



MCDE Training Workshop

NCIF Exemplar Documents

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FOR DISCUSSION ONLY

Sample: Master Checklist for NMTC Parties

[Deal Name]

[Involved Party names]

Anticipated Closing Date:

Transaction Role	Owner(s)	"Defined Term"	Contact	Phone	Email	Legal Name
Investment Fund		"The Fund"				
NMTC Investor & Sole Member of the Fund		"Fund Member"				
Leverage Lender		"Leverage Lender"				
Senior Lender		"Senior Lender"				
NMTC Allocatee		"NMTC Allocatee"				
Borrower		"QALICB"				
Accountants						
Fund/Investor Counsel						
NMTC Allocatee Counsel						
Borrower's Counsel						
Lender's Counsel						



Pre-Documentation Items						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
TERM SHEETS/INTAKE FORM/Financial Model						
1	NMTC Allocation Term Sheet					
2	NMTC Equity Investor Term Sheet					
3	Leverage Loan Term Sheet					
4	QALICB Intake Form					
5	Fee Disclosure Form					
NMTC QUALIFICATION DUE DILIGENCE						
6	Identification of eligible census tracts Geocode					
	a) Pre-Close					
	b) Dated as of Closing Date					
PROJECTIONS						
7	Draft (partial) Financial Model					



FOR DISCUSSION ONLY

Organizational Documents for Borrower and Guarantor						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
BORROWER, QALICB: ORGANIZATIONAL, LEGAL EXISTENCE, AND AUTHORITY DUE DILIGENCE						
1	Certificate of Good Standing (dated no sooner than 30 days before closing)					
2	Articles of Incorporation (w/ amendments)					
3	Bylaws					
4	Corporate/Board Resolutions to Borrow and Grant Collateral					
5	Officer's Certificate certifying as to incumbency and above-listed items					
6	Evidence of 501(c)(3) status					
7	EIN: []					
8	OFAC Searches					
9	Financial Statements					
	a) Annual					
	b) Interim					
	c) Projections					
	d) Management/Board Bios.					
10	Tax Returns					
11	Lien Searches (dated within 30 days of closing): (i) UCC, (ii) Fed & State Tax Lien, (iii) Fed & State Litigation & Judgment, and (iv) Bankruptcy					
GUARANTOR PROJECT DUE DILIGENCE						
12	Certificate of Good Standing (dated no sooner than 30 days before closing)					
13	Articles of Incorporation (w/ amendments)					
14	Bylaws					
15	Corporate/Board Resolutions to Borrow and Grant Collateral					
16	Officer's Certificate certifying as to incumbency and above-listed items					
17	Evidence of 501(c)(3) status					
18	EIN: []					
19	OFAC Searches					
20	Financial Statements					
	a) Annual					
	b) Interim					



FOR DISCUSSION ONLY

Organizational Documents for Borrower and Guarantor						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
	c) Projections					
	d) Management/Board Bios.					
21	Tax Returns					
22	Lien Searches (dated within 30 days of closing): (i) UCC, (ii) Fed & State Tax Lien, (iii) Fed & State Litigation & Judgment, and (iv) Bankruptcy					



FOR DISCUSSION ONLY

Project Due Diligence						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
OTHER PROJECT DUE DILIGENCE						
1	Title & Survey Requirements					
2	ALTA Survey					
3	Existing Deed/Lease					
4	Insurance					
	a) Builders Risk					
	b) Commercial/General Liability					
	c) Permanent Property					
	d) General Contractor's Liability					
	e) Architect's Liability					
	f) Others (e.g., engineer)					
5	Environmental Reports					
	a) Phase I					
	b) Phase II					
	c) Asbestos Plan					
	d) Soils Report					
	e) Geotechnical Report					
	f) No Further Remediation Letter					
6	Environmental Reliance Letter(s)					
7	Appraisal					
8	Market Rent Analysis					
9	Purchase of Sale Agreement					
10	Subordination and Non-Disturbance and Attornment					
11	Evidence re Flood Zone (100 year flood zone)					
12	Plan and Cost Review					
13	Evidence of Costs Incurred to Date					
14	Project Construction Schedule					
15	Site Plan					
16	Site Photos					
17	Plans & Specifications					
18	P&P Bond (including obligee rider)					



FOR DISCUSSION ONLY

Project Due Diligence						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
19	Bonding Company Info & Bonding Capacity					
20	Evidence of Utility Availability - electricity/gas, water/sewer & telephone					
21	Permits / Licenses (e.g. , building, EPA)					
22	Construction Contracts					
	a) General Contractor (assignment of contract if applicable)					
	b) Architect (assignment of contract if applicable)					
	c) Others (e.g. , engineer)					
23	Qualifications					
	a) General Contractor					
	b) Architect					
	c) Others (e.g. , engineer)					
24	Preliminary AIA G702-G703 (GC's apps for payment)					
25	Architect's Cert of Project Compliance with Zoning, Etc.					



FOR DISCUSSION ONLY

Leverage Loan Documents						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
LEVERAGE LOAN DOCUMENTS						
1	Leverage Loan Agreement					
2	Leverage Loan Note					
3	Pledge Agreement					
4	Intercreditor Agreement					
5	UCC-1 Financing Statement					



FOR DISCUSSION ONLY

QLICI Loan Documents						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
LOAN DOCUMENTS QLICI LOAN						
1	QLICI Loan Agreement					
2	QLICI Loan Promissory Note					
3	Guarantee of QLICI Loan Payment					
4	Guarantee of Completion - QLICI Loan					
5	Asset Management Fee Agreement					
6	Deed of Trust/Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing					
7	Assignment of Contracts					
8	Fee Reserve					
9	QLICI Loan - UCC Financing Statements					
10	QLICI Loan Amortization Schedule					
14	Simple Interest Loan Information Letter					
15	Customer Identification Verification Form (Patriot Act)					
16	Guarantee of Completion					
17	Guarantee of Payment					
18	Credit Authorization					
19	Agreement to Provide Insurance					
20	Intercreditor Agreement					
23	Environmental Indemnity Agreement					
24	Construction Monitoring and Disbursement Agreement					
25	Loan Servicing Agreement					
26	Account Pledge and Control Agreements					
27	(a) Disbursement Account					
28	Assignment of Contracts					
29	a) Architect's Agmt and Consent to Assignment of Contract and Plans					
30	b) General Contractor's Agmt and Consent to Assignment of Contract					
31	Debarment Certificates (all parties)					
32	Closing Transfers Memorandum (Flow of Funds)					



FOR DISCUSSION ONLY

QICI Loan Documents						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
33	Disbursement and Rate Management Agreement (relates to opening of bank accounts)					
34	Account Information					
	a) Operating Account (Fund)					
	b) Operating Account (Allocatee)					
	c) Disbursement Account (QALICB)					
	d) Operating Account (QALICB)					
	e) Reserve Account (QALICB)					
	f) Others as applicable					
35	Title Company Instruction Letter					



Allocatee NMTC Structure Documents						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
ALLOCATEE: NMTC DUE DILIGENCE						
1	CDE Certification Application					
2	Notice of CDE Certification					
3	Notice of Allocation					
4	Allocation Agreement (Executed)					
5	Amendment(s) to Allocation Agreement					
6	Suballocation Agreement					
CDE: NMTC DUE DILIGENCE						
7	CDE Certification Application					
8	Notice of CDE Certification					
9	Screen print of sub-allocation designation from CDFI Fund system					
ALLOCATEE: ORGANIZATIONAL, LEGAL EXISTENCE, AND AUTHORITY DUE DILIGENCE						
10	Certificate of Formation					
11	Operating Agreement /Articles and Bylaws					
12	Written Consent of the Members/Board Resolutions					
13	Officer's Certificate certifying as to incumbency and above-listed items					
14	EIN: []					
MANAGING MEMBER: ORGANIZATIONAL, LEGAL EXISTENCE, AND AUTHORITY DUE DILIGENCE						
15	Certificate of Formation					
16	Operating Agreement					
17	Written Consent of the Members					
18	Officer's Certificate certifying as to incumbency and above-listed items					
19	EIN: []					
CDE: ORGANIZATIONAL, LEGAL EXISTENCE, AND AUTHORITY DUE DILIGENCE						
20	Certificate of Formation					
21	Operating Agreement					
22	Written Consent of the Members/Board Resolutions					
23	Officer's Certificate certifying as to incumbency and above-listed items					
24	EIN: []					



FOR DISCUSSION ONLY

Allocatee NMTC Structure Documents				Approved		
#	<u>Document or Item</u>	<u>Responsible for Drafting/Providing</u>	<u>Status/Comments</u>	<u>NMTC Allocatee</u>	<u>Investor</u>	<u>Lender</u>
25	A&R Operating Agreement					
26	NMTC Structuring Fee Agreement					



FOR DISCUSSION ONLY

Investor NMTC Structure Documents						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
INVESTMENT FUND: ORGANIZATIONAL, LEGAL EXISTENCE, AND AUTHORITY DUE DILIGENCE						
1	Certificate of Formation					
2	EIN: <input type="text"/>					
NMTC INVESTMENT FUND DOCUMENTS						
3	First Amendment to Fund Operating Agreement					
4	Fund Operating Agreement					
5	CDE Indemnification Agreement					
6	Sub Allocation Agreement					
7	Investment Fund Put/Call Agreement					



FOR DISCUSSION ONLY

Deal Specific NMTC Documents						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
NMTC PROJECTIONS						
1	NMTC Financial Model/Projections					
ALLOCATEE: DEAL SPECIFIC DOCUMENT						
2	Certificate of Good Standing (dated no sooner than 30 days before closing)					
3	Lien Searches (dated within 30 days of closing): (i) UCC, (ii) Fed & State Tax Lien, (iii) Fed & State Litigation & Judgment, and (iv) Bankruptcy					
MANAGING MEMBER: DEAL SPECIFIC DOCUMENT						
4	Lien Searches (dated within 30 days of closing): (i) UCC, (ii) Fed & State Tax Lien, (iii) Fed & State Litigation & Judgment, and (iv) Bankruptcy					
CDE: DEAL SPECIFIC DOCUMENT						
5	Certificate of Good Standing (dated no sooner than 30 days before closing)					
6	Lien Searches (dated within 30 days of closing): (i) UCC, (ii) Fed & State Tax Lien, (iii) Fed & State Litigation & Judgment, and (iv) Bankruptcy					
7	CDE Certificate/Funding Request					
INVESTMENT FUND: DEAL SPECIFIC DOCUMENT						
8	Certificate of Good Standing and Legal Existence (dated no sooner than 30 days before closing)					



FOR DISCUSSION ONLY

Tax Opinions						
#	Document or Item	Responsible for Drafting/Providing	Status/Comments	Approved		
				NMTC Allocatee	Investor	Lender
OPINIONS: ENFORCEABILITY & TAX						
1	Leverage Lender - Existence/Authority/Enforceability Opinion					
2	Leverage Lender Enforceability Opinion of Fund Operating Agreement					
3	Allocatee / CDE Existence/Authority/Enforceability Opinion					
4	Tax Opinion & Certificate (includes CDE Opinions)					
5	State Law Tax Opinion					



FOR DISCUSSION ONLY

Sample: Standard Community Benefit Agreement Checklist

Category

Sample Language

Community Impacts By completing the Project using the Loan, the Borrower will use commercially reasonable efforts to achieve the following impacts, which are based upon data collected and analysis performed by Borrower and Lender (the “**Community Impact Objectives**”): [the objectives listed below are examples of the kinds of community benefits that may be anticipated, but not all will necessarily apply, and others may need to be added, based on the specifics of each transaction]

- Jobs
- 1 Create ____ Predevelopment or Construction FTE Jobs, of which at least ____% of which will be are filled by residents of Low-income Communities and/or were Low-Income Persons at the time of hire;
 - 2 Provide at least ____% of Predevelopment or Construction FTE Jobs with wages at the Davis-Bacon prevailing wage rate;
 - 3 Maintain at least ____ Permanent FTE Jobs and create at least ____ new Permanent FTE Jobs within businesses that will be conducted at the Project, of which at least ____% will be filled by residents of Low-Income Communities and/or were Low-Income Persons at the time of hire;
 - 4 Provide employees in Permanent FTE Jobs with Living Wages, as described in the Exhibit A attached hereto, and the following benefits: healthcare coverage, retirement benefits, job training (including _____) and job advancement programs (including _____);
- Goods and Services
- 1 Provide essential goods and services to Low-Income Persons or residents of Low-Income Communities (including _____);
 - 2 Cause contractor(s) and sub-contractor(s) for the Project to purchase construction materials for the Project from suppliers located in one or more Low-Income Communities;
 - 3 Provide below-market rents in the Project to businesses that serve the needs of residents of one or more Low Income Communities;
 - 4 Create environmentally sustainable outcomes, including _____)
 - 5 Other benefits particular to the transaction]



Sample: Standard Community Benefit Agreement Checklist (Continued) - Jobs Impact

QALICB Jobs Projections and Reporting Requirements		Reporting will be requested on an annual basis. These fields will be completed as reporting is submitted annually							Additional information is available in the definitions tab
Metric	Projected amount	Year 1 (operational for portion of year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Definitions
Temporary Construction Jobs									
FTE positions (at least 35 hours per week)									
FTE positions that pay prevailing wage									
FTE positions with benefits (health insurance, retirement, vacation, etc.)									
FTE positions to LMI individuals									
FTE positions to minorities									
FTE positions to women									
PTE positions (at least 35 hours per week)									
PTE positions that pay prevailing wage									
PTE positions with benefits (health insurance, retirement, vacation, etc.)									
PTE positions to LMI individuals									
PTE positions to minorities									
PTE positions to women									
Permanent Jobs									
<i>New FTE positions created</i>									
New FTE positions with benefits (health insurance, retirement, vacation, etc.)									
New FTE positions to LMI individuals									
New FTE positions to minorities									
New FTE positions to women									
<i>New PTE positions created</i>									
New PTE positions created									
New PTE positions to LMI individuals									
New PTE positions to minorities									
New PTE positions to women									
Retained Jobs									
<i>Retained FTE positions</i>									
Retained FTE positions with benefits (health insurance, retirement, vacation, etc.)									
Retained FTE positions to LMI Individuals									
Retained FTE positions to minorities									
Retained FTE positions to women									
<i>Retained PTE positions</i>									
Retained PTE positions with benefits (health insurance, retirement, vacation, etc.)									
Retained PTE positions to LMI Individuals									
Retained PTE positions to minorities									
Retained PTE positions to women									



Sample: Standard Community Benefit Agreement Checklist (Continued) - Social Impact

Social Impact Projections and Reporting		Reporting will be requested on an annual basis. These fields will be completed as reporting is submitted annually							Additional information is available in the definitions tab
Metric	Projected amount	Year 1 (operational for portion of year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Definitions
Goods Provided (fresh food, examples)									
Fresh Food									
Services Provided (health, mental health, educational, social services, recreation)									
Number of individuals served									
Number of LMI individuals served									
Number of children served									
Number of disabled individuals served									
Number of veterans served									
Number of students served									
Number of students who qualify for free lunch									
Number of individuals who qualify for Medicaid									
Number of uninsured individuals									
Daily attendance									
Daily patients served									
Average daily attendance									



QALICB CERTIFICATION FORM

New Markets Tax Credit Program
BORROWER CERTIFICATION FORM

To certify eligibility, the management of the Borrower must provide the following information:

1. Borrower Name (if not yet formed, indicate "to be formed LLC, partnership, corporation, etc.")

1a. Street address of property being financed

2. Is the Borrower the same legal entity as the Operating Entity that will use the property being financed? Yes No

2a. If No, name the Operating Entity that will occupy the property being financed:

3. Principal Location of Operating Entity
Street Address City State Zip

3a. What percentage of the property being financed will be occupied by the Borrower or Operating Entity? %

- 4. Purpose of loan (please check category that best describes use of loan)
Acquire a property different from where business is now located
Acquire a property where business is currently leasing
Build and acquire new property
Expand property currently owned by business
Improve/rehabilitate property currently owned by business
Acquire Equipment
Other (please describe):



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5. Please indicate the **type of business activities** at the building being financed

Percent of the total square footage devoted to each use:

Manufacturing	%
Office	%
Warehouse	%
Retail Sales	%
Restaurant	%
Hotel	%
Automotive service	%
Distribution	%
Other please specify:	%
Other please specify:	%
Total	column must add to 100%

6. Describe the type of property being financed with the loan:

7. Does or will the borrower/operating entity conduct any of the following businesses at the property being financed?

(Check all that apply)

- Rental of residential real property or rental of real property without substantial improvements located on the property
- The development or holding of intangible property (e.g., patents or trademarks) for sale or license
- Private or commercial golf course
- Country club
- Massage parlor
- Hot tub facility
- Suntan facility
- Racetrack or other facility used for gambling (e.g., OTB parlors)
- Bank, credit union or other financial institution
- Any store where the principal purpose is the sale of alcoholic beverages for consumption off premises
- Farming where borrower/operating entity will (at the end of a taxable year) have used assets in the farming business with an aggregate tax basis (or fair market value if greater) in excess of \$500,000

8. After Loan is made, will this be the only business location of the borrower/operating entity?

Yes _____ (Skip to Q.9) No _____



FOR DISCUSSION ONLY

8a. Please list the addresses of all properties owned or leased by your company(ies). *Attach additional sheet if necessary.*

No.	Property Address Street City State Zip	In "Low-Income Area: Yes or No*	Owned or Leased?	Name of Entity Owning Leasing Property
1.				

*Please consult your lender to assist in determining whether areas qualify as "low-income communities" under the NMTC program.



FOR DISCUSSION ONLY

9. How many tangible assets (real or personal) does borrower/operating entity own or lease?
SEE EXHIBIT A (List of Tangible Assets)

What is the value of the tangible assets (real or personal) that Borrower owns or leases?

Owned property: List unadjusted cost basis

Leased property: List estimated fair market value

Use the value of owned real and personal Property used in the business at original cost.

Tangible property includes inventory, buildings, machinery and equipment, furniture and fixtures, land, and other tangible assets as well as the fair market value of leased property.

	Beginning of taxable year Mo/Yr Total Tangible Assets of Borrower			End of taxable year of QLICI closing Total Tangible Assets of Borrower		
	(a) at the property being financed and all borrower's other properties in low-income communities*	(b) at all locations	(c) Percent Used	(d) at the property being financed and all borrower's other properties in low-income communities*	(e) at all locations	(f) Percent Used
TOTAL						

*Please consult your lender to assist in determining whether areas qualify as "low-income communities" under the NMTC program

9a. Provide the projected percentage (or range if applicable) of the tangible assets of the Borrower that will be used throughout this year in low-income communities: _____.

9b. Provide the projected percentage (or range if applicable) of the tangible assets of the Borrower that will be used throughout each year during the NMTC compliance period in low-income communities: *

2016 _____ 2017 _____
 2018 _____ 2019 _____



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2020 _____
2022 _____

2021 _____
2023 _____

*Projected balance sheets for the NMTC compliance period to be provided if requested by Lender.



10. How many **employees** did the borrower / operating entity have as of the last payroll period?

Please list the address of all locations owned or leased by your company(ies).			<i>Attach additional sheets if necessary</i>		
No.	Property Address: Street City State Zip	In "Low-Income Area"? Yes or No	Total Number of Full-Time (more than 35 hours) Employees*	Total Payroll	Date Of Payroll
			Number of Full-Time (> 35 hours) Employees at Location**	Payroll of Employees At Location	
				\$	
				\$	
				\$	
				\$	

*Note: Part-time employees should be counted as .5 employees

**DO NOT include employees who report to work at this property but spend most of their time in the field or who work at another location, including home outside of low-income communities.

10a. Provide a general description of the services to be provided by the employees listed above.

10b. Will the information listed above be the same for each year of the NMTC compliance period?

Yes ___ No ___

If not, provide the information requested above as projected for each year of the NMTC compliance period.

10c. Will any affiliate of the Borrower have employees primarily engaged in providing services to Borrower?

Yes ___ No ___

If yes, provide the information above for such employees and describe the services to be provided.



11. Does or will the borrower/operating entity own any of the following assets known as collectibles other than primarily as inventory for sale to customers in the ordinary course of business?

- Works of Art
- Rugs
- Antiques
- Precious Metals
- Gems
- Stamps (other than stamps used for postage)
- Coins (other than U.S. Currency or certain other coins and bullion)
- Alcoholic beverages

Yes _____ No _____

11a. If Yes, provide a list of the collectibles and the aggregate unadjusted tax bases that the borrower / operating entity has and estimates it will have in these collectibles for each year of the NMTC Compliance Period:

2016 \$ _____	2017 \$ _____
2018 \$ _____	2019 \$ _____
2020 \$ _____	2021 \$ _____
2022 \$ _____	2023 \$ _____

12. Does or will the borrower / operating entity own any of the following assets (known as nonqualified financial property), except for reasonable working capital purposes, in the form of cash or cash equivalents or debt instruments with a term of less than 18 months?

- Stock
- Debt Instruments
- Partnership Interests
- Options
- Futures Contracts
- Forward Contracts
- Warrants
- Notional Principal Contracts
- Annuities
- Cash
- Interest rate hedges

Yes _____ No _____

12a. If Yes, provide a list of the assets and the aggregate unadjusted tax bases the borrower / operating entity has and is estimated to have in the nonqualified financial property throughout the NMTC compliance period:

2016 \$ _____	2017 \$ _____
2018 \$ _____	2019 \$ _____
2020 \$ _____	2021 \$ _____
2022 \$ _____	2023 \$ _____



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12b. Borrower reasonably expects to expend each advance of Loan proceeds within 12 months of the advance.

Yes ____ No ____

12c. Provide a list of the assets treated as reasonable working capital, and the basis for such determination.

13. The project is not financed with low-income housing tax credits and the loan proceeds shall be used solely with respect to the project.

Yes ____ No ____

14. If a for profit entity, the Borrower reasonably expects to generate revenues with respect to the Project within 3 years.

Yes ____ No ____

15. If a nonprofit entity, the Borrower reasonably expects to conduct activities that further its charitable purposes within 3 years.

Yes ____ No ____

16. Borrower is a [corporation/partnership] for federal income tax purposes.

17. If Borrower is engaged in a rental real estate activity, the proceeds of the loans shall be used for new construction or substantial rehabilitation or acquisition and new construction or substantial rehabilitation. Substantial rehabilitation means the cost of improvements incurred during the tax year the loan is made and during any 24-month period that begins in, ends with or straddles the taxable year in which the loan is made, equals or exceeds 25% of Borrowers' adjusted basis (as defined in Internal Revenue Code Section 1011(a)) in the building at the beginning of such 24-month period.



FOR DISCUSSION ONLY

The undersigned representative of the Borrower hereby certifies that all documents and information provided in conjunction with this loan request and certification form is complete, accurate, and represents the total scope of business conducted by Borrower. Borrower further certifies that it and its related operating entity(ies) have no plans to:

- Move or expand existing operations to a new address (other than as specified above).
- Reduce the percent of employee services performed in any low-income communities to less than 50% of total employees.
- Reduce the percent of use of tangible property in any low-income community to less than 50% (or less than 85% if borrower has no employees).
- Maintain collectibles (art and antiques) not held primarily for sale in the ordinary course of business (e.g. inventory) at 5% or more than 5% of the average of the aggregate unadjusted bases of the property.
- Maintain as assets, nonqualified financial property (e.g. debt instruments with a term in excess of 18 months) at 5% or more than 5% of the average aggregate unadjusted bases of the property.
- Conduct any of the ineligible businesses specified above in question 7 or permit any tenant of subtenant to conduct any such business.

The undersigned representative of the Borrower further represents and warrants that neither Borrower nor any of its principals has been debarred, suspended, declared ineligible, or voluntarily excluded from participation in a covered transaction by any Federal department or agency, as such terms are defined in Executive Order 12549, nor is any such action pending or proposed. Borrower shall simultaneously with execution and delivery of this Agreement, execute and deliver a certification regarding debarment, suspension, ineligibility and voluntary exclusion in the form attached hereto as Exhibit B to further evidence this representation and warranty.

Borrower's Legal Name: _____

By: _____

Name: _____

Title: _____

Borrower's Legal Address:



FOR DISCUSSION ONLY

EXHIBIT A

LIST OF TANGIBLE ASSETS

Sample: CDE with Allocation Pro Forma

Trial Balance form

Annual increase	Financial Statement Line Item	GL Account Number	GL Account Description	2017	2018	2019	2020	2021	2022	2023	2024
N/A - See NMTC income	New Markets Tax Credits fee income	4000	NMTC CDE Fees	\$ 1,500,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
	Interest and dividend income	4010	Interest Income	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
	Interest and dividend income	4020	Dividend income	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
	Net assets released from restrictions - grants	4030	Grant income	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
	Other earned revenue	4040	Other income	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	Personnel related expenses	7000	Personnel fees	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
	Insurance	7100	Insurance expense	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
	Interest expense	7200	Interest expense	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	Professional fees	7300	Legal fees	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
	Professional fees	7350	Consulting fees	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	Professional fees	7400	Accounting/audit fees	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
	Travel	7500	Travel expense	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	Other expenses	7600	Meals and entertainment expense	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	Occupancy expenses	7700	Occupancy/utilities expense	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
	Other expenses	7800	Telephone and communications expense	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
	Other expenses	7900	Computer, website, IT	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
	Depreciation and amortization	8000	Depreciation and amortization	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800
	Other expenses	8100	Other operating expenses	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	Realized gains (losses) on investments	8200	Security gain/loss - Realized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Change in unrealized gains (losses) on investments	8300	Security gain/loss - Unrealized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			Net income	\$ 883,200	\$ (466,800)	\$ (466,800)	\$ (466,800)	\$ (466,800)	\$ (466,800)	\$ (466,800)	\$ (466,800)

		NMTC income									
Closing fee Management fee	Assumes 5% closing fees in year of award, and 0.5% mgmt fees for 7 years thereafter	2017	2018	2019	2020	2021	2022	2023	2024	2025	
		Award amount	\$ 1,500,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
2017	\$ 30,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2018		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2019		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2020		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2021		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2022		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2023		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2024		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2025		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 1,500,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	



Sample: CDE with Allocation Pro Forma

	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES								
New Markets Tax Credits fee income	\$ 1,500,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Interest and dividend income	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Net assets released from restrictions - grants	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Other earned revenue	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Revenue	\$ 1,760,000	\$ 410,000						
EXPENSES								
Personnel related expenses	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Insurance	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Interest expense	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Professional fees	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Travel	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Occupancy expenses	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Depreciation and amortization	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800	\$ 9,800
Other expenses	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000
Total expenses	\$ 876,800							
Change in net assets before security gain (loss)	\$ 883,200	\$ (466,800)						
Realized gains (losses) on investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in unrealized gains (losses) on investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in net assets after security gain (loss)	\$ 883,200	\$ (466,800)						
Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Sample: Investor Return Pro Forma

For The Period December 31, 2015 Through December 31, 2022

FOR DISCUSSION ONLY

Date	Capital Contributions	Cash Distributions	Put Payment	Federal NMTC	State NMTC	Total New Markets Tax Credits	Annual Return	Cumulative Return	Federal Taxable Income/(Loss)	State Taxable Income/(Loss)	Federal Impact of State NMTC's	Taxable Income Savings/(Costs)	NMTC and Tax Savings/(Costs)	Cumulative Net Tax Savings/(Costs)	Federal Ending Capital Account	State Ending Capital Account
2015	\$ 3,120,000	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	16%	16%	\$ (2,505)	\$ -	\$ -	\$ 952	\$ 500,952	\$ (2,619,048)	\$ 2,617,495	\$ -
2016	-	-	-	500,000	-	500,000	16%	32%	(75,806)	-	-	28,806	528,806	(2,090,242)	2,041,689	-
2017	-	-	-	500,000	-	500,000	16%	48%	(75,806)	-	-	28,806	528,806	(1,561,435)	1,465,882	-
2018	-	-	-	600,000	-	600,000	19%	67%	(75,806)	-	-	28,806	628,806	(932,629)	790,076	-
2019	-	-	-	600,000	-	600,000	19%	87%	(75,806)	-	-	28,806	628,806	(303,822)	114,270	-
2020	-	-	-	600,000	-	600,000	19%	106%	(75,806)	-	-	28,806	628,806	324,984	(561,537)	-
2021	-	-	-	600,000	-	600,000	19%	125%	(75,806)	-	-	28,806	628,806	953,790	(1,237,343)	-
2022	-	(246,345)	-	-	-	-	-8%	125%	(173,760)	-	-	66,029	66,029	773,474	(1,164,758)	-
Disposition	-	-	1,000	-	-	-	0%	125%	1,165,758	-	-	(442,988)	(442,988)	331,486	-	-
	<u>\$ 3,120,000</u>	<u>\$ (246,345)</u>	<u>\$ 1,000</u>	<u>\$ 3,900,000</u>	<u>\$ -</u>	<u>\$ 3,900,000</u>			<u>\$ 534,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (203,169)</u>	<u>\$ 3,696,831</u>			

Pre-Tax Annual Internal Rate of Return Equivalent	<u>8.01%</u>
Annual After Tax Internal Rate of Return	<u>4.96%</u>
Federal Tax Credits Only Annual Internal Rate of Return	<u>8.71%</u>
State Tax Credits Only Annual Internal Rate of Return	<u>0.00%</u>

Assumptions:

- (1) Annual and cumulative tax savings/(costs) are calculated using capital contributions, cash distributions, and tax credits
- (2) Assumes combined effective federal and state income tax rate of 38%
- (3) Cumulative net benefits/(costs) are tax savings/(cost) plus cash distributions less cash contributions
- (4) Internal Rate of Return assumes cash distributions and tax savings/(costs) are received quarterly
- (5) Tax Credits Only Annual Internal Rate of Return is calculated using capital contributions, tax credits, and tax effect of NMTC basis reductor



FOR DISCUSSION ONLY

Sample: Leverage Lender Pro Forma

CDE NMTC "A" Note Term Sheet

Borrower:	QALICB, Inc.
Loan Amount:	7,000,000
Purpose:	Finance Mixed-Use Building
Maturity:	Seven (7) Years
Interest Rate:	4.00%
Loan fees:	One (1) Point Orig. Fee
Payment:	Monthly Payments of Interest Only
Collateral:	1st DOT on Building
LTV:	70%
Guarantors:	Project Sponsor
Covenants:	A Bunch



FOR DISCUSSION ONLY

Sample: Leverage Lender Pro Forma

NMTC Leverage Loan Term Sheet

Borrower:	Leverage Fund, LLC	(LF)
Loan Amount:	7,000,000	
Purpose:	Fund QEI to Finance NMTC Mixed-Use Transaction	
Maturity:	Seven (7) Years	
Interest Rate:	4.00%	
Loan fees:	One (1) Point Orig. Fee	
Payment:	84 Monthly Payments of Interest Only, then 276 Monthly Payments of P & I	
Collateral:	Assignment of LF's Ownership Interest in CDE	
LTV:	70%	
Guarantors:	None	
Covenants:	Mirrors CDE Covenants	



Sample: Leverage Lender Pro Forma

NMTC Leverage Lender Income Statement

1. Income and Operating Expenses

Fiscal Year		2017	2018	2019	2020	2021	2022	2023	2023+	Total:	Total (% of Loan)
1. Income by source:											
Leverage Loan:	Rate:	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000			
Loan Fees:	1.00%	70,000								70,000	1.00%
Interest Income:	4.00%	280,000	280,000	280,000	280,000	280,000	280,000	280,000		1,960,000	28.00%
Other Income:	*	11,500	11,500	11,500	11,500	11,500	11,500	11,500		80,500	1.15%
Total Income		361,500	291,500	291,500	291,500	291,500	291,500	291,500	0	2,110,500	30.15%
2. Expenses:											
(a) Fixed	**	18,000	18,000	18,000	18,000	18,000	18,000	18,000	13,000	139,000	1.99%
(b) Variable										0	0.00%
Total Expenses		18,000	13,000	139,000	1.99%						
Profit/(Loss)		343,500	273,500	273,500	273,500	273,500	273,500	273,500	(13,000)	1,971,500	28.16%
										Average Return:	4.02%
										IRR:	4.04%

* Audit & Compliance

** Includes Audit & Labor Costs



Sample: Community Outcomes Road Map

Road Map: Community Outcomes				
Community Outcomes: Job Creation Jobs for Low Income People Goods and Services Community Services Minority Businesses Affordable Housing Environmental Impacts				
Allocatee Strategy	CDE Staff Skills	CDE Pipeline Considerations	Underwriting	Asset and Portfolio Management
Mission strategy	Community Development Expertise	Threshold Criteria	Viability	Monitoring
Board selection	Nexus to Community	Analysis: - Measurable - Relevant to actual need in low income community - Refine impact with other projects in area	Measurability	Enforcement
Financial Product Development		Reliable Methodology	Timeliness	Workout
Board policies on community impact goals and standards			Enforceability	Reporting
Pipeline Priorities			QALICB Ability & Willingness	Tracking
Strategic Partnerships				



FOR DISCUSSION ONLY

Sample: Pipeline Ranking

NMTC Sample Pipeline						
Project Parameters	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6
Project Cost						
1 Project Size						
Project Location						
2 City						
3 State						
4 Geographic Location						
Project Details						
5 Deal Type						
6 Sq Ft						
7 Status (Ready to close, site control, documentation received etc.)						
8 Estimated Closing Date						
9 Project Location (Metro/Non Metro)						
10 Severely Distressed?						
Parties Involved						
11 Number of CDEs involved in project? (1,2, +3)?						
12 NMTC Equity Investor						
13 Third Party CDE						
14 Consultant						
15 Additional Lenders						
16 Leverage Lender						
Project Cost						
17 Total Project QEI						
18 ABC CDE QE						
19 Market Rate LL Rate						
20 Below Market LL						
Impact Metrics						
21 Severely Distressed						
22 Other Impacts						
23 Permanent Jobs Created						
24 Permanent Jobs Retained						
25 Housing (Mixed Use)						
26 Permanent Jobs Created						
27 Permanent Jobs Retained						
28 Construction Jobs						
29 Total Jobs						
30 Quality Jobs (Living wages, benefits, etc)						
31 Jobs available to LMI individuals						
32 Individuals Served						
33 Units of Housing						
Industry						
34 Industry (Fresh food, healthcare, education, manufacturing etc.)						



Sample: Intake Form Checklist

Intake Form Checklist

	Comments
Project Name	
Sponsor Name	
Borrowing Entity	
Borrowing Entity type and composition of ownership	
Address	
Census Tract	
Business Type	Real estate or operating business
Project Description	
Total Project Size	
Estimated Total Operating Business Expenditures	
Use of Loan Proceeds	
Disqualifying Business types/Operations	<ol style="list-style-type: none"> 1 Massage parlor 2 Hot tub facility 3 Suntan facility 4 Country club 5 Racetrack or other facility used for gambling 6 Store whose principal purpose is the sale of alcoholic beverages for consumption off premises 7 Development or holding of intangibles for sale 8 Private or commercial golf course
Residential Real Estate Check	Do any of the revenues of the borrowing entity come from the rental of residential property (apartments or live/work units)? If yes, estimate the percentage for each building from the borrower’s pro-forma or underwritten revenues (limitations apply)
NMTC Business Tests	<ol style="list-style-type: none"> 1 List of gross income sources 2 List of tangible property (i.e. real property, equipment, etc.) owned by the QALICB outside of community where business is located 3 Are services offered both inside and outside of community where QALICB is located 4 Collectables/financial assets owned by the QALICB borrower—identify if any 5 Non-qualified financial property owned by the QALICB borrower (debt with over 18 months maturity date, partnership interests, stocks, options, futures contracts, etc.)
Financial Structure	Description of any other sources of funds beyond the proposed NMTC structure that will be used for the proposed project or business? If so, provide specific information on all sources, including source name, dollar amounts, and expected timing of receipt.



Intake Form Checklist

	Comments
Need for NMTCs (But For Test)	How is the NMTC subsidy essential to the project's or business's success? How will the NMTC subsidy grow the business?
Community Impact	<ol style="list-style-type: none"> 1 What community benefits is the project or business likely to generate? Why is this project and/or your business important to the community? 2 Is the project or business creating net new or preserving jobs in the area that can be filled by local residents? 3 Number of permanent jobs to be created 4 Number of temporary jobs to be created 5 Number of permanent jobs to be retained 6 To the extent there are new jobs likely to be created at the facility; what percentage of these jobs are likely to be available to local residents and/or low-income residents? Describe the nature of these jobs. 7 Is the project or business likely to purchase from local suppliers or generate increased economic activity among local businesses? If so, describe the impact. 8 Will the project or business provide vital community services to residents of the low-income community (grocery store where one doesn't exist, day care for workers in the area, cultural venue, etc.)? Describe the impact of adding those services on the community. 9 Will the project or business provide access to healthy food options? 10 Will the project or business provide education opportunities to students? 11 Will the project or business provide commercial goods and services? 12 Will the project or business provide access to health services? 13 What enhanced or additional goods or services will be available to the community? (daycare slots, etc.): 14 Does the project or business include minority or women involvement (will be minority or women owned or operated or has a commitment to employ minority or women contractors)? 15 Does the project provide space for locally owned, minority or women-owned businesses or non-profit tenants? Is there an explicit set-aside for such tenants? 16 Does the project create or rehabilitate office space? 17 Does the project create or rehabilitate community facilities space? 18 Will a real estate business borrower be leasing than 50 percent of the property's space to a tenant having greater than 50 percent of common ownership with the borrower? 19 Does the project include the rehabilitation of a historic building?



Intake Form Checklist

Comments

- 20 Does the project create environmentally sustainable outcomes through green building concepts, location near mass transit, adaptive reuse of existing building or materials, etc.? Will the building be LEED certified?



FOR DISCUSSION ONLY

Sample: Indemnity Agreement (Sample Terms)

CDE Indemnity Agreement General Areas of Focus

Indemnitors	The CDE and its Affiliates
Agreement to Indemnify	The CDE and its affiliates are required to indemnify the NMTC equity investor from losses caused by NMTC Recapture Events (defined below)
NMTC Recapture Events	1) The CDE failing to qualify or ceasing to qualify as a "Community Development Entity."
	2) Equity investment proceeds no longer satisfy the "Substantially All" requirement
	3) Equity investment is redeemed or cashed out by the CDE
Limitations on indemnification amounts	Negotiated between the CDE and the NMTC equity investor



Sample: QALICB Indemnification Agreement Language

A standard QALICB indemnification agreement includes (but is not limited to) the following:

1. QALICB will guarantee against recapture events due to:
 - (a) failure to qualify for or loss of QALICB status,
 - (b) failure to qualify for or loss of QLICI status,
 - (c) QLICI prepayment (whether voluntary or as a result of foreclosure or similar proceeding, and including any recapture resulting from a subsequent redemption by the Sub-CDE of any portion of the QEI, or resulting from the Sub-CDE's failure to maintain substantially all of the QEI invested in QLICIs following such prepayment),
 - (d) the failure of any tenant on the property to constitute a tenant qualified business,
 - (e) the use of QLICI proceeds constituted an inappropriate or abusive use of such proceeds or that such use is inconsistent with the purposes of Section 45D of the Code and the related Treas. Reg., as provided in Treas. Reg. Section 1.45D-1(g), respectively,
 - (f) any gross negligence, fraud, willful misconduct, malfeasance, material violation of law by the QALICB or any affiliate, or
 - (g) other actions within the control of the QALICB or Guarantor

In the event of disallowance, or a recapture pursuant to section 45D(g) of the Code, of the NMTCs, the Guarantor shall reimburse NMTC Investor on a tax effected basis for 1) any disallowed or recaptured NMTCs plus any related interest, penalties or additional taxes due, and 2) the net benefit of any other economic or tax benefit that would have been received by NMTC Investor if such disallowance or event of recapture had not occurred. If QLICI proceeds are used directly or indirectly to make leverage loans, QALICB counsel will need to provide specific opinions regarding the structure.

2. If QLICI proceeds are utilized to directly or indirectly make a leverage loan (i.e., short term bridge equity) and are used in a manner other than to reimburse for actual costs incurred by the Sponsor to date, then the QALICB indemnity is expanded to cover any disallowance or recapture other than those that are the result of the invalidity of the allocations or Sub-allocations or the CDEs failing to qualify or maintain its status as a CDEs. Additionally, NMTC Investor will require that QALICB counsel provide specific opinions related to this structure.
3. Environmental - Guarantor shall indemnify and hold harmless NMTC Investor and the Sub-CDEs, and all NMTC Investor and Sub-CDE entities participating in this transaction, for Environmental conditions, claims, etc. relating to the Project.



Sample: Forbearance Agreement

Typical Forbearance Agreement Terms

Throughout the NMTC compliance period of the project, regardless of the existence or occurrence of any circumstance or event that would otherwise constitute a default or event of default by the borrower, the leverage lender is not entitled to:

1. Take any lien enforcement action
2. Exercise any other rights or remedies it may have under the loan documents, including but not limited to:
 - a. Accelerating the loan
 - b. Collecting rents or distributions,
 - c. Appointing a receiver
3. Commence, or join with any other creditor in commencing, any of the following proceedings against the borrower:
 - a. Bankruptcy
 - b. Reorganization
 - c. Arrangement
 - d. Insolvency
 - e. Liquidation



Sample: Verification of NMTC Investment Area Map

CDFI Fund CIMS Mapping Tool: To verify if an investment is located in an NMTC Investment Area, enter an address into the CDFI Fund CIMS Mapping Tool. To do so, visit the following link, and select the “NMTC” option. Enter the investment address into the search bar. As of 2017, green-shaded census tracts reflects qualified NMTC areas. Relevant economic and population data is provided.

Link: <https://www.cdfifund.gov/Pages/cims3.aspx>

Example Screenshot:

The screenshot shows the CIMS NMTC Public Viewer interface. The search bar contains the address "3600 West Fillmore Street, Chicago, IL". A popup window displays the following data for the 2010 Census Tract 17031843000:

2010 Census Tract 17031843000	
NMTC Qualified:	Yes
Population:	2,998.00
Median Income (%):	35.81
Poverty Rate (%):	50.00
Unemployment Rate (%):	25.10
Metro Designation:	Metropolitan
Tract Unemployment to National Unemployment Ratio:	3.18

The interface includes navigation controls on the left, a scale bar (0 to 1000 ft), and a footer with the CDFI Fund logo and map data sources: "Powered by InVision InSite v2.0.1.2340 City of Chicago, Province of Ontario, Ontario Base Map, Esri, HERE, Garmin, Intermap, INCREM..."



Sample: Operating Income Test Calculation Template

Yellow Cells Indicate Inputs

Deal Name:		CDE Title
Deal ID:		
Part I: Input CDE Income Statement		12/31/XXXX
Income Statement Descriptions		Actual -YTD
Income		
Interest Income from QALICB		136,608.10
Income (Loss) from Equity investment in Subsidiary		-
Other Income		52,000.00
Total Income		188,608.10
Administrative Expenses (Input as negative number)		
Asset Management Fees		(42,000.00)
General and Administrative		(10,000.00)
Sub-CDE Amortization Expense		(30,000.00)
Total Expenses		(82,000.00)
Add back Income (Loss) From:		
Sub-CDE Amortization Expense		30,000.00
Amortization of Subsidiary		-
Depreciation of Subsidiary		-
Fair Market Value Adjustment on Interest Rate Swap Agreement		-
Capitalized Lease Interest		-
Total Add backs		30,000.00
Operating Income available for distributions		136,608.10
Part II: Calculate Distributions		
Less: Distributions Made to Investor:		
Investor Ownership %		99.99%
First Quarter		34,148.60
Second Quarter		34,148.60
Third Quarter		34,148.60
Fourth Quarter		34,148.61
Total Distributions Made to Investor:		136,594.41
Less: Distributions Made to Managing Member:		
Managing Member Ownership %		0.01%
First Quarter		3.42
Second Quarter		3.42
Third Quarter		3.42
Fourth Quarter		3.42
Total Distributions Made Managing Member:		13.68
Total Distributions:		136,608.09
Remaining Allowable Distributions in 2016		0.01
Distribution %		100.00%
Income Test	Redemption Calculation Results	Pass - Distributions are within limits



FOR DISCUSSION ONLY

Sample: Sub-All Test Calculation Template

	Yellow Cells Indicate Inputs	
	6/30/XXXX	12/31/XXXX
Qualified Low-Income Community Investments (QLICs)		
Loan A made to QALICB	5,095,865.00	5,095,865.00
Loan B made to QALICB	1,694,135.00	1,694,135.00
Add: allowable portion of QEI held for loan loss reserve	-	-
Less: principal repayments or return of equity received within 12 months but not yet redeployed	-	-
Total QLICs made	6,790,000.00	6,790,000.00
Qualified Equity Investments		
Equity investments designated and received as a QEI	7,000,000.00	7,000,000.00
Total QEIs received	7,000,000.00	7,000,000.00
Percentage of QEIs invested in QLICs	97.00%	97.00%
	Pass - The required amount of QEI (85.00%) has been invested in QLICs	Pass - The required amount of QEI (85.00%) has been invested in QLICs