manager for Banc One Management Corporation (now JPMorgan Chase), where she learned about Housing Credits. While serving as the Acting Director of the National Federation of Housing Counselors, Peg began her career in housing and development issues.

Peg served as the Director of Development at the City of Cincinnati, Executive Director of Women Entrepreneurs Inc., and helped develop the region's first microloan program. She has served on boards of numerous community and economic development and human service agencies including Local Initiatives Support Corporation (LISC), the Greater Ohio Policy Center, Urban League, Cincinnati Development Fund, Urban Land Institute, Cincinnati Center City Development Corporation, Catalytic Development Funding Corporation of Northern Kentucky, Cincinnati Equity Fund (3CDC) and Strategies to End Homelessness.

Peg has been recognized as one of Cincinnati Magazine's 2019 Most Powerful Business Leaders, a YWCA Career Woman of Achievement, among the Top 15 Ohio Women Business Leaders by the Ohio Women's Conference, along with honors from Cincinnati Development Fund, the Talbert House, the Cincinnati-Hamilton County Community Action Agency, the CDC Association of Greater Cincinnati, Avondale Comprehensive Development Corporation, Cincinnati Human Relations Commission and the Center for Holocaust & Humanity Education. She is a graduate of Leadership Cincinnati Class XXIII.

Welcome to NASLEF, Peg!

MEMBERSHIP OPPORTUNITIES

There are two levels of membership in the NASLEF association: Active Member and Corporate Member. If you are interested in becoming an Active or Corporate Member, please review the eligibility information below to ensure your organization qualifies. Membership in NASLEF must be approved by the NASLEF Board of Directors. We thank you for your interest in NASLEF and encourage you to submit an application. If you have any questions, please contact Mary Kay Meagher, NASLEF Executive Director, at mmeagher@occh.org.

Apply online at **www.naslef.org/membership-application**.

ACTIVE MEMBER
$2,500 + FTE (Full-Time Employees)

An Active Member is defined as:

Any organization whose principal employment is that of a regional, state or local equity fund not solely controlled by or managed by a national fund, consultant or third party.

NASLEF Active Members pay a base fee of $2,500 yearly and an additional yearly amount based on the number of Full-time employees (FTE) within the organization.

1-10 FTE's	$2,600
10-24 FTE's	$6,500
24 + FTE's	$13,000

Active Member benefits include:

Association voting privileges.

Listing of company information in NASLEF's Membership Directory, website, and other NASLEF publications.

Participation in networking opportunities, IRR-seminars, special asset management sessions, annual conference, and Executive Director's meeting.

Eligibility for service as a Director or Officer on the NASLEF Board.

CORPORATE MEMBER
$2,500

A Corporate Member is defined as:

Any government agency, corporation, syndicator, professional association, broker, consultant, attorney, accountant, or other individual having a professional interest and involvement in the Low-Income Housing Tax Credit (LIHTC) program.

A national equity fund or consultant actively engaged in the management or co-management of a state or local equity fund.

Any investors in Active Member funds and state housing finance agencies.

Corporate Member benefits include:

Advantageous networking/business opportunities via access to 12 Equity Fund Members in 42 states.

Listing of company information in NASLEF's Membership Directory and website.

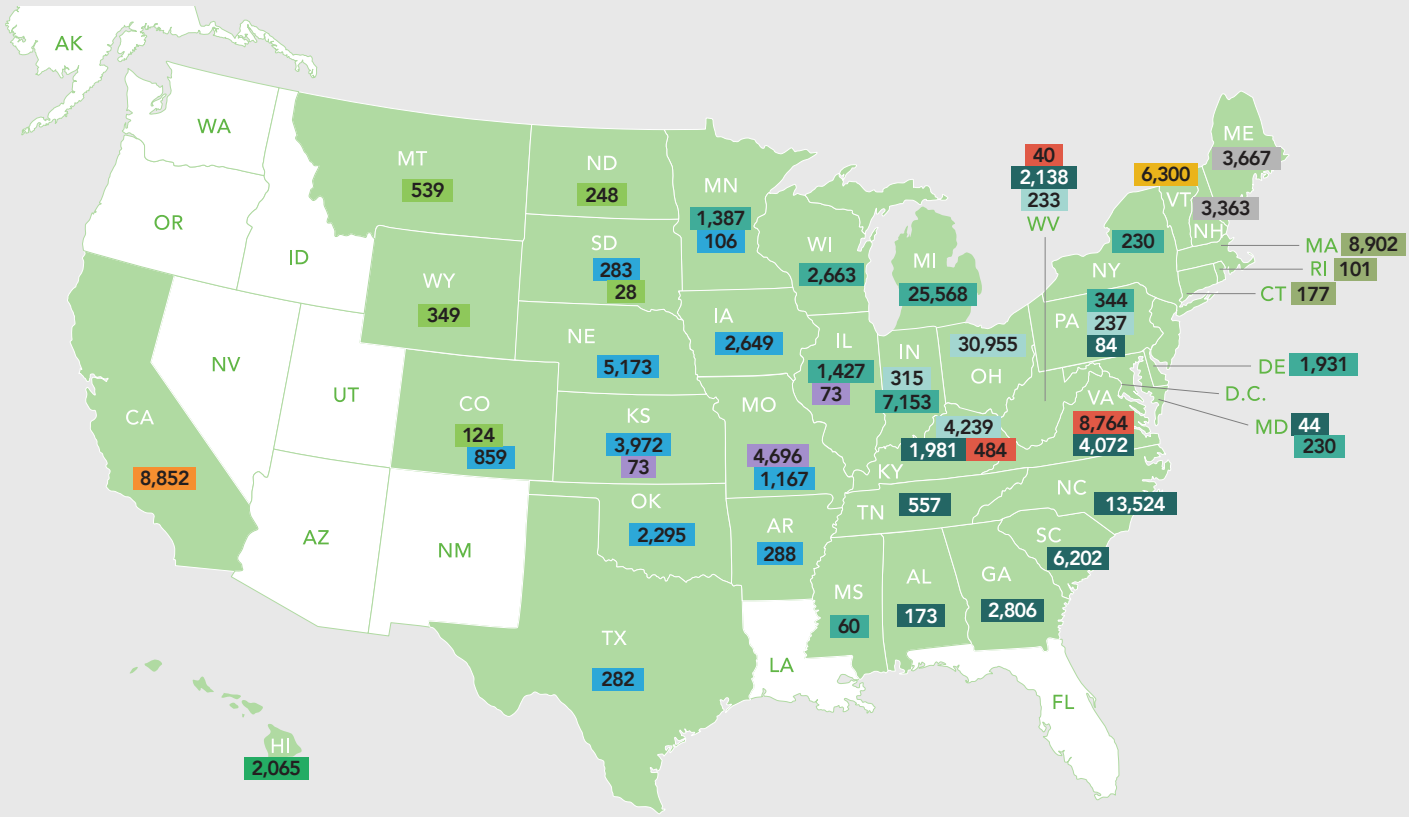
Networking/training opportunities in LIHTC at the NASLEF Annual Conference.

Opportunities to promote your business to the industry.

Contact with peers who network with specific state industries.

APPLY ONLINE AT WWW.NASLEF.ORG/MEMBERSHIP-APPLICATION.

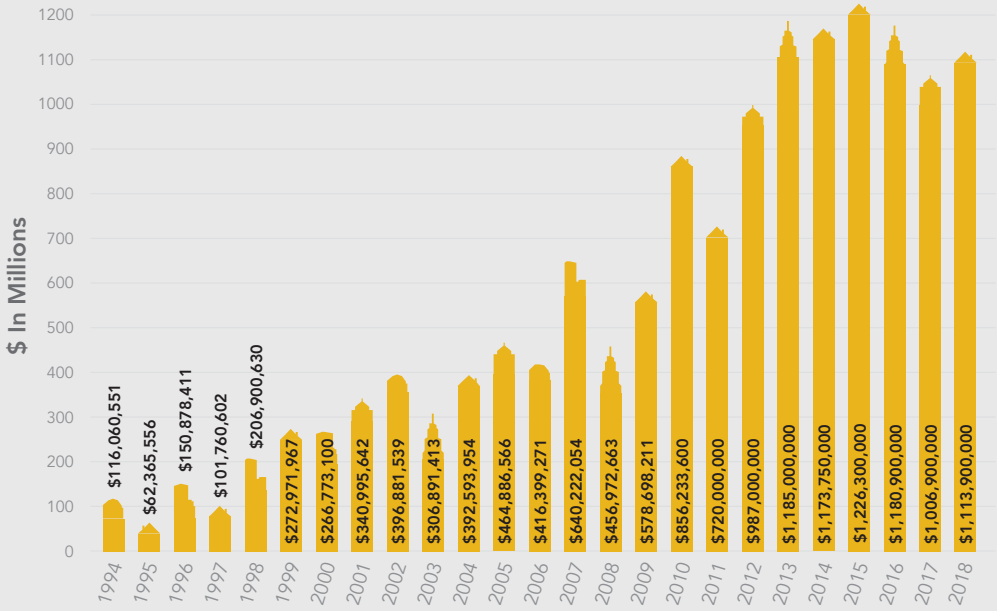
PORTFOLIO OF HOMES BUILT



- CAHEC
- CINNAIRE
- HAWAII HOUSING FINANCE, LLC
- HOUSING VERMONT
- MASSACHUSETTS HOUSING INVESTMENT CORPORATION
- MERRITT COMMUNITY CAPITAL CORPORATION
- MIDWEST HOUSING EQUITY GROUP, INC.
- MOUNTAIN PLAINS EQUITY GROUP, INC.
- NORTHERN NEW ENGLAND HOUSING INVESTMENT FUND
- OHIO CAPITAL CORPORATION FOR HOUSING
- ST. LOUIS / KANSAS CITY EQUITY FUND, INC.
- VIRGINIA COMMUNITY DEVELOPMENT CORPORATION

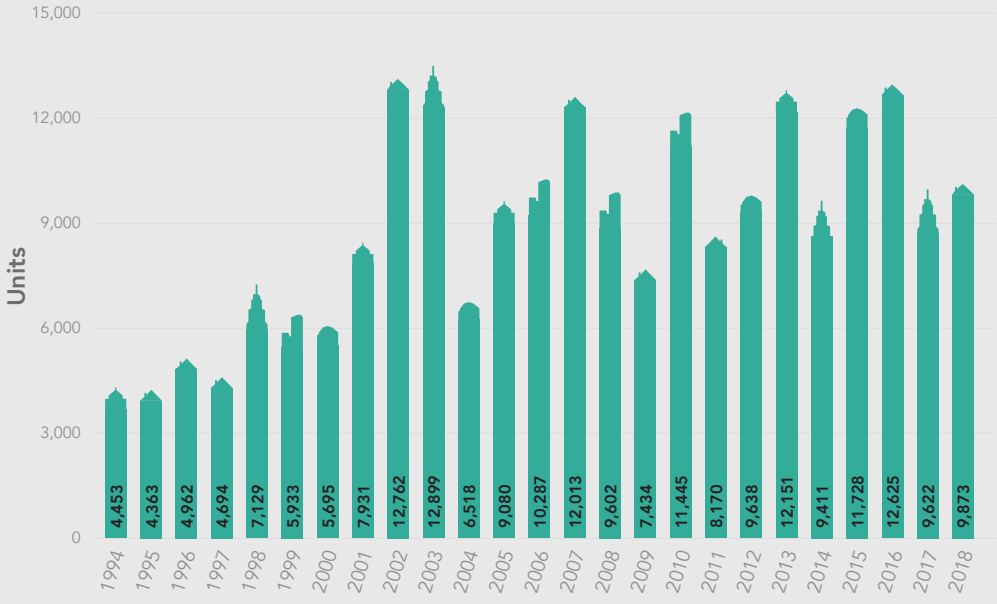
PORTFOLIO OF HOMES BUILT

EQUITY RAISED



Total: $15.6 Billion in Equity

UNITS BUILT



Total: 190,026 Units

NASLEF MISSION: VALUE-ADDED TO PARTNERS

While raising capital to provide affordable housing opportunities is our core business, NASLEF member funds also actively provide value-added services to our partners in the industry. Many member funds serve vulnerable populations by investing resources into programs and activities that impact residents' lives. Member funds have developed philanthropic affiliates and foundations that fund programs that assist residents socially, economically, and educationally.

Examples for 2018 from Member Funds include:

- **The CAHEC/CAHEC Foundation:** As an affiliate of CAHEC, the CAHEC Foundation offers wellness and education initiatives to residents living in areas that CAHEC serves. In addition to CAHEC's current menu of Community Investments grants, the CAHEC Foundation creates opportunities that go beyond affordable housing to help residents receive the critical resources they need to succeed. In 2018, CAHEC and the CAHEC Foundation granted $738,793.
- **Virginia Community Development Corporation (VCDC):** In 2008, VCDC established the Vern Henley Special Initiatives Grant Program that awards VCDC partners grants of up to $40,000 annually. Funds awarded through this program provide activities, services, equipment, or programming to better the lives of residents throughout our portfolio of communities.

  In addition, in 2015 VCDC developed an intensive organizational development program called the Nonprofit Sustainability Challenge (NSC). Over the course of a year, two leaders from each participating nonprofit housing or community development organization identify and pursue the most pressing challenge(s) to the long-term sustainability of their operation. The program helps to ensure success through providing ongoing support by skilled coaches and peer groups, relevant reading assignments, the introduction and reinforcement of useful tools and frameworks that have proven to be successful in driving performance-based outcomes. The program, now approaching its fourth offering, has been the catalyst for significant transformational change in 20 nonprofit participants to date. The fourteen organizations from the first two cohorts have collectively realized over $7,500,000 in improvements to their balance sheets during their year-long participation in the program, allowing those funds to be put back to work in the most vulnerable communities they serve. By the time the fourth cohort is completed in June of 2020, VCDC will have invested over $665,000 to support the Nonprofit Sustainability program, which ultimately be leveraged many times over to benefit the communities served by the program participants.
- **Ohio Capital Corporation for Housing (OCCH's)** philanthropic affiliate, the Ohio Capital Impact Corporation, funds programs targeted to neighborhoods and residents where OCCH has investments in affordable housing. More than $21 million in grants to partners has been awarded since 2012 in these areas: Resident Development Fund, Partners, Neighborhoods, and Community Properties Impact Fund. In 2018, more than $3.8 million was awarded for activities such as summer camp for residents' children, neighborhood initiatives, property improvement, wellness, youth empowerment and engagement activities, senior activities, and the Jerry Grier Scholarship program, which assists residents with post-secondary education.
- **Massachusetts Housing Investment Corporation (MHIC):** MHIC operates a Charitable Contribution budget that starts at $25,000. MHIC also purchases MA Community Investment Tax Credits (CITC) each year, the proceeds of which go directly to eligible CDCs.

NASLEF MISSION
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- **Housing Vermont** is operating the Parsons Platform, a cloud-based data collection and monitoring system for optimizing energy related investments in 12 properties this year. Through constant monitoring, the Platform revealed the water pumps in the district heating plant at Peter Coe Apartments in Middlebury, VT were set much too high, causing excess electricity consumption. A simple adjustment resulted in $1,500 savings annually in reduced electricity usage and less wear and tear on the systems. Further monitoring and analysis allowed HV to optimize the performance of the boiler system and to determine a back-up boiler recommended by the engineer was not needed. This saved the property $15,000 in unnecessary equipment costs and an additional $10,000 annual savings in fuel costs. The $11,500 annual savings realized by the Parsons Platform at Peter Coe Apartments helps support and sustain other important investments that improve residents' lives, such as free Wifi, participation in a local mentoring and enrichment programming and access to a range of services through HV Connections, HV's program to build connections between community resources and residents.
- **Merritt Community Capital Corporation:** Merritt offers funding for educational advancement. In 2016, Francisco State University awarded $23,434 to 3 students and California State University East Bay awarded $9,215 to 1 student.
- **Northern New England Housing Investment Fund's** scholarship program, "Investing in Your Success" is designed to help meet the training needs of our Partners by providing funds to supplement their training budgets. We know training is essential to doing a job well and many organizations are stretched thin right now. This program is one way for us to say: "we value the work you do and we support you". Eligible training includes LIHTC compliance related training, conferences, soft skills and maintenance related training. In 2018, $15k in scholarship funds was disbursed to 38 partners in Maine & New Hampshire helping to support the training of 115 staff.

Other funding includes:

- Providing homeownership grants
- Funding community programs
- Funding food banks
- Providing scholarship opportunities to residents
- Funding neighborhood development
- Providing funds for tutoring, computer classes, and summer camp for residents' children

Member funds engage development and management partners by providing opportunities for training and education on a regular basis. Examples include:

- Holding annual affordable housing conferences with industry speakers
- Providing property management training
- Providing individualized training to partners
- Developing training on energy, construction, and asset management
- Providing compliance training to property managers
- Offering a training academy to partners which provides property management and maintenance courses

NASLEF MISSION
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Member funds recognize that importance of providing technical assistance to partners navigating HUD and Housing Finance Agencies programs. Assistance is given in:

- Understanding and usage of HOME funds
- HUD Section 8 regulations
- Development consulting
- Understanding RAD and mixed-finance funding
- Rural development assistance
- Housing agency programs and funding

Member funds are actively involved in state and federal housing policy issues, engaging lobbyists, and serving on:

- Local housing councils and agencies
- Boards and executive committees of housing trade associations
- Legislative Advocacy groups

Member funds focus on raising capital and providing equity for affordable housing development and preservation. Many funds also offer loan products or operate a Certified Development Financial Institutions Program that offers:

- Predevelopment and acquisitions lending products
- Bridge loan financing
- Gap financing
- Construction loan financing
- Permanent financing
- New Markets Tax Credits (NMTC's)