

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 35 states, NASLEF Active Members raise capital for affordable rental housing developments that qualify under the Low Income Housing Tax Credit (LIHTC) program. Collectively through 2020, member funds have raised over \$17.86 billion in equity capital for rental housing developments throughout the country, creating or rehabilitating more than 206,659 units of affordable housing in 4,306 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
Executive Director
Columbus, Ohio

BOARD MEMBERS

Bill Shanahan
President
Evernorth

Bob Newman
Vice President
VCDC

John Kennedy
Treasurer
St. Louis Equity Fund, Inc.

Jim Peffley
Secretary
Cinnaire



PRESIDENT'S MESSAGE



Bill Shanahan **NASLEF President**

Where do you begin when you reflect back on 2020? It felt like business as usual until March, then the bottom seemed to fall out. It was a period of time before we all got our bearings. What we saw emerge was a whole new appreciation for housing – home, a sanctuary, a safe place, refuge. People were focused on the importance of housing like we had not seen before.

NASLEF members reacted to the pandemic by rallying together and soon were meeting to compare notes on how other NASLEF organizations were responding to all the changes brought on by the pandemic. Of immediate concern were the people that live in properties we had developed. We had projects under construction that were challenged by construction delays and supply chain issues. Not to mention the adjustments that had to be made as we closed down our offices. It was impressive how NASLEF members quickly turned to other members for mutual support.

As 2020 unfolded, NASLEF members were able to push forward and continued to raise funds for Housing Credit investments and create or preserve affordable housing units at a pace that was consistent with prior years. This was due in large part to the relationships NASLEF members had established with their investment partners and because of the talented staff at each of the NASLEF member organizations.

As the year came to a close, there was hope that we could control the spread of the virus but there was still a lot of work to do. In November we held local and national elections that brought changes at the State level, Congress and we elected a new President. There was a certain amount of positive energy. But grounded in all that was a sense of loss and sadness for all those that had experienced the worst of the pandemic. NASLEF members took stock in what they had accomplished in 2020 and it became apparent that the work NASLEF members had done over the years to maintain their local presence and expand operations meant they were in a much better position to fend off the kind of disruption that a pandemic can cause.

If I dare look out into 2021 and beyond, I expect to see an evolving NASLEF organization that will reflect changes that members are making to the way they have traditionally worked in the affordable housing industry. NASLEF members have leveraged the experience they gained working with the Housing Credit program to address expanded housing and community development initiatives. This work has been hugely successful. NASLEF's identity has been state and local but NASLEF has developed a national reputation for being distinct with mission as a motivator. NASLEF may evolve but it will continue to be a differentiator in the market because our investor and developer partners have come to count on us for that.

LEGISLATIVE UPDATE



Robert Rozen

The Low-Income Housing Tax Credit community continues to score victories in Congress as we seek more resources for affordable housing development to help respond to the nationwide shortage of affordable housing. Most noteworthy in 2020 was the enactment of the minimum 4% tax credit after many years of effort. This will make it much more financially feasible to develop Housing Credit properties using tax-exempt bonds and should be especially consequential in lower income rural states where multifamily bond usage has been financially infeasible. According to an analysis by Novogradac Inc., the 4% minimum credit should increase affordable housing unit production by nearly 130,000 units over the next decade.

Our success obtaining enactment of this provision is testament to the strong bipartisan support the Housing Credit program has been able to generate. In fact, the major Housing Credit legislation the industry has been working on, the Affordable Housing Improvement Act (AHIA), attracted the cosponsorship of 234 members of the House – over half the body – and 42 U.S. Senators in the last Congress. This level of support does not happen by itself but requires the hard work all parts of the Housing Credit community have devoted to telling the story of affordable housing and the great need for more resources.

Of course, only one provision from the AHIA was enacted last year – albeit one of the most important – so we need to build on that success to get more provisions enacted. In that regard, the 2020 elections may prove to be quite important for affordable housing. During the presidential campaign, President Biden put forth perhaps the most ambitious program for affordable housing in the history of presidential contests, including proposing more resources for the Housing Credit program. In addition, we have a new chairman of the Senate Finance Committee, Ron Wyden (D-OR), who has been a strong supporter of the Housing Credit program. Last year, he joined together with the chairman of the House Ways and Means Committee to author major affordable housing legislation that included several changes to the Housing Credit program, some taken from the AHIA.

These changes were included in major infrastructure legislation that passed the House in 2020. That legislation was groundbreaking, not only because it proposed considerably more resources for affordable housing – almost \$90 billion over ten years – but also because it established the precedent that affordable housing is an essential part of the nation's infrastructure and belongs in any major infrastructure bill. Senator Wyden, joined by our main Housing Credit advocate in the Senate – Senator Cantwell – took the affordable housing provisions from the House infrastructure measure and introduced a separate bill, the Emergency Affordable Housing Act of 2020. While these measures ultimately were not enacted into law, they serve as a good basis for legislation in the new Congress.

Now that we are in the 117th legislative session, the expectation is that there will be a major effort to move an infrastructure bill this summer that will include much of President Biden's initiatives. We have high hopes that this legislation will once again contain an affordable housing title that will include many of the provisions from the AHIA. Legislating in the Senate is particularly difficult given the 60 vote threshold required to overcome filibusters so the Democratic leadership intends to use a special budget reconciliation process that permits consideration of fiscal measures with a simple majority vote. This was the process used to pass the \$1.9 trillion COVID relief bill in March 2021 and the 2017 tax cut bill that reduced the top corporate tax rate to 21% among other items. Even with a simple majority vote, the prospects for enactment of a major infrastructure bill are by no means certain given the 50-50 Senate split and the likely opposition of Republican Senators, but this is our best opportunity.

It is both a point of pride and a strategic advantage for us that the Housing Credit has always enjoyed bipartisan support and we must work to maintain that status as we continue to engage our elected officials. Inclusion in what may turn out to be a partisan infrastructure bill will not change that situation as long as we continue to work closely with both our Republican and Democratic supporters.

NASLEF DIRECTORS

2020 NASLEF DIRECTORS

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Executive Officer
CAHEC

Mark McDaniel
President & CEO
Cinnaire

Bill Shanahan
Nancy Owens
Presidents
Evernorth

Stacy L. Sur
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Finance, LLC

Elizabeth Hibbard
Director of Capital Development
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Ari Beliak
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Merritt Community
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Mountain Plains
Equity Group, Inc.

Catherine Cawthon
President & CEO
Ohio Capital Corporation
for Housing

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

Bob Newman
President & CEO
VCDC



NASLEF WELCOMES NEW DIRECTORS



Elizabeth Hibbard, Massachusetts Housing Investment Corporation (MHIC)

Elizabeth (Liz) joined MHIC in October 2020 as Director of Capital Development. Liz is a passionate real estate professional with nearly fifteen years of experience in commercial real estate investing/lending. Prior to her appointment at MHIC, she served as a Senior Credit Officer on the Commercial Real Estate lending credit team at State Street, which included credit authority for Tax Advantaged Investments. Before joining State Street, Liz spent four years at Citizens Bank, building out a formalized Community Development equity investment platform and contributed to strategic initiatives including collaboratively pioneering the Bank's efforts to build out a New Market Tax Credit investment structure.

Liz also represented Citizens on the Affordable Housing Investors Council (AHIC) Planning Committee. Prior to that, Liz was actively engaged for over five years in the asset management and origination of low-income housing properties with a national tax credit syndicator. In addition to her professional endeavors, Liz continues to foster her passion of charitable skills-based volunteering throughout the community. Liz is the Vice Chair of the Norwell Community Housing Trust. She is also on the Board of Trustees/Grant Review Committee for Charlesbank Homes, a non-profit with the mission to support the development of affordable housing throughout the Commonwealth of Massachusetts. Most recently, Liz was appointed to the Board of Overseers for the Boston Children's Museum where she is supporting fundraising efforts for the proposed "Our City: Building Kindness and Empathy Exhibition". Liz is a graduate of the University of Massachusetts Amherst with a Bachelor of Arts in Political Science and a double-minor in Psychology and Sociology.



NASLEF WELCOMES NEW DIRECTORS



Catherine Cawthon, Ohio Capital Corporation for Housing (OCCH)

Catherine Cawthon is President and CEO of Ohio Capital Corporation for Housing. Catherine comes to OCCH from Fifth Third Community Development Corporation where she served as President and was responsible for business development, origination and asset management functions for the bank. The Fifth Third CDC invests in community projects that support affordable housing, economic revitalization and stabilization as well as job creation. The CDC's portfolio includes low-income housing, historic and new market tax credit projects as well as investments to CDFI's. Under her leadership, Fifth Third CDC invested over \$4.5 billion in more than five hundred projects.

As President and CEO at OCCH, Catherine oversees all corporate policy and fiscal affairs, including securing corporate investors for Low Income Housing Tax Credit equity funds and coordinating efforts to develop housing projects receiving equity investment from the Ohio Equity Funds. To date, Ohio Capital Corporation has raised more than \$5 billion in corporate equity for LIHTC projects involving more than 900 transactions and 50,000 units of affordable housing in Ohio, Kentucky, and surrounding states.

Catherine has served on boards including Affordable Housing Investor Council, United Way, Local Initiatives Support Corporation and the Ohio Community Development Finance Fund. Currently, Catherine serves on the Ohio Housing Council and Council for Rural Housing in Ohio's Advisory Board and Chairs the Joint Columbus and Franklin County Housing Advisory Board.

Catherine graduated from Illinois State University and earned an MBA from Indiana Wesleyan University.



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.

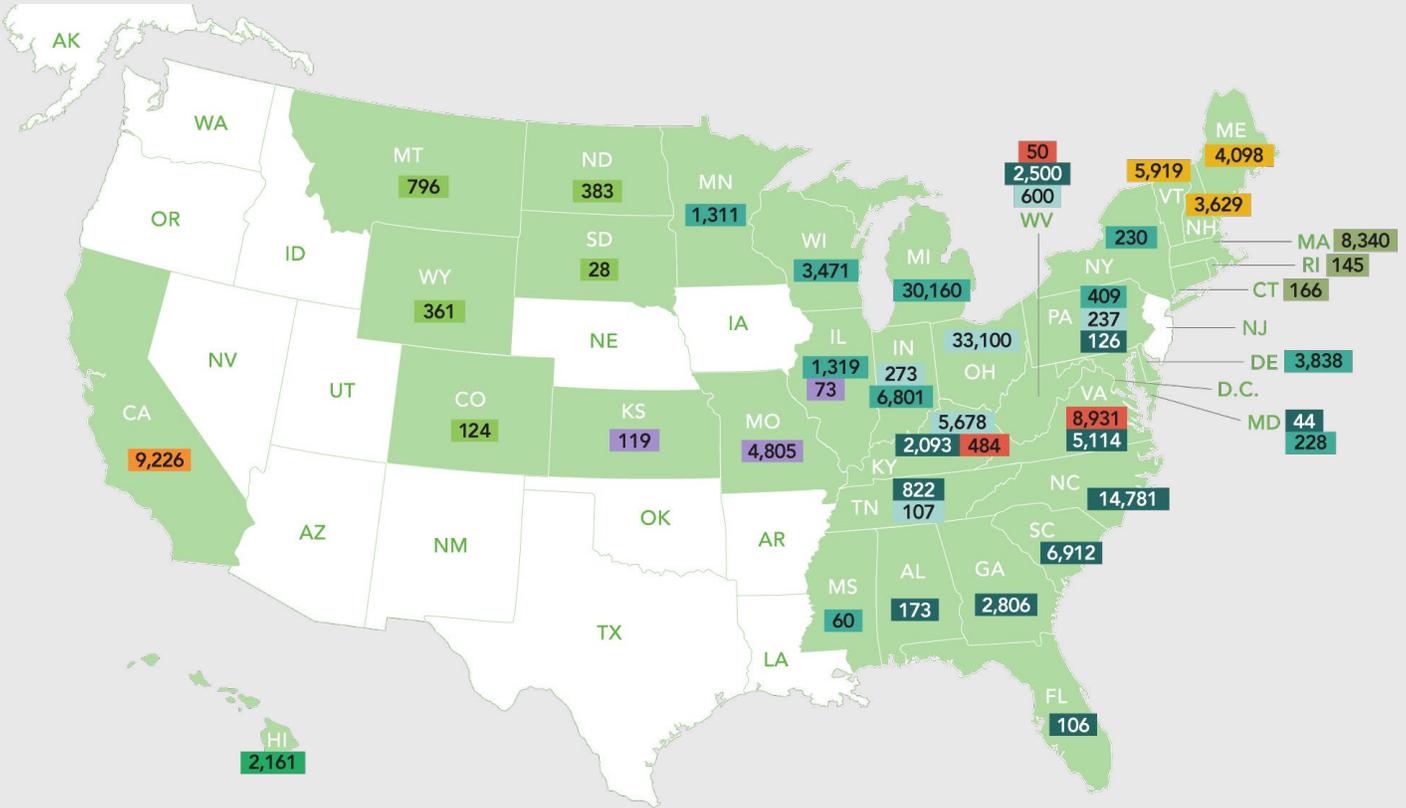
Networking/training opportunities in LIHTC at the NASLEF Annual Conference.

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

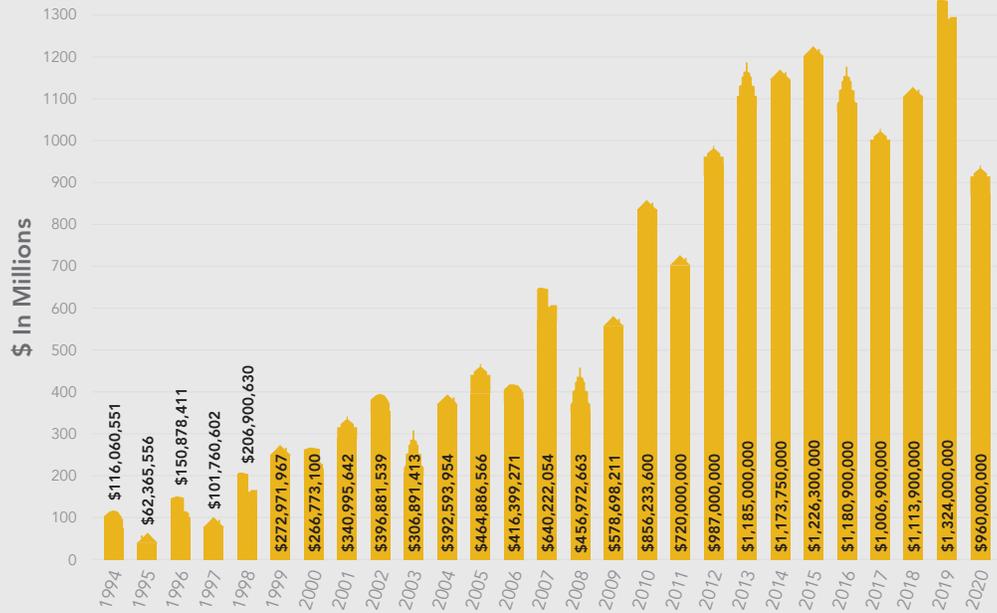


- CAHEC
- CINNAIRE
- EVERNORTH
- HAWAII HOUSING FINANCE, LLC
- MASSACHUSETTS HOUSING INVESTMENT CORPORATION
- MERRITT COMMUNITY CAPITAL CORPORATION

- MOUNTAIN PLAINS EQUITY GROUP, INC.
- OHIO CAPITAL CORPORATION FOR HOUSING
- ST. LOUIS / KANSAS CITY EQUITY FUND, INC.
- VCDC

PORTFOLIO OF HOMES BUILT

EQUITY RAISED



Total: \$17.86 Billion in Equity

UNITS BUILT



Total: 206,659 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 2020 from Member Funds include:

- **Massachusetts Housing Investment Corporation (MHIC):** MHIC operates a Charitable Contribution budget that starts at \$127,000. MHIC also purchases MA Community Investment Tax Credits (CITC) each year, the proceeds of which go directly to eligible CDCs. In 2020 MHIC made \$479,450 in charitable contributions including \$380,800 in CITC contributions purchasing \$190,400 in CITCs.
- **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 2020, CAHEC and the CAHEC Foundation granted \$695,102.
- **Merritt Community Capital Corporation:** Merritt leads with mission across California. With the generous support of its investors, at the end of 2020 Merritt donated \$350k to all of its 82 property partners to help offset some of the pressures that residents are grappling with, providing assistance to nearly 16,000 people. In addition to direct assistance to tenants, Merritt is investing to create a more just, diverse, equitable and inclusive industry. By partnering with organizations like the California Coalition for Rural Housing (CCRH), LISC LA, Non-Profit Housing Association of Northern California (NPH), San Diego Housing Federation, and Southern California Association of Nonprofit Housing (SCANPH), Merritt supports the major affordable housing internship programs across the state, fostering the industry's future leaders. Merritt was able to provide over \$50,000 in scholarships to local students in 2020 alone, and a cumulative \$460,000 over the years.
- **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, 35 community serving organizations across Cinnaire's footprint have been awarded a total of more than \$70,000. 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.
- **Evernorth Connections** is an initiative launched in 2016 to enhance resident experiences and opportunities by connecting them with outside organizations, resources and activities.

Digital connectivity: the Connections Program is part of a cross-departmental effort to expand free internet access to more affordable housing residents. Evernorth currently offer free public Wi-Fi in 13 properties, for a total of 441 units. An additional four properties are contracted for Wi-Fi installation, and 9 are under consideration.

Resident outreach: the Connections Program has been conducting a monthly survey to illuminate the impacts of COVID on affordable housing residents and reporting the results of this survey out to our network.

Resident input on building design and community-building: the Connections Program, in conjunction with the Development and Project Management teams, conducts one-year post-occupancy surveys with residents to get input on design features and the ways that our buildings can facilitate or inhibit the development of a vibrant community.

NASLEF MISSION

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Community Gardens: the Connections Program continues to support a pilot project with the Vermont Community Garden Network to provide support for community gardening at a number of properties. We are working on developing a sustainable community garden program that can be expanded to more of our partners and properties.

Children's storytelling/literacy project: The Connections Program has partnered with the Children's Literacy Foundation (CLiF) to provide storytelling and book giveaway events for children who reside in Evernorth properties as well establishing community libraries at the properties.

- **St. Louis Equity Fund, Inc.:** The St. Louis Equity Fund awarded grant funding for resident services programs in 2020 for the third year. 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 funds for renovating an onsite beauty salon, activity boxes for senior residents, move-in baskets, catered holiday dinners delivered to resident's houses and funds to stock a COVID stay safe supply cart. A total of \$20,500 was awarded to 19 partners in 2020.
- **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 \$25 million in grants to partners has been awarded since 2012. In 2020, more than \$2 million was raised for activities such as economic and rental assistance, scholarships, after-school and summer activities, at-home learning, computers and Wi-fi, senior outreach and engagement, and services for people at risk for homelessness.

The COVID-19 Pandemic has had a devastating impact on the social and economic well-being of low-income renters. With an eviction crisis looming, OCCH and its investors created the Resident Impact Emergency Fund (RIEF) to assist partners and their residents in rent payments to lessen the financial burdens caused by the pandemic. Contributions benefitted organizations aiding those in need and households struggling to pay rent. Rental assistance payments were made to project owners who agreed to forgive nonpayment of rent and forgo evictions.

- **VCDC:**

Mission Elevation Program: The Mission Elevation Program was founded and is facilitated by VCDC, and is an extension our dedication and support of the nonprofit network working to make communities vibrant for all residents. Through retreats, private consultation and group sessions, this program gives nonprofits a laser focus on performance challenges and how to overcome them to achieve long-term goals, mission impact and bolster their capacity.

Vern Henley Special Initiatives Grant: Named for the President, Chairman and CEO of Consolidated Bank and Trust, the first minority-owned and operated bank in the United States, this program give opportunities to nonprofits to apply for grants of up to \$8,000 for special initiatives benefiting those residing in affordable housing in our service area. From computer lab equipment to library supplies, career planning programs and playground equipment – this fund is dedicated to enhancing the quality for residents of affordable housing.

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

NASLEF MISSION

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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

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)

