

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 2019, member funds have raised over \$16.9 billion in equity capital for rental housing developments throughout the country, creating or rehabilitating more than 201,125 units of affordable housing in 4,175 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



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Deputy Executive Director
Columbus, Ohio

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Northern New England
Housing Investment Fund

Bob Newman
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Development Corporation

John Kennedy
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Immediate Past President
Ohio Capital Corporation for
Housing



PRESIDENT'S MESSAGE



Bill Shanahan **NASLEF President**

On balance, 2019 was another solid year for NASLEF members and the continuing success of the Housing Credit program. Compared to recent years, 2019 was stable with continuing strong support from investors and no major events negatively affecting the Housing Credit program. In fact, the Housing Credit program is garnering increasing bipartisan political support and the success of the program is being talked about more now than ever before.

I always thought the NASLEF tag line, Local Presence, National Impact said volumes about NASLEF and the work we do. In this report you'll see that a dozen organizations working in 41 states have consistently invested \$1 billion dollars annually which translates to roughly 10,000 units of affordable housing a year. Because of our local focus and our connection to the communities we serve, we are often asked to invest in developments that might otherwise not get funded. Nevertheless, our portfolios have always compared favorably with industry benchmarks.

As an organization, NASLEF is evolving. For all the reasons NASLEF members came together to better understand how the LIHTC program might work and how they could deploy it locally to create affordable housing, NASLEF members are leveraging their skills and resources to complement their syndication work. As an example, many NASLEF members are actively developing community development lending platforms, others have taken on property management and others have been active in New Market Tax Credits. There is one constant in all this and that is the free exchange of information among members. It happens at many levels – smaller meetings of NASLEF members focused on asset management, fund management, corporate administration and emerging leaders or at our national conference. Last fall Ohio Capital Corporation hosted a very successful, national conference in Cleveland. In 2020, CAHEC will host us all in Nashville.

The continuing success of the Housing Credit program and NASLEF members evolving to expand their impact is directly related to the ever-increasing need for affordable housing. People continually have difficulty finding affordable housing and when they do find housing, the cost of that housing limits their ability to afford other essential household expenses. Congress and others are now more than ever coming to view affordable housing as something that is fundamental.

This all means that NASLEF members can take a certain amount of pride in championing a response to the acute need for affordable housing. Going forward, NASLEF members will find themselves uniquely positioned to be part of the ever-broadening coalition concerned about housing needs. NASLEF members will surely continue to shape how others view housing and work to provide housing to those that need it the most.

LEGISLATIVE UPDATE



Robert Rozen

March 17, 2020

The Low-Income Housing Tax Credit community made huge progress during 2019 in our efforts to build support for affordable housing while at the same time working to obtain cosponsors for legislation to expand and strengthen the Housing Credit program. Last June, the Affordable Housing Credit Improvement Act of 2019 (AHCIA) was reintroduced in both the Senate (S. 1703 by Senators Cantwell (D-WA) and Young (R-IN)) and the House (H.R. 3077 by Congresswoman DelBene (D-WA) and Congressman Marchant (R-TX). As I write this in March of 2020, the House version of the bill has now obtained cosponsorship of more than half the members of the House of Representatives, 221 of the 435 Representatives.

That level of congressional support is a testament both to the hard work of the affordable housing community and the seriousness of the affordable housing crisis in our nation. Indeed, in my long experience working on affordable housing policy at the federal level I have never seen such a high level of support and concern for affordable housing issues.

That is in large part due to the extent of the affordability crisis which exists across the country in every state. Prior to the coronavirus outbreak, strong economic conditions produced low unemployment rates that heated up housing markets. Yet economic gains have been uneven and incomes of those at the bottom have not improved sufficiently to enable them to afford higher rents.

According to the National Low-Income Housing Coalition, extremely low-income renters in the U.S. face a shortage of 7 million affordable rental units. Only 36 affordable homes exist for every 100 extremely low-income renter households. This has led to more than seventy percent of the nation's approximately 11 million extremely low-income renter households to be severely housing cost-burdened, spending more than half of their incomes on rent and utilities. While the problem is most acute for the lowest income, the crisis is broader than that. According to the latest Harvard Joint Center on Housing Studies report, "vacancy rates are at decades-long lows, pushing up rents far faster than incomes. Both the number and share of cost-burdened renters are again on the rise, especially among middle-income households."

Policymakers are increasingly aware of this situation and more inclined to act now than we have seen in the past. Indeed, almost every Democratic presidential primary candidate proposed robust affordable housing programs at a scale and cost that may be unprecedented. Almost all of those campaign proposals included increases in the Housing Credit program.

While the level of support for more Housing Credit resources is clearly a function of the overwhelming need for more affordable housing, it is also a testament to the sterling record we have been able to develop for the program as an effective and highly flexible means of providing affordable housing to fit diverse needs in varying geographies. The great success of the program – in serving rural, suburban and urban areas by providing housing to special needs populations, the elderly, the homeless, families and now increasingly public housing residents – gives elected officials a strong reason to support the program. This success is not by accident; it is a result of a positive role that each part of the industry plays – from housing finance agencies, to credit syndicators, developers, property managers, and industry consultants.

Each of us can be proud of the contributions we make toward making the Housing Credit program a success. But, of course, as we so often say, we cannot be satisfied with our strong record so far. We can't assume election officials are automatically aware of how great the Housing Credit program is. We must continue to run the best program possible to serve families in need with quality affordable housing while also educating elected officials on both the overwhelming need for more resources and why the Housing Credit is a major part of the answer.

NASLEF DIRECTORS

2019 NASLEF DIRECTORS

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St. Louis/Kansas City
Equity Fund, Inc.

Robert Newman

President & CEO
Virginia Community
Development Corporation



NASLEF WELCOMES ARI BELIAK



Ari Beliak joined Merritt Community Capital Corporation as President and Chief Executive Officer July 29, 2019. Ari comes to Merritt from Bank of America where he served as a Senior Vice President in Bank of America Merrill Lynch's Community Development Banking group leading a team of experts who provided debt and equity solutions to affordable housing developers based in Northern California, Nevada, and Colorado. Ari has been credited with reestablishing the bank as a leader in affordable housing in Northern California and expanding into Nevada. In addition, he was the key driver in Bank of America's \$2.2 billion financing of the nation's largest affordable housing project, the San Francisco Rental Assistance Demonstration.

Ari has dedicated himself to attracting professionals into affordable housing via his management and expansion of the Bank of America Low-Income Housing Challenge, a business plan competition and supporting industry leadership and mentorship programs. In 2016, he was recognized as a "Top 40 under 40" in the San Francisco Business Journal. Prior to Bank of America, Ari practiced law for Sidley Austin LLP, served in various real estate finance capacities for Wells Fargo Bank, including their affordable housing group, and was a management consultant for A.T. Kearney. He earned his undergraduate degree at the University of California, Berkeley and a JD/MBA from UC Hastings College of Law and UC Berkeley's Haas School of Business.

Welcome to NASLEF, Ari!

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 **\$2,600 + 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 \$2,600 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.

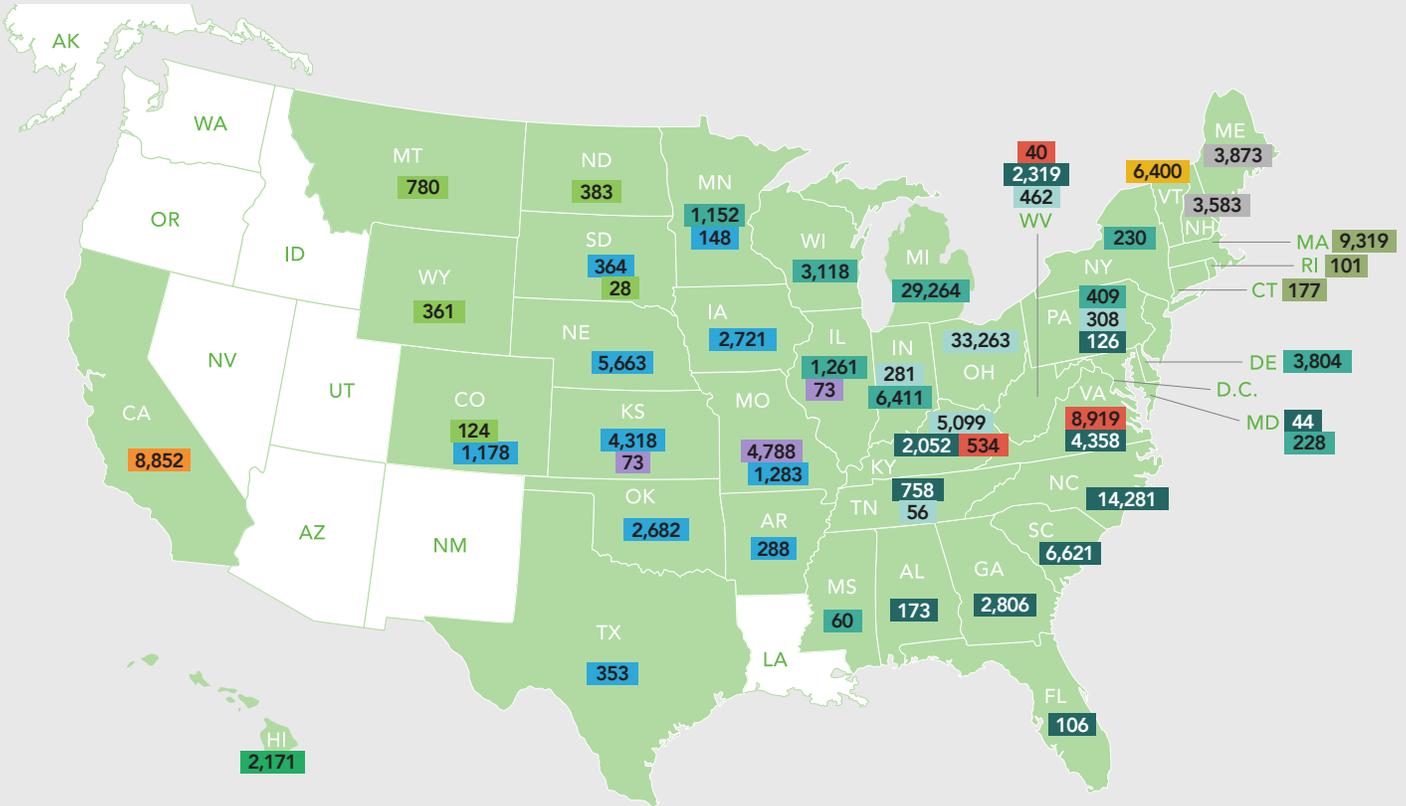
Networking/training opportunities in LIHTC at the NASLEF Annual Conference.

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

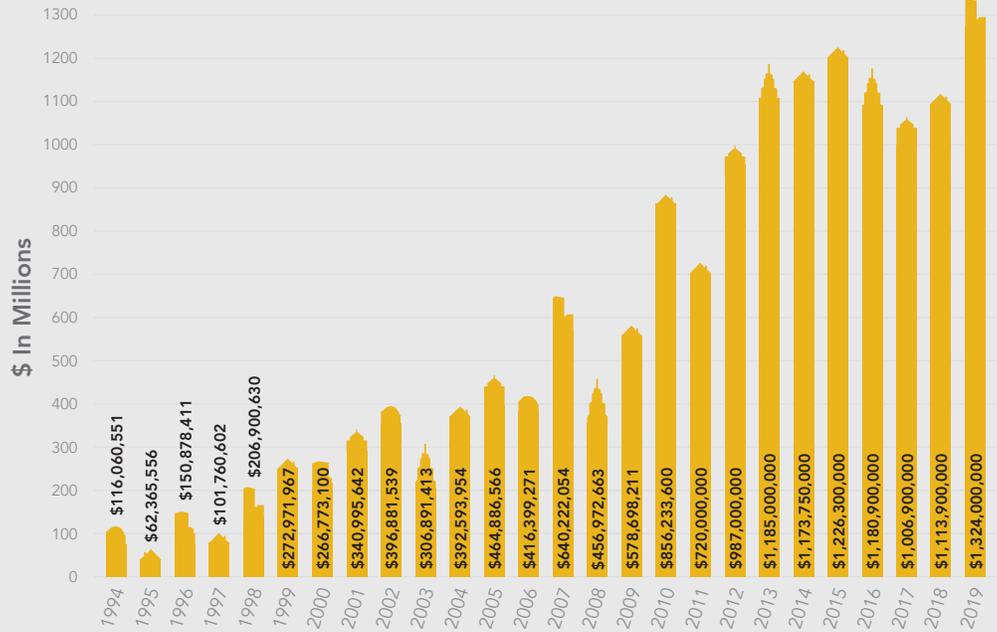


- CAHEC
- CINNAIRE
- HAWAII HOUSING FINANCE, LLC
- HOUSING VERMONT
- MASSACHUSETTS HOUSING INVESTMENT CORPORATION
- MERRITT COMMUNITY CAPITAL CORPORATION
- MIDWEST HOUSING EQUITY GROUP, INC.

- 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

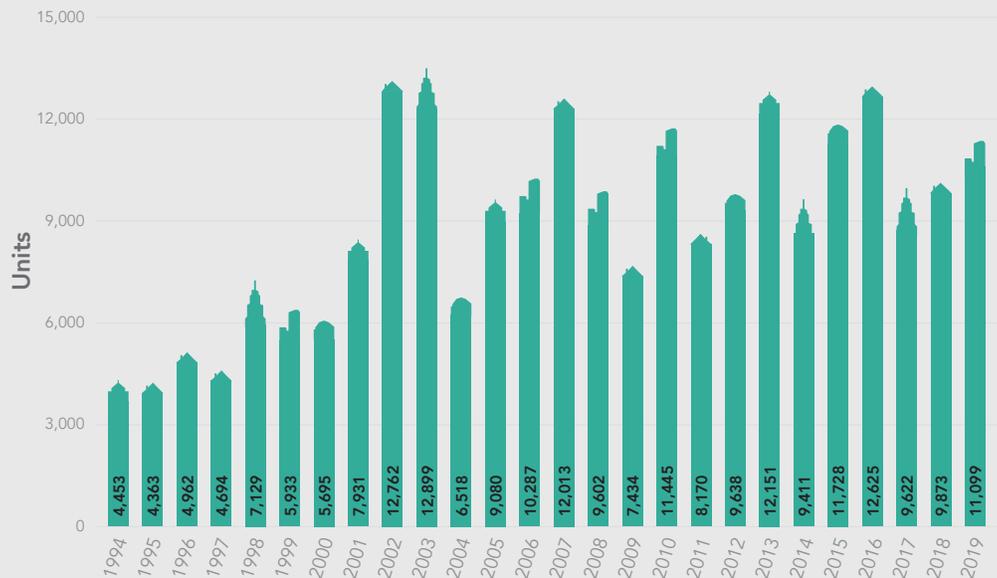
PORTFOLIO OF HOMES BUILT

EQUITY RAISED



Total: \$16.9 Billion in Equity

UNITS BUILT



Total: 201,125 Units

NASLEF MISSION

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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 2019 from Member Funds include:

- **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. In 2019 MHIC purchased over \$310,000 in CITC's.
- **The 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 \$735,202.
- **Merritt Community Capital Corporation:** Merritt concentrates on funding educational research into affordable housing and supporting students who either lived in affordable housing or are interested in joining the industry post-graduation. In 2019, Merritt supported San Francisco State and Cal State Easy Bay with approximately \$65,000.
- **Cinnaire** staff members developed and launched *Cinnaire Cares* in 2017 as a companywide 100 percent staff funded and driven charitable program. *Cinnaire Cares* provides an opportunity for staff members to directly support Cinnaire's mission by contributing twice monthly to a fund established to benefit staff nominated charities. Since 2017, 25 community serving organizations across Cinnaire's footprint have been awarded a total of more than \$54,000. In addition to contributing to *Cinnaire Cares*, Cinnaire staff have unlimited paid time off to volunteer their time to serve non-profits and charities that align with their personal missions.
- **Housing Vermont:** HV Connections is a five-year initiative that Housing Vermont launched in January 2016 to enhance resident experiences and opportunities by connecting them with outside organizations, resources and activities. In 2019, HV Connections focused on food security and sustainability.

In recognition of the significant impact community gardening has on community building and well-being, in 2019 HV Connections contracted with the Vermont Community Garden Network to provide coordination of gardening and social enrichment activities at 7 developments, 3 of which have never had gardens previously.

The University of Vermont Extension's Expanded Food and Nutrition Education Program provided cooking and nutrition classes to residents at two Housing Vermont sites. With an emphasis on nutritious cooking with limited financial resources, residents developed strategies for stretching their grocery dollars to purchase healthy foods and how to cook for even the pickiest of eaters.

A resident-created food shelf at an apartment site in St. Johnsbury, VT nearly closed in 2018 before HV Connections was able to step in to provide enough funding to sustain the food shelf through 2021. The food shelf is 100% resident managed and provides convenient access and hours in a community room on site.

NASLEF MISSION

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- **St. Louis Equity Fund, Inc.:** The St. Louis Equity Fund awarded for the second year \$15,000 in grant funding for resident services programs in 2019. Grants of up to \$2,500 were awarded to the Equity Fund's 501(c)(3) non-profit managing and development partners who demonstrated a need for items and programs such as exercise equipment, computers, rent and utility assistance, home buyer education workshops and assistance with job training.
- **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 \$24 million in grants to partners has been awarded since 2012. In 2019, more than \$3 million was raised for activities such as summer camp for residents' children, youth empowerment, senior engagement, and the Jerry Grier Scholarship program, which assists residents with post-secondary education.

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

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

NASLEF MISSION

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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)

