

NMTC PROGRAM

QEI Issuance Thresholds for the CY2017 Allocation Round

In recognition of the larger than normal allocation of New Markets Tax Credits awarded through the combined calendar years (CY) 2015 and 2016 round, the Community Development Financial Institutions Fund (CDFI Fund) today released the Qualified Equity Investment (QEI) Issuance thresholds that will be in place for the 2017 Allocation round in anticipation of the round's opening in the first quarter of CY 2017. Community Development Entities (CDEs), or Affiliates, that have received allocation awards in prior Allocation rounds shall be deemed to have met the minimum QEI issuance threshold if the QEIs are properly reported in the CDFI Fund's Allocation Tracking System by the deadline.

The minimum thresholds for each allocation round are as follows:

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|---------------------------------|---|
| CY 2011 Allocatees: | 100% minimum QEI issuance for the CY 2011 Allocation awards as of 11:59 p.m. ET on July 20, 2017. |
| CY 2012 Allocatees: | 80% minimum QEI issuance for the CY 2012 Allocation awards as of 11:59 p.m. ET on July 20, 2017. |
| CY 2013 Allocatees: | 70% minimum QEI issuance for the CY 2013 Allocation awards as of 11:59 p.m. ET on July 20, 2017. |
| CY 2014 Allocatees: | 50% minimum QEI issuance for the CY 2014 Allocation awards as of 11:59 p.m. ET on July 20, 2017. Rural CDEs awarded in CY 2014 will be required to issue as QEIs a minimum of 30% of their CY 2014 allocations. |
| CY 2015-2016 Allocatees: | 30% minimum QEI issuance for the CY 2015-CY2016 Allocation awards as of 11:59 p.m. ET on July 20, 2017. Rural CDEs will not be required to issue a minimum amount of their CY 2015-2016 Allocation awards. |

Allocatees from Multiple Rounds: Allocatees that have received multiple allocations between CY 2011 and CY 2015-2016 that do not meet the minimum threshold for a specific round can also meet the minimum QEI issuance requirements on a cumulative basis. A CDE that received multiple NMTC allocation awards between CY 2011 and CY 2015-2016, shall be deemed to have met the QEI issuance thresholds, if it has issued and finalized a minimum of 90% of their cumulative allocation amounts by 11:59 p.m. ET on July 20, 2017.

Rural CDEs that received allocations under the CY 2014 allocation round may choose to exclude such allocations from this cumulative calculation, provided that the Allocatee issued at least 20 percent of QEIs relating to its CY 2014 allocation as of 11:59 p.m. ET on July 20, 2017.

Rural CDEs that received allocations under the CY 2015-2016 allocation round may choose to exclude such allocation from this cumulative calculation.