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CDFI Application	Applicant Information	11NMA000478
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1: NMTC Allocation request

Total dollar amount of *NMTC Allocation* requested in this *Allocation Application*:

\$125,000,000

2: Applicant Information

a *Applicant Name:*

Boston Community Capital Inc.

b *Applicant Employer Identification Number:*

043246555

c *Corporate status of the Applicant (select one):*

Non-profit

Structure of the Applicant (check all that apply):

None of the above

d *Is the Applicant Minority-owned or Minority-controlled?*

No

e *If the Applicant is a federally-regulated thrift, bank, bank holding company, or credit union, provide the name of the Applicant's primary federal regulator and FDIC/NCUA Certification Number.*

Name of Primary Regulator:

--

Certification Number:

--

f *Is the Applicant a domestic corporation or partnership for federal tax purposes? (If the Applicant is not a domestic corporation or partnership for federal tax purposes, it is not eligible to apply for a NMTC Allocation):*

Domestic Corporation

g *Applicant's date of incorporation or formation (month/day/year):*

9/21/1994

h *Applicant's total assets as of the date of this Allocation Application:*

\$137,980,539

i *Applicant's fiscal year end (month/day):*

12/31

j *Does the Applicant have any Affiliates that are applying for a NMTC Allocation in the 2011 round? (select one):*

No

3: Controlling Entity Information

Is the Applicant designating a Controlling Entity?

No

a *Controlling Entity Name:*

N/A

b *Controlling Entity Employer Identification Number:*

N/A

c *Corporate Status of the Controlling Entity (select one)*

N/A

Structure of the Controlling Entity (check all that apply):

N/A

d *Is the Controlling Entity Minority-owned or Minority-controlled?*

N/A

- e** If the *Controlling Entity* or an *Affiliate* is a federally-regulated thrift, bank, bank holding company, or credit union, provide the name of the *Controlling Entity's* or *Affiliate's* primary federal regulator and FDIC/NCUA Certification Number.

Name of Primary Regulator:

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Certification Number:

--

- f** Total assets of *Controlling Entity*:

N/A

4: Applicant mailing address

Applicant Mailing address (update in MyCDFI Fund)

56 Warren Street, Suite 300

Boston, MA 02119

Applicant Overnight delivery address (update shipping address in MyCDFI Fund)

56 Warren Street, Suite 300

Boston, MA 02119

5: Applicant and Controlling Entity Contact Information

a Select Authorized Representative

Authorized representative contact information (update in MyCDFI Fund)

Elyse Cherry
Telephone: 6174278600
Fax: 6174279300
Email: echerry@bostoncommunitycapital.org
Address:
Boston Community Capital
56 Warren Street
Boston, MA 021193236

b Select Controlling Entity Representative

Controlling Entity Representative information (update in MyCDFI Fund)

Elyse Cherry
Telephone: 6174278600
Fax: 6174279300
Email: echerry@bostoncommunitycapital.org
Address:
Boston Community Capital
56 Warren Street
Boston, MA 021193236

c Select Application Contact

Application Contact Person information (update in MyCDFI Fund)

Jessica E Brooks
Telephone: 6174278600216
Fax: 6174279300
Email: jbrooks@bostoncommunitycapital.org
Address:
Boston Community Capital
56 Warren Street
Boston, MA 021193236

d Select Public Contact Person

Public Contact Person information (update in MyCDFI Fund)

Elyse Cherry
Telephone: 6174278600
Fax: 6174279300
Email: echerry@bostoncommunitycapital.org
Address:
Boston Community Capital
56 Warren Street
Boston, MA 021193236

6: Applicant's CDE certification

a Has the *Applicant* already been certified as a *CDE* by the Fund or submitted a *CDE Certification Application*?

02NMC000478

If a *CDE* certification control number is not automatically populating above **by June 23, 2011**, this means that the Fund may not have received a *CDE Certification Application* from the *Applicant* at the time. **The Applicant will not be able to submit an online 2011 NMTC Allocation Application until a CDE certification control number automatically populates above.** If you believe the *Applicant* has submitted a *CDE Certification Application*, and thus a control number should be appearing above, please email cdfihelp@cdfi.treas.gov with the subject line "NMTC Allocation Application: CDE Control Number Assistance Needed." You may also contact the Fund at 202-622-8226.

In the meantime, you may continue to complete and save information in other parts of the application. However, you will not be able to submit a *NMTC Allocation Application* until such time as the Fund confirms that the *CDE Certification Application* was received in a timely fashion.

b By the stated deadline in the 2011 *NOAA*, is the *Applicant* filing a service area amendment in connection with this application?

No

7: Service area

Identify the type of service area that the *Applicant* will serve (check one). The service area identified here must be identical to the service area identified by the *Applicant* in its *CDE Certification Application* and approved by the CDFI Fund:

National service area**8: Geographic areas**

Identify the particular geographical areas that the *Applicant* will serve. An *Applicant* that is serving a national service area must identify the 7 states with the largest amount of projected activities:

[Detail Below](#)

States/Jurisdictions Served		
Florida Massachusetts Michigan	Mississippi North Carolina	Oregon Washington
Counties		

9: Urban or rural focus

Estimate the percentage of activities, by dollar amount that will be directed to each of the following markets. The total percentage should add up to 100% of the *NMTC Allocation* amount.

% Major urban areas (Counties in metropolitan area with a population equal to or greater than 1 million, including both central city and surrounding suburbs)

15%

% Minor Urban areas (Counties in metropolitan area with a population less than 1 million, including both central city and surrounding suburbs)

10%

% Non-Metropolitan Counties

75%

10: Predominant financing activity

Please indicate the *Applicant's predominant* anticipated financing activity (**select only one**):

Operating Business financing

Please specify "Other Real Estate Financing" activity:

N/A

11: Executive Summary

a Provide a summary of the *Applicant's* business strategy including the following:

- A brief summary of the *Applicant's* service area, including the specific needs or problems that it intends to address with NMTCs.
- A brief summary of the types of projects and/or borrowers the *Applicant* will target and address why NMTCs are important for the identified projects and/or borrowers.
- A brief summary of the products that the *Applicant* will offer, including both financial products and technical assistance.
- A brief summary of how the NMTCs will enhance the *Applicant's* product offerings.

Boston Community Capital (BCC) is 27-year-old nonprofit CDFI whose sole mission is to build healthy communities where low-income people live and work through socially responsible lending and investing. We pursue our mission by developing financing tools that create access to capital in low-income communities (LIC) and by leveraging private sector investment in LICs at a scale sufficient to connect them to the economic mainstream. Since 1985, BCC has invested more than \$650 million in underserved communities: building over 11,100 affordable homes; financing child care facilities and schools serving more than 7,200 children; and creating more than 1,400 jobs in LICs. BCC is a certified CDE serving a national target market.

BCC has received five NMTC allocations totaling \$353 million. Through deployment of these allocations and leverage lending for other NMTC projects, BCC has developed NMTC expertise and a pipeline that enable us to deploy our allocations quickly and effectively, while ensuring maximum benefit to LICs. We will use our proposed allocation to expand this work.

BCC has three distinct NMTC financing strategies; each consistent with and leveraging our 27-year record and experience from prior NMTC awards:

- 1) "Direct Investment Strategy": making QLICs to high-impact QALICBs in highly distressed LICs;
- 2) "Leverage Strategy": leveraging the NMTC proceeds to expand our existing lending in LICs; and
- 3) "New Business Strategy": investing in new financing products and services benefitting LICs.

We project that a \$125 million NMTC award will generate at least \$329 million of new lending into rural and urban LICs, providing and catalyzing low-cost capital and flexible financing for community and economic development projects throughout the U.S.

DIRECT INVESTMENT

BCC will lend 95% of our proposed NMTC allocation, or \$118.75 million, to QLICs. BCC has a \$272 million pipeline for this award, 80% of it in Non-metropolitan counties. BCC has fully invested four of its five prior allocations totaling \$300 million in 12 separate transactions across the U.S; we have fully committed our \$53 million 2010 award, with 49% closed and the balance scheduled to close in Fall 2011. Over 85% have been in Nonmetropolitan counties.

As with prior awards, our proposed QLICI will include at least five flexible features (including rates, terms or product offerings). Our projected pipeline for this award will create 665 permanent FTE jobs and 385 construction jobs, and focus on environmentally sustainable businesses in rural areas.

LEVERAGE

BCC has used the proceeds we have received from our prior NMTC allocations to expand our capital base of our Loan Fund (BCLF), our Stabilizing Urban Neighborhoods (SUN) foreclosure relief initiative, and our Energy Advantage Program, thereby

leveraging over \$137 million in private market rate and below-market capital to support community development lending and investing. (Our fifth allocation is just now being invested.) Since both BCLF and SUN are structured as revolving funds, we project that over the 7-year term of the NMTC allocations, the proceeds from our five prior allocations will leverage an additional \$278 million in QLICI or QLICI-like lending to low-income communities through our Leverage Strategy.

We project that the proposed \$125 million NMTC allocation will generate sufficient additional equity to leverage over \$200 million in additional lending through the Loan Fund, SUN and Energy Advantage over the next 7 years, substantially all of it serving LICs and offering many flexible rates and terms.

NEW BUSINESS

BCC has also used proceeds from prior awards to capitalize new financial products for highly distressed rural and urban communities. To date, that equity investment has supported the development of Wegowise, a business aimed at tracking and benchmarking utility inputs/outputs for multi-family affordable housing; our SUN foreclosure relief initiative, working through our Aura Mortgage affiliate, has helped over 125 families remain in their homes (Fed Chair Bernanke recently highlighted the program as a model for how "local communities are meeting the challenges of tough times in troubled communities"); and BCC Solar Energy Advantage, a business that funds energy production, conservation and energy efficiency improvements in existing multifamily properties (11,000 solar panels installed to date making BCC the one of the largest third party owner of solar production facilities in MA).

By investing \$2 million of equity from a 2011 award in new initiatives (for example, expanding our energy conservation work or bringing our foreclosure relief work to cities around the country), we believe we could generate an additional \$10 million in new lending activity through these initiatives over the next seven years.

12: Time to complete

Estimate how long this *Allocation Application* form took to complete (hours):

200

	I-Business Strategy A-Products, Services, and Investment Criteria	11NMA000478
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13: QLICI activities

Please indicate the types of *Qualified Low-Income Community Investments (QLICIs)* in which the *Applicant* intends to engage (check all that apply), and what percentage of allocations (by dollar amount) will be used for each activity. (Percentages for (a)-(e) should add up to 100 percent):

- a** Investments in, or loans to, non-real estate *QALICBs*.

85%

Loans/investments will be used to support: (these two percentages should add up to 100 percent by dollar amount)

% Business operations (including working capital, inventory or equipment purchase)

15%

% Real estate development or acquisition of property to be used in operating the business

85%

- b** Investments in, or loans to, *QALICBs* whose principal activities involve the development or rehabilitation of real estate

15%

- c** Investments in, or loans to, other *CDEs*.

0%

Please indicate the percentage of each activity (by dollar amount) in which the final recipient *CDEs* intend to engage, using the proceeds of the NMTC investments provided by the *Applicant*. Percentages should add up to 100 percent.

% Origination of loans, investment of capital, or equity to non-real estate *QALICBs*.

N/A

% Origination of loans, investment of capital, or equity to *QALICBs* whose principal activities involve the development or rehabilitation of real estate.

N/A

% *Financial Counseling and Other Services*.

N/A

- d** Purchases of loans from other *CDEs*.

0%

- e** *Financial Counseling and Other Services*.

0%

In conjunction with financing (select "Yes", if applicable)

N/A

As a discrete line of business (select "Yes", if applicable)

N/A

14: Flexible or non-traditional product offerings

Products, rates and terms that the *Applicant* intends to offer:

- a** Select the products the *Applicant* intends to offer (select all that apply):

1. *Equity Investments*

No

2. *Equity Equivalent* terms and conditions, including debt with equity features (e.g., debt with royalties; debt with warrants; convertible debt)

No

3. Senior debt

Yes

4. Subordinated debt

Yes

- b** For each major product line checked above, describe which of the following flexible or non-traditional features the *Applicant* intends to offer. Include a brief description of the rates and/or terms that will be offered and explain how these rates and terms compare with what is typically offered by the *Applicant* and typically offered in the marketplace. Also, provide an example of how the product will be used (alone or in conjunction with non-NMTC sources of financing) for each product line checked in 14(a) above.

- Below market interest rates (or rate of return in the case of equity investments)
- Lower than standard origination fees
- Longer than standard period of interest-only loan payments
- Higher than standard loan-to-value ratio
- Longer than standard amortization period
- More flexible borrower credit standards
- Non-traditional forms of collateral
- Lower than standard debt service coverage ratio

c For an *Applicant* that indicated under Question 13(c) that it intends to finance other *CDEs*, describe the strategy by which the *Applicant* will ensure that those *CDEs* will pass along the NMTC benefits to their *QALICB* borrowers in the form of more favorable rates or terms.

N/A

Narratives

Narrative for: 3.Senior debt

For each major product line checked above, describe which of the following flexible or non-traditional features the Applicant intends to offer. Include a brief description of the rates and/or terms that will be offered and explain how these rates and terms compare with what is typically offered by the *Applicant* and typically offered in the marketplace.

- Below market interest rates (or rate of return in the case of equity investments):
- Lower than standard origination fees:
- Longer than standard period of interest-only loan payments:
- Higher than standard loan-to-value ratio:
- Longer than standard amortization period:
- More flexible borrower credit standards:
- Non-traditional forms of collateral:
- Lower than standard debt service coverage ratio:
- Loan loss reserve requirements that are less than standard:

BELOW MARKET INTEREST RATES

To-date, all QLICs have had interest rates at least 25% below conventional market interest rates at the time of closing. All QLICs in our proposed allocation will have similar below-market rates. In our Leverage Strategy, NMTC proceeds have allowed us to reduce the interest rate of many of our loans. We offer below-market interest rates when doing so will preserve our mission in weak market conditions and bolster long-term impact. For example, BCC financed 23 studios (11 affordable) for artists and first time homebuyers in Chelsea, MA. The weak housing market did not support original unit pricing, extended the carrying period for the borrower's other projects, and strained the borrower's cash position. BCLF dropped its rate to 3.5%, with 3% interest-only current pay. BCC also allowed the borrower to reduce its principal balance with unit sales. This enabled the sale of all remaining units, maintaining affordability and the project's viability.

LOWER THAN STANDARD ORIGINATION FEES

BCC has charged no commitment fees for QLICs under its Direct Investment Strategy, and we do not anticipate charging fees for future QLICs. Market rate commitment fees for comparable transactions are 50 to 100 basis points.

LONGER THAN STANDARD INTEREST-ONLY PAYMENTS

All of BCC's QLICs have a seven-year interest-only period, and we anticipate future QLICs will also have a seven-year interest-only period; standard commercial financing has no interest-only period. BCC also provides interest-only periods for projects when necessary to secure parcels to maintain affordability prior to a firm development plan being in place. Example: BCC provided an interest-only loan for to mixed-income homeownership mill conversion in Western Massachusetts, and extended the interest-only period to allow for a developer change. This allowed the new developer to close a budget gap and pursue necessary financing.

HIGHER THAN STANDARD LOAN-TO-VALUE RATIO

Higher than standard LTV ratios are a routine part of our Leverage Strategy. While most conventional lenders go up to 75% LTV, BCC often lends at higher LTV ratios to fill financing gaps. For example, BCC provided a \$2.8MM bridge loan to KIPP Academy Lynn at 160% LTV against unimproved real estate, requiring pledges and guarantees to reach an LTV of 80%. Our loan allowed construction to start and the project to remain on schedule to open in the fall of 2012. Our predevelopment and acquisition lending also requires higher

than standard LTV ratios. Example: BCC made a loan to build affordable rental housing in a distressed area of Beverly, MA. Other project lenders had LTV restrictions, so BCC made a second loan that could increase to 106% LTV over the term if the project was delayed. As the project was dependent upon LIHTC investment, significantly delayed by the market downturn, the additional carry period proved crucial.

LONGER THAN STANDARD AMORTIZATION PERIOD

BCC's QLICI loans require no amortization of principal for the first seven years. Comparable commercial loans begin amortizing at closing.

MORE FLEXIBLE BORROWER CREDIT STANDARDS

Virtually all BCC loans involve flexible or non-traditional credit standards of some form; we apply these standards without necessarily receiving the pricing that the conventional market might dictate. We have made loans to borrowers with unproven growth plans, low or negative net worth, recent operating losses, and significant management turnover.

NON-TRADITIONAL COLLATERAL

BCC routinely makes loans that are either unsecured or secured by nontraditional collateral to help borrowers secure development sites or expand new programs. BCC has collateralized loans with liens and pledges of receivables, such as fundraising pledges, anticipated future contracts, and development fees; typically illiquid assets such as general partnership interests; and hard-to-realize assets, including potential excess net operating income, options, and purchase and sale agreements.

LOWER THAN STANDARD DEBT SERVICE COVERAGE RATIO

BCC's QLICI underwriting standards anticipate market-rate debt service coverage (DSC). However, since our rates and origination fees are below-market, the amount of debt a project can carry is higher than with a true "market rate" loan. Flexibility in our Leverage Strategy comes from our analysis of a borrower's revenue and expenses. For example, many of our non-profit borrowers rely on grants or donations, or on irregular income sources like development fees. While other lenders discount these revenues, BCC assesses their sustainability and makes loans with lower DSC ratio requirements. Under our Solar Energy Advantage Program, we will provide capital based on projected operating and utility savings rather than demonstrated cash flow, even when DSC is currently below conventional standards for affordable housing projects.

LESS THAN STANDARD LOAN LOSS RESERVES

We will not require reserves for any QLICIs; BCC requires reserves for its traditional lending at 5%.

Narrative for:

4. Subordinated debt

For each major product line checked above, describe which of the following flexible or non-traditional features the Applicant intends to offer. Include a brief description of the rates and/or terms that will be offered and explain how these rates and terms compare with what is typically offered by the Applicant and typically offered in the marketplace.

- Below market interest rates (or rate of return in the case of equity investments):
- Lower than standard origination fees:
- Longer than standard period of interest-only loan payments:
- Higher than standard loan-to-value ratio:
- Longer than standard amortization period:
- More flexible borrower credit standards:
- Non-traditional forms of collateral:
- Lower than standard debt service coverage ratio:
- Loan loss reserve requirements that are less than standard:

While we do not anticipate offering subordinated debt for our Direct Investment Strategy, we will use fees earned from NMTC transactions to expand our capacity to make subordinated loans through our Leverage Strategy. For example, BCC made a mezzanine loan to support the acquisition of a 404 unit rental portfolio in southern Connecticut. The 4 projects in the portfolio are supported by a long-term subsidy contract to make the units affordable for low income seniors. Two of the properties have existing Housing Authority debt that does not allow for early repayment or additional indebtedness. BCC has agreed to interest-only payments at 4% current pay, accruing an additional 6%. When the Housing Authority debt is fully repaid during the term of the BCLF loan there will be ample cash flow to support both senior and subordinate debt on an amortizing basis. As in this case, the value BCC brings to transactions is our ability to provide creative financial structuring unavailable from commercial banks. We have provided subordinated debt to LIC projects that otherwise could not have attracted sufficient first mortgage debt. Because of the positive impact of NMTC fees on our balance sheet, we have been able to provide subordinated debt on larger projects to leverage greater private equity. Our subordinate loans often go up to 95% of value, whereas conventional lenders typically go up only as high as 80%. Our subordinate loans also give BCC the right to cure a senior lender's default. With BCC able and motivated to cure a default, senior lenders have more comfort in making the loan initially and more flexibility in dealing with technical (non-payment) defaults, while borrowers have greater certainty that their financing will remain in place. Our subordinated loans often feature below market interest rates (6-8% vs. 12-15% from other lenders for subordinate loans); lower than standard origination fees (0 basis points for QLICIs vs 50-100 basis points for market rate); longer interest only periods; higher than standard loan-to-value ratios; longer than standard amortization periods; more flexible borrower credit standards; non-traditional forms of collateral; lower than standard debt service coverage ratios; and loan loss reserve requirements that are less

than standard. (See descriptions of these features under Senior Debt, above.)

15: Additional flexibility for debt

Choose one of the following options:

The *Applicant* will commit that 100 percent of its *QLICs*, as listed in Question 14, will be provided in the form of equity; equity-equivalent financing; debt with *Interest Rates* at least _____ below market; or debt that otherwise satisfies at least _____ indicia of flexible or non-traditional rates and terms:

- a) 50 percent below market; or at least 5 indicia of flexible or non-traditional rates and terms**

16: Use of Tax Credit Equity at End of Compliance Period

Based on the *Applicant's* prospective products as described in Question 14:

To the extent there is any tax credit equity remaining at the end of the seven-year compliance period, indicate the overall percentage of allocation amount that is anticipated to be apportioned amongst *QALICBs*, investors, the *Applicant* or its Affiliates. To the extent *QALICBs* will be able to acquire a portion of the *QLIC* through a put/call option at the end of the seven-year credit period, describe the terms and conditions associated with this option.

BCC's *QLICs* are primarily senior debt with no amortization or principal payments during the seven-year compliance period. As a result, the initial principal value of the *QLICs* is typically outstanding at the end of the compliance period, with the *QALICBs* responsible for repayment. To the extent that a refinancing occurs at the end of the compliance period, the *QLICs* will be repaid to the *CDEs*, which, in turn, will allow distributions to the investors equal or less than their original investment.

As noted in later questions, BCC's typical *QLIC* is a \$20-\$40 million senior debt with fixed-rate, interest-only terms at least 25% below market. Further, our *QLICs* have no loan fees charged to the *QALICB*. As a result, this structure offers very substantial economic benefits to our *QALICBs*. Since our NMTC financing is typically the full financing required for the transaction, these terms and the minimized transaction costs are often more beneficial to the *QALICB* than a stand-alone *QLIC*, requiring senior from a third party, even with additional favorable put/call terms. Furthermore, as described later in this application, our primary *QLICs* are typically invested in *QALICBs* that are recapitalizing, turning around or expanding businesses that have been distressed for many years, and where the *QLIC* debt service represents a large part of the *QALICBs* operating expenses. Therefore, the below market, interest-only terms of our *QLICs* are often reducing the *QALICBs*' debt service by half during the initial years of the investment as the *QALICB* is rebuilding or expanding the business. Further, structuring the benefits of the NMTC for the *QALICB* early in the term of the *QLIC* allows us to attract *QALICBs* that will structure additional community benefits (please see Questions 21-22) into their operating plans. However, our *QALICBs* are commercial enterprises and must be able to operate with commercial financing over time if they are to be sustainable and offering additional benefits to the *QALICB* through preferential put/call terms is not necessary or appropriate.

As noted in Question 46d, in two small *QLICs* where the sponsors are non-profit or community based organizations (Boston Collegiate Charter School and Solar Energy Advantage), the *QLICs* are structured to allow the *QALICBs* to assume the remaining value of the *QLICs* at the end of the compliance period for a nominal amount. Since the sponsors are non-profit organizations, the ability to capture the value of the charitable deduction enhanced this preferential distribution. To the extent that we invest in similar projects, we will use a comparable structure.

17: Loan purchasing strategy

For an *Applicant* that indicated under Question #13(d) that it plans to purchase qualifying loans from other *CDEs*:

- a** Will the *Applicant* require the *CDE* from which it purchases loans to reinvest all or a portion of the proceeds from the loan sales in *QLICs*?

N/A

If yes, identify the percentage:

N/A

Briefly describe the *Applicant's* mechanisms for enforcing this requirement:

N/A

- b** Describe the extent to which the *Applicant* intends to: a) purchase loans at terms and/or with conditions that would not be possible without the benefit of a *NMTC Allocation*; and/or b) offer better rates or terms to the selling *CDEs* than would otherwise be possible without the benefit of a *NMTC Allocation*:

N/A


18: Track record of QLICI activities

Does the *Applicant*, or its *Controlling Entity*, have a track record of financing or otherwise facilitating the types of *QLICI* activities checked in Question #13?

Yes

If Yes, complete Questions #18(a)-(b)

- a** Complete [Tables A1-A4](#), as applicable for the types of *QLICI* activities in which the *Applicant* or its *Controlling Entity* has engaged.
- b** Provide a narrative discussion of the organization's track record for each type of *QLICI* activity identified (including *FCOS*), referencing data included in Tables A1-A4, as appropriate. Focus the discussion specifically on the *Applicant's* or its *Controlling Entity's* experience targeting *Disadvantaged Businesses and Communities*.

- Be as specific as possible with respect to which activities were undertaken by the *Applicant*, as opposed to its *Controlling Entity* or other *Affiliates*.
- Be sure to discuss whether the data in Exhibit A refers to the *Applicant's*, *Controlling Entity's* or *Affiliates'* direct financing (i.e. its own capital at risk) versus indirect financing (e.g., loan packaging, project development, etc).
- Be sure to indicate how long the *Applicant* or its *Controlling Entity* has been serving *Disadvantaged Businesses and Communities*.

BCC's entire mission is to connect disadvantaged people and communities to mainstream capital markets. For 27 years, we have been providing loans and investments to low-income families and to businesses and nonprofit organizations that are creating jobs, housing and opportunities in communities where low-income people live and work.

From 2006-2010, BCC directly provided approximately \$380 MM in debt and equity capital to disadvantaged businesses and communities. These investments, including NMTC investments made using BCC's five prior NMTC allocations as well as loans from Boston Community Loan Fund (BCLF; the Loan Fund); Aura Mortgage [as part of our Stabilizing Urban Neighborhoods Initiative, (SUN)]; Solar Energy Advantage (SEA); and equity investments through Boston Community Venture Fund (BCVF; the Venture Fund), have supported over 320 non-profits and businesses serving low income and disadvantaged communities. Approximately 67% of that activity has been in non-real estate businesses with the balance in real estate businesses. Since 2006, over 50% of our overall activity - and over 85% of our NMTC activity - has been in Non-metropolitan counties.

Our Loan Fund has 27 years of experience funding projects that benefit low-income people and communities. BCC's annual lending has increased more than ten-fold over the past decade, and has enabled us to fund more than 7,200 slots for low-income children in child care facilities, charter schools and youth programs, and develop over 11,100 units of affordable housing in LICs. From 2006-2010, over 99% of our lending and investing served disadvantaged businesses and communities. Over half of our Loan Fund's loans are to areas defined as HUB Zones by the SBA, "High Cost Areas" by HUD, and "Metropolitan Difficult Development Areas" by the IRS. More than one-third of our loans have gone to areas with poverty rates above 30%; a full 60% of our loans have gone to areas with poverty rates above 20%. Since 1985, the Loan Fund has experienced loan losses of less than one twentieth of one percent; according to Opportunity Finance Network, this compares with a cumulative loss rate of three tenths of one percent for CDFIs in our peer group. In the last five years, the Loan Fund has experienced no charge-offs.

Through our Venture Fund we have invested more than \$21.5 MM in companies that create jobs and opportunities for low-income people and communities. Investing in businesses that achieve a "double bottom line" of social and financial returns, we provide an additional way for investors to work through BCC to serve our targeted LICs. Both equity funds, capitalized at \$5 MM and \$16.5 MM are fully invested. BCVF has had several successful exits -- including the IPO of Zipcar, one of our first investments -- and anticipates returning capital with a positive return to investors at the end of the term of the funds. Three successful examples include: WorkSource, a job training program; City Fresh Foods, a minority-owned catering company that provides meals-on-wheels to low-income African-American and Latino senior citizens; and Acelero, a management support company working with Head Start programs to reduce costs, alleviate the compliance burden, and create access to the best curriculums.

Our Stabilizing Urban Neighborhoods (SUN) Initiative, which helps foreclosed homeowners repurchase their homes with mortgages they can afford -- is growing rapidly in response to great need triggered by the foreclosure crisis. Since its launch in late 2009, SUN has helped over 125 families facing eviction due to foreclosure to remain in their homes. SUN targets urban communities in Massachusetts hardest hit by foreclosure (HUD Foreclosure Index Scores of 18 or higher).

We established SEA with the goal of creating a robust and economic solar financing business serving LICs. To date, SEA has developed over 2.5 megawatts of solar PV with a value of \$18 MM, and is currently one of the largest non-utility owners of solar in Massachusetts. SEA invested more than \$6.5 MM in the purchase, installation and operation of solar panels on 16 facilities which now generate 2.1 MM kilowatts of energy annually. Each of these installations provides benefits to a LIC.

Our entire NMTC strategy is focused on financing high impact QALICBs in highly distressed communities. We do this by seeking projects large enough to support and strengthen local industry and diversify the economic base; by working with co-lenders and investors with deep experience in the industries and regions in which we are investing; and by structuring and pricing QLICs to match the needs of

QALICBs with long-term business and investment strategies that are likely to generate sustainable social and financial returns. BCC's board of directors and investors ensure that our lending and investing activities target disadvantaged businesses and communities.

LOANS AND INVESTMENTS TO NON-REAL ESTATE BUSINESSES

As shown in Table A1, from 2006-2010, BCC provided \$295.5 MM in loans and investments to 89 disadvantaged non-real estate businesses. Between 2006 and 2010, NMTC transactions from BCC's NMTC allocations total approximately \$220 MM; the remaining

\$78 MM includes loans by our Loan Fund, loans and investments from our Venture Fund, mortgage loans provided to individuals facing foreclosure-related eviction through Aura Mortgage, and renewable energy financing provided by SEA.

Examples of non-real estate businesses financed include:

- The Media and Technology Charter High School, serving inner-city students in Boston, MA;
 - The Women's Center, a nonprofit organization providing advocacy and support services for low-income women and their children;
- and
- The Mattapan Community Health Center, the only provider of comprehensive health services in several medically underserved neighborhoods in Boston, MA.

As described above and shown in Table D1, the Loan Fund has experienced losses of less than one-twentieth of one percent on our non-real estate loans; the Venture Fund has experienced losses totaling \$2.5 MM, consistent with our projections and industry averages for an equity fund of this kind. All losses reflected in Table D1 were from the Venture Fund equity or related subordinated-debt investments.

BCC had no losses in our Loan Fund or NMTC portfolios from 2006-2010.

LOANS AND INVESTMENTS TO REAL ESTATE BUSINESSES

As shown in Table A2, from 2006-2010, BCC provided \$100.6 MM in loans to 92 real estate businesses; almost 100% of dollars lent were to disadvantaged businesses or communities. BCC has not experienced any loan losses on its loans to real estate businesses.

Examples of real estate businesses financed include:

- Windale Developers, a minority-owned development company, to create affordable homeownership units for first-time homeowners in a CDFI Fund Hot Zone in Roxbury, MA; and
- Dorchester Bay Economic Development Corporation, to acquire and renovate a commercial block in an NMTC-eligible census tract in Dorchester. The block had been seized by federal marshals after the owner was convicted of drug dealing out of a storefront. Today, the renovated and fully tenanted block has helped to attract inner-city business to this district.

FINANCIAL COUNSELING AND OTHER SERVICES (FCOS)

While BCC does not track or offer financial counseling or technical assistance on a stand-alone basis—and does not intend to provide FCOS as a part of our NMTC strategy—we regularly provide financial counseling and other services, including technical assistance, to the disadvantaged businesses and communities and the low-income families we serve as an integral part of our lending and equity investing.

BCC's staff advises borrowers and assists them in preparing detailed budgets, project cash flows and operating projections; we arrange payment plans; we structure investments and financial transactions; and we work with them to ensure their ongoing ability to perform. Perhaps most importantly, BCC has an extensive network of contacts and we are able to introduce borrowers to other sources of capital. We also connect borrowers with experts in project-related fields, including construction management and business operations.

This active assistance extends beyond BCC's loan portfolio to our investment portfolio, our portfolio of Aura Mortgage loans, and to our SEA activity. BCC is an active participant on the boards of directors of our Venture Fund portfolio companies, overseeing activities from recruiting and product development to identifying customers, determining market positioning, developing expansion strategies and financial planning, budgeting and fundraising. Working closely with the families involved with our SUN Initiative to understand and manage their family finances is integral to the success of that program, and to the health of the Aura Mortgage portfolio. Through SEA, BCC delivers both technical expertise and financial expertise to property owners than can benefit from solar PV but do not have the capacity to invest in understanding this complex and dynamic industry.

Our 5-year strategic plan calls for employee engagement in civic and national leadership roles that broaden our networks, shape public policy affecting underserved communities, and advocate for impact measures that allow us to measure and maximize value created by CDFIs in LICs. We are active in the CDFI industry, creating national standards, models, and tools and participating in initiatives designed to attract mainstream capital to disadvantaged markets. BCC staff members contribute significantly to national organizations like Opportunity Finance Network and Housing Partnership Network. Staff are also involved in local organizations, including community development corporations, neighborhood associations, public school boards, planning boards, and local foundations.

19: Track record of non-QLICI activities

Does the *Applicant*, or *Controlling Entity*, have a track record of successfully providing products and services that would not qualify as *QLICI* activities (e.g., financing residential rental housing) but are similar to the proposed NMTC activities?

Yes

a If yes, describe the *Applicant's*, or *Controlling Entity's*, track record with such transactions and how it relates to the proposed *QLICI* activities.

Virtually all of BCC's over \$650 million in financing activities in our 27-year history have been targeted to LICs and low-income people. While some activities qualify as QLICIs, many do not; however, they are all consistent with the spirit and purpose of the NMTC program.

Reasons why our financing might not qualify as QLICIs include:

- uses that are excluded as QLICIs, such as low-income rental housing;

- projects serving low-income people but not located in LICs; and
- early stage financing where the ultimate program purpose is not certain.

For example, BCC has made loans to a wide range of low-income rental projects, including family, elderly and special needs housing. Loans to Casa Esperanza financed the development of rental housing for graduates of its highly-respected substance abuse program. Loans to resident-controlled Tent City Corporation allowed it to purchase its successful 271 unit mixed-income project from its limited partners.

To serve low-income people in non-LICs, BCC has provided financing to mixed-income projects in higher income communities that are often the only resources or services available to low-income people. This is especially true for projects in suburban or resort areas. For example, BCC has provided development financing to Jewish Community Housing for the Elderly and Volunteers of America to build mixed-income elderly and assisted living facilities in suburban communities. Both projects have a large number of units available for low-income residents and represent a very high percentage of the total low-income units available in those communities, even though they do not qualify as QLICs.

BCC provides early-stage financing for community development projects prior to final program plans. For example, BCC provided acquisition financing to the Presentation School Foundation to purchase a former parochial school. The school, which is adjacent to an LIC and consequently would not qualify as a QLICI, had been closed abruptly and was slated for sale for private development. Community opposition to those plans forced the Boston Archdiocese to reconsider and, with BCC's financing, triggered the creation of the Foundation to purchase the building for community uses. While preliminary plans include child care, recreation, and youth programming facilities expected to serve low-income people from the surrounding neighborhood, those plans had not been finalized at the time our loan was made.

- b** Approximately what percentage of these activities were directed to *Disadvantaged Businesses or Communities*?

99%


20: Projected NMTC Investments

- a Complete [Tables B1-B5](#), as applicable, according to the types of *QLIC* activities in which the *Applicant* intends to engage.
- b Please indicate if the *Applicant* plans to finance:
General Pipeline
- c Please write a narrative describing the *Applicant's* planned investments:

Single or discrete number of investments: If the *Applicant* intends to invest in one or a few discrete projects only, provide a narrative below to describe:

- The feasibility and current status of each transaction (e.g., fully negotiated and committed, in preliminary discussions, etc.);
- The location of the project(s);
- The anticipated dates for project financing (including total project cost and NMTC financing) and completion;
- The risks that may preclude the project(s) from being completed within the timeframes identified.

General pipeline of activities: If the *Applicant* intends to support a general pipeline of activities that may or may not yet be identified, provide a narrative below to describe:

- The number and dollar amount of transactions that have already been identified, for which underwriting is completed or underway;
- Transactions that represent the type(s) of NMTC investments that the *Applicant* intends to make. Be sure to indicate the total project cost and provide an estimate of the amount of *QLIC* investment for each transaction;
- The *Applicant's* strategy for identifying potential borrowers, investees, or other customers in *Low-Income Communities*.
- The extent to which the *Applicant* intends to invest interest, dividends or other profits received from *QLICs* into additional *QLICs*, and the timeline for doing so.

As we have done successfully with our five prior NMTC allocations (all of which are fully invested or committed), BCC is applying for a NMTC allocation to support a general pipeline of transactions. We have a strong set of relationships with national partners, including local and regional CDFIs and CDEs; community development industry associations such as those serving charter schools and large non-profit developers; consultants specializing in NMTC transactions; and national investors in BCC and other CDFIs, who have assisted us in developing an active pipeline of *QLICs* in distressed communities across the country. In particular, we have worked closely with General Electric Commercial Finance (GEFCF) both as a partner in identifying potential high impact NMTC transactions and as an investee in the *QELs* financing the *QLICs*.

For each of our prior allocations, we have fully committed the allocation within 9 months of receiving the allocation and, with the exception of our 2010 allocation which we closed in April 2011, we have closed and funded on *QELs* and *QLICs* for the full amount of each of our allocations within 18 months of receiving the allocation. For our 2010 allocation, we have already closed on *QELs* and *QLICs* representing 49% of the allocation and with the balance of the allocation scheduled to close in early fall of 2011. 100% of the *QLICs* have been made in severely distressed communities.

For the 2011 NMTC allocation requested here, we anticipate committing and closing on the full award within 12 months of executing the allocation agreement. (In Table B1, we assume executing the allocation agreement in Q4 2011 and closing on *QELs* and *QLICs* for the full amount of the allocation amount in 2012.)

BCC currently has a pipeline of over \$272 million in *QLICs* to projects in severely distressed communities. Examples include:

--Development of a new wood pellet manufacturing plant located in rural Ahoskie, North Carolina. This \$55 million plant requires \$30 million in NMTC financing. The plant will generate 350,000 tons of pellets annually and will create 150 construction jobs and 60 permanent jobs. By capturing waste chips for wood pellets, this facility will produce a renewable energy source, while creating profitable revenues from thinnings, a key sustainable forest management practice. In addition, this facility will be located on a former Georgia-Pacific sawmill site, bringing this brownfield back into environmentally productive use.

--Financing the expansion of two existing rural wood pellet mills in Wiggins and Amory, Mississippi. This \$33 million investment, including \$25 million in NMTC financing, will more than double the annual capacity of the mills, creating 80 construction and 55 permanent jobs. The plants are at the forefront of best practices in sustainable harvesting, ensuring that all biomass resources are procured according to internationally recognized third-party certification standards, such as SFI or FSC.

--Development of a biomass power plant and associated timber businesses in rural La Pine, Oregon. This project includes the construction of a 24.9 megawatt biomass power plant and the acquisition of nearby timberlands and a small-log sawmill. The \$144 million project will generate renewable electricity from scrap wood and construction waste, creating 100 construction jobs, 50 permanent jobs at the saw mill and power plant, and 30 related lumber and trucking jobs. This project will use at least \$27 million in NMTC financing.

--Construction of an apple processing plant in rural Shelby, Michigan. This new \$20 million facility will create 25 construction jobs and will have 500 permanent jobs when completed. This facility will expand the market for locally grown apples from the western Michigan area. All of the financing will use NMTC.

- Installation and operation of 2 megawatts of distributed renewable solar electricity through a third-party structure located on the roofs of affordable housing developments and community facilities in low-income communities throughout New England. Electricity generated from the solar installations will be sold under long-term, fixed-price power purchase agreements to the host properties, allowing the hosts to stabilize their most volatile operating expenses and reduce their long term electricity costs. This \$10 million project will require 100% NMTC financing and will generate approximately 30 "green" construction jobs.

Although we have begun underwriting these transactions, and their timetables should align with the anticipated timing of this proposed NMTC allocation, these transactions are only illustrative of our pipeline; they are not specific QLICs that BCC has committed to fund. To the extent that we need additional QLICs for our proposed NMTC allocation, we will continue to work with and through our national partners to source deals.

As described in Question 11, in addition to our Direct Investment Strategy, BCC has a Leverage Strategy that uses the proceeds and profits from QLICs and QEIs to reinvest in additional QLICs and similar loans that benefit low-income communities and low-income people but that may not meet the technical requirements of a QLICI. BCC's NMTC QEI and QLICI investment agreements allow us to receive fees of approximately 15% of the value of the QEIs, with a substantial portion of those fees received at closing of the QEIs or early in the term of the QLICs, thereby allowing us to reinvest and leverage those proceeds immediately upon closing (see Question 42 and Table F1).

As described further in Question 21, BCC has used the proceeds we have received from our prior NMTC allocations to expand our capital base of our Loan Fund (BCLF), our SUN mortgage foreclosure activity, and Energy Advantage Program, thereby leveraging over \$137 million in private market rate and below-market capital for our community development lending and investing. (Our fifth allocation is just now being invested.) This additional capital, in turn, has already allowed BCLF to increase its annual lending by \$45 million and our SUN lending by \$33 million. Since both BCLF and SUN are structured as revolving funds, we project that over the 7-year term of the NMTC allocations, the proceeds from our existing NMTC allocations will leverage an additional \$278 million in QLICI or QLICI-like lending to low-income communities through our Leverage Strategy. (For a description of this lending, please see Question 19(a).)

For the NMTC allocation requested here, BCC will use the same strategy and a similar investment structure, allowing us to reinvest the proceeds and profits generated by the QEI and QLICs in leveraging additional loans for low-income communities. BCC projects that over the seven-year term of the NMTC allocation, the proceeds from our proposed 2011 NMTC allocation will leverage an additional \$329 million in loans to low-income communities through our Direct, Leveraged and New Business strategies.

21: Value-add of NMTC Allocation

Indicate whether the *Applicant* intends to use its *NMTC Allocation* to achieve either of the following. Check each that apply, and provide narrative as required for each item checked:

a Increase the volume of its activities.

Yes

Describe and quantify the increase in activities in comparison to what the *Applicant* (or its *Controlling Entity*) has provided over the past five years. Be sure to correlate the volume increase described to the applicable Tables in Exhibit A:

BCC's NMTC strategy is to leverage the credits to benefit LICs well beyond the value of our allocation. As described in Question 42, BCC's QEIs are structured to minimize the risks for investors, thereby lowering their fee requirements, and to providing increased fees--approximately 15% of the allocations--to BCC to support our leverage strategy. As a result, we have used the QEIs and fees from our prior \$353 million NMTC allocations to expand our overall lending to LICs by more than \$600 million. Based on this past experience, BCC will use the proposed NMTC allocation to increase our volume of activities by approximately \$329 million over the seven-year term of the allocation in three ways:

First, through the Direct Investment Strategy, BCC will use our allocation to make \$118 million in QLICs, primarily in highly distressed Non-Metropolitan Counties nationwide. BCC used our prior NMTC allocations to expand our geographic footprint and finance primarily high impact rural projects. Our proposed 2011 allocation will allow us to increase that activity. As described in Question 20, BCC currently has a \$272 million pipeline of projects across the country, over 90% of which are in Non-Metropolitan Counties. These are projects that BCC could not finance without the NMTC allocation.

Second, by using NMTC fees from prior allocations to enhance our balance sheet, BCC has leveraged over \$68 million in new capital for our Loan Fund, doubling our size and annual lending capacity. BCC will use fees generated by this allocation to expand the equity base of the Loan Fund, allowing it to leveraged additional loan capital, and expanding the Loan Fund's lending capacity by over \$75 million over the seven year term of this allocation. This additional capacity will allow us to expand geographically, increase our loan size and support larger projects, and develop new lending products.

Third, with the fees we generate from the NMTC allocations, BCC has become a self-sustainable organization, reducing our reliance on grant dollars and making those dollars and NMTC fees available to other newer and less proven initiatives. Proceeds from our prior NMTC awards allowed us to launch and capitalize our SUN Initiative, the Solar Energy Advantage (SEA) Program, as well as found WegoWise, an automated utility tracking and benchmarking company serving the affordable, multifamily market. By investing additional equity in SUN and SEA, two revolving financing vehicles, we would anticipate leveraging \$54 million in new investment capital, which over seven years will translate into an additional \$125 million in mortgages and conservation financing for low income communities and residents. New initiatives we are currently working on include replicating SUN in other cities and states, expanding the Energy Advantage Program affordable housing energy efficiency and conservation financing, and creating a scattered site rental housing preservation program.

b Undertake activities of greater financial risk.**Yes**

Describe and quantify additional financial risk associated with the proposed projects/pipeline to be undertaken with a *NMTC Allocation*. Be sure to compare the risk of the *Applicant's* proposed projects/pipeline compared to the *Applicant's* (or its *Controlling Entity's*) financing activities that have not involved a *NMTC Allocation*. You may use examples of a past project and/or a proposed project to illustrate how the *Applicant* will use a *NMTC Allocation* to finance projects with greater financial risk:

As described in Questions 21a and 42, fees from BCC's NMTC QEIs bring capital onto our balance sheet and allow us to significantly increase the loan loss reserves and organizational equity for our Loan Fund, enabling activities of greater financial risk. Today, with a troubled real estate market, foreclosures destabilizing low-income neighborhoods, and a very tight credit market, BCC's ability to function as a countercyclical partner and provide flexible and appropriate credit to LICs is crucially important.

Higher reserves allow BCC to respond in a number of ways. First, we will be able to continue our core lending, ensuring that important community projects proceed even when funding, development and sales are uncertain. Second, as commercial lenders and investors pull back from community development financing, BCC can step in to make larger loans, offer higher loan-to-value products, and increase our lending concentrations. Third, many LICs have seen a rapid decline in property values, services, and safety. Higher reserves and equity allow BCC to consider large scale strategies to combat a continuing negative spiral; for example, we are pursuing a series of strategies to address the foreclosure crisis by purchasing troubled loans and properties, allowing community-based control and warding off "bottomfeeding" and absentee investors.

BCC has a proven track record of using fees from prior allocations as reserves to support high risk pre-development and acquisition loans, especially for larger projects. Reserves strengthened by NMTC fees allowed BCC to provide over \$10 million in loans to community organizations competing to purchase large properties from the Catholic Archdiocese of Boston as it sold off several of its inner-city holdings. No other lenders in Boston could have met the necessary terms or timing: the Archdiocese insisted on an immediate sale and the community organizations were competing with private developers, requiring our borrowers to assemble the acquisition financing quickly, before development plans and take-out financing were finalized. As a result of BCC's financing, campuses in Jamaica Plain, Dorchester and Brighton have been purchased and preserved for community and low-income benefit. Collectively, these transactions represent one of the largest sales of private property in the City of Boston. Plans are well under way for community facilities, renovated commercial space, schools, child care centers, and hundreds of units of affordable housing.

Another example is BCC's performance-based energy efficiency financing initiative for multi-family affordable rental housing. Since this financing is based on modeled energy savings and many of the target properties cannot offer sufficient collateral, BCC's initiative depends on internal credit support. Proceeds from our NMTC fees will allow us to expand the credit support facility for this financing.



I-Business Strategy D-Non-Metropolitan Counties

11NMA000478

22: Non-Metropolitan Counties

a Have at least 50 percent of the *Applicant's* (or *Controlling Entity's*) total financing activities over the past five years, as shown in Exhibit A, been directed to *Non-Metropolitan Counties*?

Yes

b What is the minimum percentage of *QLICs* that the *Applicant* is willing to commit to deploy in *Non-Metropolitan Counties*?

50%

c What is the maximum percentage of *QLICs* that the *Applicant* is willing to commit to deploy in *Non-Metropolitan Counties*?
(Note: this value must be equal to or greater than the value for 22(b).)

60%

d If the response to Q.22(c) above is greater than zero percent, briefly describe the *Applicant's* (or its *Controlling Entity's*) five-year track record of providing or facilitating *QLIC* and non-*QLIC* related activities (e.g., rental housing) in *Non-Metropolitan Counties*.

Since 2006, BCC invested or lent over \$252 million into Non-Metropolitan Counties. This includes the \$221.4 million in activity from 2006-2010 shown in Tables A1 and A2, as well as \$31 million BCC has invested in *QLICs* since December 31, 2010. Including NMTC *QLIC* invested prior to 2006, BCC has invested 87% of its NMTC allocations, totaling \$286 million, in Non-Metropolitan Counties. Examples include:

- financing the acquisition of land and the construction on that land of a sweet potato processing plant in Delhi, Louisiana, a highly distressed community in rural LA. The project created 300-500 full-time jobs directly, and an estimated 1,400-1,700 indirect jobs, according to a study by Louisiana State University. It involves the establishment of a large sweet potato cooperative with local farmers, many of which have struggled with cotton and tobacco farming over recent years.
- financing the acquisition of over 400,000 acres of forest in West Virginia's Appalachian region, which has been devastated by coal mining and other environmentally damaging activities.
- financing the acquisition of over 80,000 acres of forest on Washington's Olympic Peninsula. These tracts are a critical source of long term log and fiber supply for 11 local mills on the Olympic Peninsula, which employ approximately 2,000 persons directly and represent a major pillar in the regional economy. Indirect employment includes several thousand additional jobs in logging, transportation, and support services.

BCC's Venture Fund and Loan Fund have also provided loans and equity financing in Non-Metropolitan Counties. BCC is a USDA eligible lender, allowing us to expand our Leverage Strategy lending in rural areas.

For our proposed 2011 allocation, BCC has a \$272 million pipeline, over 90% of which is in Non-Metropolitan Counties, including deals in rural Mississippi, Michigan, Oregon, Florida and North Carolina.

e If the response to Question 22(c) above is greater than zero percent, and only to the extent not discussed elsewhere in the application, discuss the *Applicant's* strategy for deploying *QLICs* in *Non-Metropolitan Counties*.

- Indicate the number and dollar amount of transactions that have already been identified in *Non-Metropolitan Counties*, for which underwriting is completed or underway.
- Provide sample transactions in the *Applicant's Non-Metropolitan* pipeline. Be sure to indicate the total project cost and provide an estimate of the amount of *QLIC* investment for each transaction.
- Discuss the key challenges to undertaking NMTC activities in *Non-Metropolitan Counties* and how the *Applicant* proposes to overcome those challenges.

BCC has developed strong relationships with strategic partners that have allowed us to invest over 85% of our five NMTC allocations in Non-Metropolitan Counties and to develop a pipeline of over \$262 million in 10 *QLICs* serving rural LICs. BCC has an active partnership with GE Commercial Finance, including divisions that specialize in projects that are likely to be located in rural areas, such as forest products, renewable energy and consumer distribution businesses. See Question 20 for examples.

A key challenge for undertaking NMTC activities in rural areas is the nature of their economies: namely, they are often dependent on a single industry or even a single company, generally related to natural resource extraction or agriculture. The strength or weakness of the local economies is directly tied to national or global markets and the impact of a fall in market prices is not buffered by a diverse economic base. To overcome this challenge and offer significant and sustainable impacts in rural areas, economic development initiatives must be at a scale that addresses the challenges of a highly concentrated economic base. Similarly, to provide a financial investment vehicle for NMTC investors, the size and term of these projects must be sufficient to ensure a high likelihood of economic return even in light of the structure of these rural economies. Small scale economic development projects in rural communities either revolve around business activities tied to the major industry or are not of sufficient size to have spin-off impacts. In neither case are these small scale initiatives likely to survive or have a broad counter-balancing impact if the major local industry falters. For programs like the NMTC, which leverages private investment capital requiring a financial return, the risks and transaction costs of investing in small scale projects dependent on an undiversified economic base are frequently prohibitive.

Finally, like many LICs with weak or undiversified economies, the impacts of the failure of an economic development project in a rural community are likely to last longer and be more widely felt than in an area with more resilient and less concentrated economic base. Too many low-income communities have been hurt by the failure of projects that were inadequately capitalized, did not have sufficient industry experience or expertise, or depended on short-term investors who exploited near-term profits at the expense of a

sustainable business. As the QLICIs from our prior NMTC allocations and the pipeline described above show, our Direct Investment Strategy for investing in rural communities addresses these issues in three primary ways:

- 1) We seek projects large enough to support and strengthen the major industry and to offer significant opportunities for diversifying the economic base;
- 2) We work with co-lenders and investors, with deep experience in the industries and regions in which we are investing; and
- 3) We structure and price our QLICIs to match the needs of borrowers and investors that have long-term business and investment strategies and therefore are likely to generate sustainable social and financial returns.

A QLICI financed with a prior NMTC allocation illustrates how BCC's ability to make large-scale, flexible NMTC investments supports high impact economic development initiatives in particularly distressed rural communities. BCC made a \$45 million QLICI to finance the acquisition by The Forestland Group (TFG) of over 400,000 acres of Appalachian timberland in West Virginia, Virginia and Kentucky. This land had been devastated by coal mining and other environmentally damaging activities. Our QLICI attracted TFG, the first timber management organization in the world to receive Smart Wood/Forest Stewardship Council (FSC) certification for its entire global timber portfolio, to purchase the land. TFG is managing the timberland on a sustainable basis in perpetuity and will allow, over time, for the regional environment to recover. Timber from the property will be supplied to local sawmills and is sufficient such that a major log supply agreement has been put in place with a large local hardwood sawmill company, enabling that company to survive. This company operates three sawmills in the Appalachian region and is the most important employer in the region, providing about 75 direct jobs, plus indirect jobs in forestry, logging and trucking, and sustaining local business. TFG sees active partnerships with environmental, conservation and eco-recreation organizations as central to managing its forests, and to creating recreation and eco-tourism opportunities that help to diversify the local economies. Finally, while there are significant economic benefits for TFG from our QLICI, those benefits are only fully realized if both the sustainable forest model and business strategies are successful over time.

	I-Business Strategy E-Investments in Unrelated Entities	11NMA000478
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23: Investing in unrelated entities

a Does the *Applicant* intend to use substantially all of the proceeds of its *QELs* to make *QLICs* in one or more businesses in which persons *Unrelated* to the *Applicant* hold the majority equity interest?

Yes

24: Notable Relationships

Describe any potential situations in which the *Applicant*, its *Affiliates* or its personnel (persons involved in identifying projects or making investment decisions on behalf of the *Applicant*, including governing or advisory board), will receive financial benefits from the *QALICBs* financed with the *Applicant's QLICs*.

a Will the *Applicant*, its *Affiliates* or its personnel own more than a 1% interest in the *QALICB*?

No

Describe such situations:

N/A

b Will the *Applicant*, its *Affiliates* or its personnel provide professional services (developer, real estate agent, property manager, or general contractor) for the *QALICB*?

No

Describe such situations:

N/A

c Will the *Applicant*, its *Affiliates* or its personnel be lessees at property developed with the *QLIC*?

No

Describe such situations:

N/A

d Will the *Applicant*, its *Affiliates* or its personnel be a party to a real estate transaction financed with the *QLIC*?

No

Describe such situations:

N/A

e Are there other financial benefits that the *Applicant*, its *Affiliates* or its personnel may receive, but are not included in items (a)-(d) above?

No

Describe such situations:

N/A

f Discuss how such relationships will create benefits (i.e. cost savings, lower fees) for end users, such as *QALICBs*, tenant businesses, or residents of *Low-Income Communities*.

N/A



II-Community Impact A-Targeting the Use of QLICs

11NMA000478

25: Targeting the Use of QLICs

Identify all of the areas likely to be served by the *Applicant* (select all that apply):

1. **[SEVERE DISTRESS]** Census tracts with poverty rates greater than 30 percent; **OR** Census tracts with, if located within a non-Metropolitan Area, median family income that does not exceed 60 percent of statewide median family income, **or**, if located within a Metropolitan Area, median family income that does not exceed 60 percent of the greater of the statewide median family income or the Metropolitan Area median family income; **OR** Census tracts with unemployment rates at least 1.5 times the national average.

Yes

2. **[NON-METROPOLITAN COUNTIES]** Qualifying census tracts that are located in counties not contained within a Metropolitan Statistical Area (MSA), as defined in OMB Bulletin No. 99-04, with respect to the 2000 Census data.

Yes

3. **[TARGETED POPULATIONS]** As permitted by IRS and related CDFI Fund guidance materials, projects serving *Targeted Populations* to the extent that: (a) such projects are 60% owned by *low-income persons* (LIPs); or (b) at least 60% of employees are *LIPs*; or (c) at least 60% of customers are *LIPs*.

Yes

4. **[25% POVERTY/70% MEDIAN FAMILY INCOME/1.25 UNEMPLOYMENT RATE]** Census tracts with one of the following: (i) poverty rates greater than 25 percent; or (ii) if located within a non-Metropolitan Area, median family income that does not exceed 70 percent of statewide median family income, **or**, if located within a Metropolitan Area, median family income that does not exceed 70 percent of the greater of the statewide median family income or the Metropolitan Area median family income; or (iii) unemployment rates at least 1.25 times the national average.

Yes

5. **[FEDERAL ECONOMIC DEVELOPMENT ZONES]** Federally designated Empowerment Zones, Enterprise Communities, or Renewal Communities.

Yes

6. **[SBA Designated HUB ZONES]** to the extent *QLICs* will support businesses that obtain HUB Zone certification by the SBA.

Yes

7. **[BROWNFIELDS]** Brownfield sites as defined under 42 U.S.C. 9601 (39).

Yes

8. **[HOPE VI REDEVELOPMENT]** Areas encompassed by a HOPE VI redevelopment plan.

Yes

9. **[FEDERAL NATIVE AREAS]** Federally designated Native American or Alaskan Native areas, Hawaiian Homelands, or redevelopment areas by the appropriate Tribal or other authority.

No

10. **[ARC/DRA AREAS]** Areas designated as distressed by the Appalachian Regional Commission or Delta Regional Authority.

Yes

11. **[COLONIAS AREAS]** as designated by the U.S. Department of Housing and Urban Development.

No

12. **[FEDERAL MEDICALLY UNDERSERVED AREAS]** Federally designated medically underserved areas, to the extent *QLIC* activities will result in the support of health related services.

Yes

13. **[STATE/LOCAL ECONOMIC ZONES]** State Enterprise zone programs, or other similar state/local programs targeted towards particularly economically distressed communities

Yes

14. **[FEMA DISASTER AREAS]** Counties for which the Federal Emergency Management Agency (FEMA) has: issued a "major disaster declaration" and made a determination that such County is eligible for both "individual and public assistance"; provided that the initial investment will be made within 24 months of the disaster declaration.

Yes

15. **[TRADE ADJUSTMENT ASSISTANCE]** Businesses certified by the Department of Commerce as eligible for assistance under the Trade Adjustment Assistance for Firms (TAA) Program.

No

16. **[HEALTHY FOODS FINANCING INITIATIVE DESIGNATED FOOD DESERTS]** Census tracts identified as Food Deserts under the HFFI definition (USDA-ERS), to the extent *QLIC* activities will increase access to healthy food.

No

a Will the *Applicant* commit to providing at least 75 percent of its *QLICs* (in terms of aggregate dollar amounts) in areas that are either: (1) characterized by at least one of items 1-3 on the above list for each *QLIC*; or (2) characterized by at least two of items 4-16 on the above list for each *QLIC*?

Yes

b Discuss how the *Applicant* will identify *QLICs* in areas marked by the specific indicators of higher distress selected in Question 25(a) above. In particular, please describe:


- The outreach strategies that are used to locate potential investments in these areas of higher distress.
- Examples (if available) of how the *Applicant* has used these strategies to identify high impact investments in areas of higher distress.

Boston Community Capital's core business is to make capital available to organizations and projects whose access to capital through traditional channels is limited. Our loan programs, by definition, target communities that are economically distressed or otherwise underserved. BCC has been making loans to these groups and geographies for 27 years, and our track record of lending reflects our commitment to (and our success in) targeting economically distressed areas. (For a detailed discussion of our track record, see questions 18 and 19.)

We identify organizations and projects serving particularly economically distressed communities through several channels, including:

- (1) connections to the nonprofit organizations and businesses in the low-income communities we serve;
- (2) our longstanding relationships with banks and investors who routinely partner with us to underwrite investments, and often refer to us those loans and investments they are unable to make themselves for a variety of reasons;
- (3) state and local agencies involved in the financing of community and economic development activities in distressed communities;
- (4) our peer network of community development financial institutions across the country; and
- (5) our staff, board of directors and loan committee members who have deep connections to LICs, organizations serving these communities, and financial institutions serving local, regional and national areas.

In conjunction with our prior NMTC awards, BCC has developed a strong set of relationships with national partners that has allowed us to create a healthy pipeline of \$272 million in NMTC transactions located in particularly distressed communities throughout the country. (See Question 20 for a description of this pipeline.) We will continue to develop this pipeline, working with our existing partners and creating new partnerships with organizations deeply connected to the communities we serve.

	II-Community Impact B-Community Development Outcomes – Prior Performance and Projections	11NMA000478
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26: Community Development Outcomes

a Select the impact/outcomes the *Applicant* expects to achieve as a result of the projected *QLICs* described in the Business Strategy. Select all that apply. For every outcome selected, please:

- Quantify, to the extent possible, the *Applicant's* projected community development outcomes;
- Explain how the *Applicant* estimated the potential outcomes that would result from receiving an *NMTC Allocation*;
- To the extent the *Applicant* has a track record of achieving such outcomes in past investments, please describe and compare past outcomes with projected outcomes.

1. JOB CREATION.

Yes

1. JOB CREATION. Quantify, as best as possible, the number of direct jobs (either in the aggregate or on average at each project financed) that will be created or maintained through the *Applicant's* *QLICs*. Be sure to discuss both temporary jobs (e.g., construction) and permanent jobs. Describe how these projections compare to what the *Applicant* has historically achieved.

BCC's mission and entire history has been to finance projects that provide benefits for low-income people and communities—creating and retaining jobs, establishing or expanding community services, supporting businesses and non-profits that operate in and serve low-income communities, developing affordable housing, and supporting wealth creation strategies. Based on BCC's historical experience and projections for projects in our pipeline, we estimate that lending from BCC's proposed pipeline for this allocation award will result in the creation and retention of 665 direct FTE jobs and approximately 385 construction jobs. We estimate that 75% of the permanent jobs generated by the NMTC activity will be for Low-Income Persons or residents of Low-Income Communities. These projected outcomes are consistent with the outcomes from our past NMTC awards.

Our QLICI to Penobscot Forest provides good examples of the types of jobs created or maintained by our NMTC loans in Non-metropolitan counties. This project makes a critical contribution to forest products industry, one of three major industries in Maine (along with fishing and tourism). Our financing of Penobscot created jobs for 20 foresters and professionals managing 1.1 million acres. Over 150 loggers and truckers – employed by logging companies contracted with by Penobscot -- work on the land at any given time. In addition to these jobs, Penobscot is the primary supplier of fiber to two major mills under long-term, favorable fiber supply agreements: Jay Mill, which employs over 1,100 individuals, primarily LIC residents; and Bucksport Mill, which has over 800 employees, primarily LIC residents. Both Jay and Bucksport mills are the primary employers and economic engines in their regions. The Penobscot deal helped keep these mills in business – securing a fiber supply that was critical to attracting Apollo Management to acquire these mills from International Paper when IP decided to exit the business.

Worth noting is the impact of the economy on job creation numbers, particularly for indirect jobs. With forestry projects, for example, declines in timber prices may affect the amount of logging done at a particular property - and therefore, the number of people employed at local mills. However, many of our borrowers commit to provide steady employment (indirect) to logging contractors in the face of challenging market conditions. For example, as part of its commitment to the economic development benefits of sustainable forestry, Lyme Adirondack Forest Company (LAFCo), a Round II-financed QALICB, has committed to maintaining a steady and sustainable level of timber harvesting throughout the NMTC compliance period and beyond. This was particularly challenging during the collapse of sawlog markets in 2009, when many other private and industrial landowners significantly reduced harvesting activity. LAFCo continued harvesting at its previous level of production, making weekly payments to contractors that averaged \$275,000 to \$300,000 per week (over \$12 million in total in 2009). This source of steady work was important to the survival and success of over 25 contracting business in the Adirondack region of New York. These contractors employ between 4 and 10 people per business and indirectly support 1000+ jobs in the New York forest products industry (trucking jobs, mill workers, foresters, other jobs in the NY Forest industry)

2. QUALITY OF JOBS.

Yes

2. QUALITY OF JOBS. Discuss the extent to which the *Applicant's* investments will result in opportunities for *Low-Income Persons* or residents of *Low-Income Communities* to build wealth, receive living wages (e.g., the minimum hourly wage necessary for an individual to meet basic needs, including housing, nutrition, daily living expenses and other incidentals such as clothing for an extended period of time), and employment benefits (e.g., health insurance, retirement benefits, employee stock ownership, etc).

Based on our past experience with five prior NMTC awards and our history of lending and investing through our Loan Fund and Venture Fund, we anticipate that as a result of our financing, many of our borrowers will be able to offer more stable and permanent employment, increase the hours of their employees, and offer new or expanded benefits.

For example, as a result of our equity investment in City Fresh Foods, the business was able to grow and move from operating at a loss to making a significant profit. Not only were new jobs added, but the existing jobs moved from entirely part-time to full time positions. In addition, the company is now able to offer health insurance benefits. The increase in hours worked—especially if it includes overtime—often has a greater impact on low-income employees' income than an increase in wages. Similarly, opportunities for promotions or upward mobility in the workforce are often the most significant path for economic independence and wealth creation for low-income workers.

Increased wages for Low-Income Persons and residents of Low-Income Communities will be a particular outcome of our NMTC activity.

3. JOBS ACCESSIBLE TO LOW-INCOME PERSONS OR RESIDENTS OF LOW-INCOME COMMUNITIES.

Yes

3. JOBS ACCESSIBLE TO LOW-INCOME PERSONS OR RESIDENTS OF LOW-INCOME COMMUNITIES. Discuss the *Applicant's* strategy for targeting jobs to *Low Income Persons* or residents of *Low-Income Communities*, as well as opportunities for training and advancement.

Based on the location of the businesses and the types of jobs created and retained—for example, jobs at community health centers, child care centers, charter schools, and social service agencies in major and minor urban areas; and jobs in sustainable forestry and logging, eco-tourism, mills, and wind turbine maintenance for projects in rural areas — we project that most of the permanent jobs created will employ low-income people and residents of low income communities.

On the other hand, our experience is that the construction trades do a poor job in recruiting and hiring residents of low-income communities. Even though many of our borrowers seek out minority and locally based contractors, we expect the construction jobs created and retained by our activity to be a lower percent than the permanent jobs.

Opportunities for training and advancement will vary by project. Jobs at schools, community health centers, and child care facilities offer ample opportunities for training, though advancement within the organization itself may be limited. While logging and forestry jobs sometimes offer limited opportunities for advancement, we have financed projects for which improving skills and technologies are a key goal. Our investment in Lyme Adirondack Forest, for example, supported several efforts aimed at upgrading skills and technologies for contracted employees at local mills. Lyme established a program to assist logging contractors in upgrading equipment to Cut-To-Length ("CTL") harvesting systems. These systems are more technologically advanced and require greater capital outlay and operator skill. The Lyme program provided a financial premium to contractors during their voluntary transition to CTL. In addition, Lyme foresters worked closely with contractors during the transition in order to maximize chances of success. The program contributed to the retention and enhancement of approximately 25 jobs associated with the contracting businesses that completed the program.

4. GOODS AND SERVICES TO LOW-INCOME COMMUNITIES.

Yes

4. GOODS AND SERVICES TO LOW-INCOME COMMUNITIES. Describe the extent to which the *Applicant's* NMTC investment strategy seeks to increase the provision of goods or services to residents of *Low-Income Communities* or *Low-Income Persons* (e.g., access to social services, educational opportunities, health care, retail, etc).

We project that approximately one-third of non-real estate QLICs and 95% of community facilities lending will be to projects that provide child care, health care, educational or other benefits to residents of low-income communities. Examples of these types of loans include our lending to the Media and Technology Charter High School, Berkshire Arts and Technology High School, Boston Collegiate Charter School and E.L. Haynes Charter Public School. All four are public charter schools serving students from LICs.

In addition, we anticipate that approximately 50% of the office, industrial, and retail financing will be to projects that create these benefits for low-income community residents. We estimate that at least 75% of the lending for for-sale housing and mixed use projects will be to nonprofits. CDCs and non-profit organizations have been BCC's primary borrowers and we anticipate with the new resources generated by the NMTC, demand from those borrowers will increase.

Finally, we anticipate that, of the businesses we finance through our NMTC activity, at least 95% will finance or assist businesses owned by residents of, or otherwise committed to remaining in, low-income communities. Targeting these businesses is a key component of our mission. Virtually all of the businesses located in metropolitan communities provide goods and services for low-income people and communities; the rural businesses we have financed provide benefits to LICs primarily in the form of employment.

An example of a project providing goods and services to LICs from our current NMTC pipeline is the proposed installation and operation of 2 megawatts of distributed renewable solar electricity through a third-party structure located on the roofs of affordable housing developments and community facilities in low-income communities throughout New England. Electricity generated from the solar installations will be sold under long-term, fixed-price power purchase agreements to the host properties, allowing the hosts — nonprofit organizations and affordable housing developments - to stabilize their most volatile operating expenses and reduce their long term electricity costs. This \$10 million project will require 100% NMTC financing and will generate approximately 30 "green" construction jobs

Historically, more than 95% of our lending has benefited LIC businesses and organizations; this is in line with our projections for our proposed NMTC award.

5. FINANCING MINORITY BUSINESSES.

No

5. FINANCING MINORITY BUSINESSES. Describe the extent to which the *Applicant* will focus its NMTC investments on *Minority-owned* or *Minority-controlled* businesses, including (in the case of real estate *QALICBs*) developers, project-sponsors or contractors/subcontractors that are *Minority-Owned* or *Minority-Controlled*.

N/A

6. FLEXIBLE LEASE RATES.

No

6. FLEXIBLE LEASE RATES. To the extent the *Applicant* is financing real estate *QALICBs*, describe the efforts the *Applicant* will make to ensure that tenant-businesses, specifically locally-owned businesses, *Minority-owned* or *Minority-controlled* businesses and non-profit organizations, will receive rent reductions or be able to purchase their properties.

N/A

7. HOUSING UNITS.

Yes

7. HOUSING UNITS. Describe the extent to which the *Applicant* will provide housing opportunities to *Low-Income Persons* or residents of *Low-Income Communities*; the extent to which housing will be offered in areas of high housing need, including communities with high concentrations of vacancies or foreclosures; and/or the extent to which the housing development adheres to principles of "smart growth", including transit-oriented development.

Boston Community Capital has a 27-year track record of creating housing opportunities for low-income people and communities. Our Loan Fund has provided over \$237 million to create or preserve over 11,100 units of affordable housing, including homeownership units for first-time homeowners, rental properties for low- and moderate-income families, supportive housing and shelters. Historically over 50% of our lending has supported affordable housing.

BCC will use our "Leverage" and "New Business" strategies to provide housing opportunities for low-income people and residents of LICs. While BCC's "Direct Investment" strategy is not aimed at creating housing opportunities, our "Leverage" and "New Business" strategies both finance housing opportunities. In recent years, both strategies have specifically targeted neighborhoods with high concentrations of foreclosure; both have also focused on financing housing development that adheres to smart growth principles, including transit-oriented development. In addition, through our Solar Energy Advantage program and Sustainability Initiatives, BCC has targeted resources toward improving the energy-efficiency of existing affordable housing -- financing renewable energy, energy-efficient appliances and air-sealing, and creating tools for tracking energy use and targeting inefficiencies.

For example, our Stabilizing Urban Neighborhoods (SUN) Initiative, launched with the proceeds of our prior NMTC awards, targets low income communities of high housing need (HUD Foreclosure Index Score of 18 or higher) where property values have sharply declined. BCC purchases foreclosed properties from which homeowners or tenants have not yet been evicted at steep discounts, and re-sells those properties to existing occupants with fixed rate mortgages they can afford. To date, BCC has helped over 125 families facing eviction due to foreclosure remain in their homes. The program has been highlighted by Federal Reserve Chairman Ben Bernanke as a model for how "local communities are meeting the challenges of tough times in troubled communities." CDFI Fund Director Donna Gambrell cited the program in her May 25, 2011 testimony before the Senate Appropriations Sub-Committee on Financial Services and General Government as "one of the critical ways in which the CDFI Fund is promoting economic development efforts throughout the country."

8. ENVIRONMENTALLY SUSTAINABLE OUTCOMES.

Yes

8. ENVIRONMENTALLY SUSTAINABLE OUTCOMES. Describe the extent to which the *Applicant* will finance projects which remediate environmental contamination (including addressing environmental health in *Low-Income Communities*); meet LEED certification standards; and/or directly support the production or distribution of renewable energy resources (e.g., biomass, hydro, geothermal, solar, wind, etc.).

BCC's pipeline includes projects that create environmentally sustainable outcomes, including:

- Development and operation of 2 megawatts of distributed solar electricity through a third party structure on roofs of affordable housing developments and community facilities located in low-income urban and rural communities in New England described above;
- Development of a new wood pellet manufacturing plant located in rural Ahoskie, North Carolina. By capturing waste chips for wood pellets, this facility will produce a renewable energy source, while creating profitable revenues from thinnings, a key sustainable forest management practice. In addition, this facility will be located on a former Georgia-Pacific sawmill site, bringing this brownfield back into environmentally productive use; and
- Development of a biomass power plant and associated timber businesses in rural La Pine, Oregon. The \$144 million project will generate renewable electricity from scrap wood and construction waste, creating 100 construction jobs, 50 permanent jobs at the saw mill and power plant, and 30 related lumber and trucking jobs

We have derived these projected impacts based on our historic lending and investing activity. BCC's prior NMTC projects have created direct impacts such as helping preserve and restore rural forests, promoting eco-tourism, and supporting conservation efforts by placing land in conservation trusts.

Under our "New Business" strategy, we have used fee income from NMTC transactions to help launch new initiatives, specifically targeted to environmental sustainability for low income communities. Our affiliate, BCC Solar Energy Advantage, which was capitalized with proceeds of NMTC fees, is now one of the largest third party solar electric providers in Massachusetts, and brings renewable, fixed cost electricity to affordable housing developments. We have also capitalized WegoWise, an online automated utility tracking and benchmarking tool, which provides affordable housing managers, owners and lenders with a low cost monitoring tool to help design and track energy use and improved performance. With future NMTC proceeds, we anticipate expanding our Energy Advantage conservation financing.

9. HEALTHY FOOD FINANCING.

No

9. HEALTHY FOOD FINANCING. Describe the extent to which the *Applicant* will finance projects, particularly retail outlets such as grocery stores, supermarkets and farmer's markets, that increase access to fresh and healthy food for *Low-Income Persons* or *Low-Income Communities*. Indicate how the *Applicant* will identify and target areas that are *Food Deserts* or otherwise have demonstrated lack of access to fresh and healthy food.

N/A

10. OTHER 1.

No

10. OTHER 1. In the space provided, please describe any other community impacts that the *Applicant* hopes to achieve.

N/A

11. OTHER 2.

No

11. OTHER 2. In the space provided, please describe any other community impacts that the *Applicant* hopes to achieve.

N/A

b Describe how the *Applicant* will track and document the community impacts it expects to achieve as a result of receiving an *NMTC Allocation*. To the extent the *Applicant* has a track record monitoring these types of community impacts, please describe.

BCC will track and document the community impacts it expects to achieve as a result of receiving an NMTC Allocation during underwriting and on an ongoing basis as part of our NMTC compliance monitoring and reporting process. BCC has a track record of monitoring these types of investments through our 5 prior NMTC awards and 9 prior CDFI Fund awards. We collect data as part of our initial underwriting analysis, and where applicable, through interviews and reports from borrowers, press releases and news stories associated with the project, borrower surveys, and conversations with key stakeholders. Information currently tracked includes but is not limited to jobs created, units of housing, child care units and slots for low-income students, increased capacity for community facilities, and environmental benefits. We track this information using our loan management software and maintain electronic files related to each project. Environmentally sustainable outcomes for our energy efficiency, conservation and renewable energy projects can also be tracked through WegoWise, a new business BCC co-founded in part with fee income from NMTC transactions. WegoWise, an online automated utility tracking and benchmarking tool, provides affordable housing managers, owners and lenders with a low cost monitoring tool to help design and track energy use and improved performance.

BCC's current monitoring systems do not track – except anecdotally – increased wages for low-income residents. While the characteristics of increased wages are important and anticipated outcomes of our investments, quantifying, tracking and monitoring them is difficult, expensive and frequently unreliable. While we are unable to quantify these specific increases at this time, our close connections with borrowers and the continued development of our social impact database may allow us to track many of these benefits over time.

c If the *Applicant's* NMTC activities, as described in the Business Strategy section or in Item 7 above, include using NMTC dollars to finance projects that would result in developing or rehabilitating rental or for-sale housing, will the *Applicant* commit to providing at least 20 percent of developed units as affordable housing units. (e.g. affordable to persons with income less than 80 percent of AMI)?

Yes

If no, please explain why the *Applicant* is unable to commit to providing at least 20 percent of developed units as affordable housing units.

N/A

d If the *Applicant* responded "Yes" to Item 9 in 26(a), what percentage and dollar amount of the *Applicant's* NMTC activities will focus on healthy food financing, including activities in *Food Deserts* (assuming the *Applicant* receives its full requested award amount)?

% Minimum

N/A

Estimated Total Dollar Invested

N/A

Estimated Number of Projects to be Financed

N/A

27: Community Accountability and Involvement

a Please indicate how the *Applicant*, prior to approving an investment, ensures that an investment into a project or business is supported by and beneficial to the community surrounding it.

- Describe the *Applicant's* process for analyzing the potential benefits to *Disadvantaged Business and Communities* and the extent to which the *Applicant's* Advisory Board and/or members of *LICs* participate in this process.
- Discuss the *Applicant's* process for determining if a proposed investment aligns with community priorities and how this process affects investment decisions.
- To the extent possible, provide examples of the *Applicant's* track record of community engagement.

Since Boston Community Capital's entire mission is to create and preserve healthy communities where low-income people live and work, all our investing and operations are aimed at meeting that mission, and ensuring that our loans and investments in projects or businesses are supported by and beneficial to their communities.

BCC's founders in 1985 included low-income individuals, and low income community (LIC) residents and representatives have been involved in all aspects of our business strategy and governance since then. Furthermore, as a certified CDFI, we are committed to maintaining accountability to LICs.

BCC ensures community accountability and involvement by involving LIC residents and decision-makers in three primary ways.

First, LIC residents are represented on our governing bodies, including our Board of Directors and our Loan Committee. As described in Question 34, half of BCC's outside board members are LIC representatives, including our board chair and two of our three

officers. One of our eight outside board members -- Mercedes Tompkins -- as well as two of ten outside Loan Committee -- Linnie McLean and Eva Clarke -- are LIC residents. These individuals have been selected for the board not just because of their status as LIC residents, but also because they are community leaders and decision-makers and because of their track records advocating on behalf of these communities.

Second, as an organization, BCC regularly participates in community hearings, forums, and meetings regarding individual projects. BCC requires evidence of community support and assesses the impact of all its projects on the surrounding neighborhood. Since many of our borrowers share our mission of serving LICs, we also work closely with those borrowers to ensure that LIC residents have a voice in shaping the projects we finance. We use participation in organizations serving low-income people—such as the Massachusetts Association of Community Development Corporations (MACCDC), Citizens Housing and Planning Association (CHAPA), and Community Business Network—to develop policy and strategy. Most of our borrowers are non-profits serving LICs, and BCC works closely with them to structure financing that meets their needs. In addition to ongoing outreach, BCC meets at least annually with major borrowers to review their needs and challenges in serving their clients. Virtually all BCC board, committee and staff members volunteer in LIC organizations. Those relationships, ranging from national organizations to block or building associations, create an extraordinary basis of knowledge, networks and feedback on which we routinely draw in investment decisions, growth plans and business strategy development.

Finally, BCC has always deliberately located its offices in very low-income neighborhoods, generating rental income for local landlords, bringing back commerce to these areas, and facilitating our ability to attract LIC residents as employees.

With respect to our NMTC investments, BCC has employed two additional techniques to ensure community accountability and benefits:

First, we work closely with on-the-ground partners who can help analyze the potential benefits to disadvantaged businesses and communities. For example, in our loan to Penobscot Forest in Maine, BCC partnered with local CDFI Coastal Enterprises (CEI), a co-investor in the project. CEI worked closely with the borrower to ensure that the investment aligned with community priorities, helping ensure that the project makes a critical contribution to forest products industry, one of 3 major industries in Maine (along with fishing and tourism). Our financing of Penobscot created jobs for foresters, loggers and truckers and supplied fiber to two major mills providing employment to LIC residents under long-term, favorable fiber supply agreements. Proceeds from the investment were used to finance eco-tourism and a venture fund dedicated to financing small businesses in Maine.

Second, prior to approving an investment, we review detailed assessments of the economic and social impacts of the project, prepared or commissioned by our partners in these projects, and also look for support at the state and local level. Our 2009 NMTC investment in a state-of-the-art sweet potato processing facility in Delhi, Louisiana was supported by an economic impact analysis by Louisiana State University, which suggested that the new facility would provide \$2.1 billion to \$2.4 billion in new state economic output from 2009 to 2025; precipitate an additional 1,420 to 1,704 indirect jobs; and generate \$70 million to \$81 million in new state tax revenues, excluding increased corporate income taxes. The project attracted financial support from the state's economic development megafund; the facility's opening was attended by Governor Bobby Jindal, who called it "a major victory not only for Northeast Louisiana, but for our entire state."

b What percentage of the *Applicant's* NMTC investments associated with this *Allocation Application* have been or will be identified or evaluated by the process described in part (a) above?

100%

28: Additional Investment

Discuss the extent to which the *Applicant's* proposed *QLICs* described in the Business Strategy section are expected to result in additional private investment beyond the initial project in the *Low-Income Community (LIC)*. To the extent possible, provide examples where the *Applicant's* investments in the past have spurred additional investment into *LICs* by expansion or creation of new businesses.

As described above, BCC works closely with its borrowers, local CDFIs and CDEs, local and regional municipal officials and regional development authorities, as well as banks and other lenders and investors to underwrite loans and bring sufficient and affordable capital to our borrowers and the LICs they serve. Our loans and investments often represent the first financing into a project -- and often a community -- and they serve as a catalyst for attracting additional investment, public and private, into both the project and its surrounding neighborhood. We anticipate that the *QLICs* described in this application will leverage an additional \$251 million in private investment in the projects we finance.

An example from our Round II NMTC allocation is our investment in Project Metro. The transaction, which financed the purchase of 600,000 acres of timberland in rural Maine helped create jobs for 15 foresters. At any given time, it also provides work for 100 loggers and truckers, and is the main supplier of fiber to the Rumford mill under favorable fiber supply agreements. Rumford Mill, in turn, employs over 1,000 workers, primarily LIC residents. Our fiber supply contract with Rumford Mill was a critical factor in attracting private sector capital to the industry and maintaining the mill operations (and preserving LIC jobs) -- leading Cerberus to acquire the mills from MeadWestvaco when MWV decided to leave the business. Like our loan to Penobscot Forest, the Project Metro NMTC transaction also led to an investment in an eco-tourism venture fund managed by Coastal Enterprises. In addition, it supported R&D efforts to develop a soy-based, environmentally friendly resin to replace formaldehyde resin in engineered woods. If successful, this "green" engineered wood could create a competitive advantage for the LICs in Maine that produce it.

BCC sees this ripple effect as one of the key impacts of our investment and looks for opportunities where an initial investment (or series of investments) can effectively "turn the tides" for a borrower, neighborhood or region. Examples of this "tide turning" effect can be seen in each aspect of our business: from our decision to locate our offices in Dudley Square, becoming the first new above-ground floor tenant in the neighborhood in several decades, to our Venture Fund's investment in portfolio companies that source their component parts from local machine shops.

29: Organizational Chart and Key Personnel

- a** Submit organizational chart(s) that depict the following:
- The *Applicant's* relationship to its *Controlling Entity* and any *Affiliate* or *Subsidiary* entities (if applicable); and
 - The *Applicant's* staffing structure, including key board committees.
- b** Complete [Table C1](#). Identify all personnel, including consultants and Board members (if applicable) that will have a key role in:
- Deploying Capital - locating, underwriting, and approving investments, and/or in providing *Financial Counseling and Other Services*;
 - Raising Capital from Investors - including raising tax credit equity and leveraged debt if the *Applicant* will use the leveraged investment model;
 - Asset and Risk Management;
 - NMTC Program Compliance.

30: Deployment experience

Experience Deploying Capital or *Financial Counseling and Other Services*:

- a** Describe the collective roles, responsibilities, and experience of key personnel, consultants and Board members in providing capital to *Low-Income Communities* and *Financial Counseling and Other Services*, if applicable. The *Applicant* should reference information from Table C1 as necessary.

Our process for providing capital to LICs is as follows:

Loan and investment staff identify potential investments, perform due diligence, work with senior management to make investment/loan recommendations, and structure potential transactions. Upon staff recommendations, Loan and Venture Committees approve loans/investments, adopt overall investing policies and review portfolio performance. Committee members have extensive experience in community development, banking, venture capital, real estate, and law. (See Table C1.) After investment, staff monitors the portfolio and provide FCOS to borrowers. BCC's board of directors provides oversight.

Senior Management Team members Elyse Cherry, DeWitt Jones and Michelle Volpe oversees all aspects of our investing and lending activity. Cherry and Jones have been with BCC since its founding; they are recognized as CDFI industry innovators for their leadership role in bringing new capital to underserved markets. Volpe has 20 years of experience in community development, health care, education and nonprofit lending at Bay Bank and Boston Community Loan Fund; she has been a member of BCC's lending team since 1995, serving of Senior Loan Officer, Team Leader and most recently, Loan Fund President. She became President of the Loan Fund in 2011.

Since 1985, BCC has invested over \$650 million in LICs, more than half of it in the last five years, experiencing loan losses of less than 1/20th of one-percent. Virtually all of the projects we've financed continue to serve their original community purpose. Our lending expertise and policies emerge from our experience lending through economic boom and bust cycles. BCC is a nationally recognized leader in the CDFI industry. We are frequently asked to provide originating, underwriting and monitoring services to other lenders, including local and national banks, and national CDFIs and intermediaries. We currently have participation agreements to provide lending services (locating, underwriting, approval, disbursement, and monitoring) to nine local and national financial partners. BCC is regularly invited to lead both local and national community development lending training sessions, and our materials and policies have been used in developing CDFI industry best practices.

- b** Describe how the *Applicant* will manage the addition of NMTC activities into its current portfolio of activities, including whether additional staff will need to be hired.

As with our prior NMTC awards, Boston Community Capital will use existing staff to implement the NMTC strategy proposed in this application. For this current round, NMTC-related financing activities will be led by senior management team members Elyse Cherry, DeWitt Jones and Michelle Volpe, who will coordinate staff in the underwriting, monitoring and administration of NMTC loans and investments. We do not anticipate the need to hire additional staff to manage this award.

In recent years, BCC has made significant investments in management information systems (MIS) infrastructure and workflow analyses, allowing us to build organizational capacity without adding staff. This infrastructure has allowed us to successfully incorporate activities associated with our prior NMTC awards totaling into our portfolio of activities without adding staff. As described above, four of our prior NMTC allocations have been fully invested; we have fully committed our 2010 allocation and expect to close on the balance of it in Fall 2011. Our experience with these prior allocations has helped us develop and refine effective processes for managing our NMTC pipeline through every step of the investment process from identifying and underwriting deals, through portfolio monitoring and reporting.

31: Asset and risk management experience

a Describe the collective roles, responsibilities, and experience of key personnel, consultants and board members in managing the *Applicant's* assets and risk. The *Applicant* should reference information from Table C1 as necessary.

BCC has 27 years of experience managing risk in lending to LICs; we have developed significant in-house capacity in asset and risk management. Since 1985, BCC has invested over \$650 million to finance housing, child care facilities, schools, and businesses in LICs. Although many of our loans are considered "unbankable," our historic loan losses total less than 1/20 of one percent.

Our Loan Policies and Procedures manual describes our loan application process, underwriting, monitoring and asset management procedures, and risk analysis. Staff review and approve each transaction and loans to new borrowers or over a designated dollar threshold are also approved by our external loan committee. Our external committee meets quarterly to review the portfolio, and throughout the year as needed to approve loans. Our Loan Officers, Portfolio Manager and Loan Operations Manager monitor the portfolio, tracking deal flow from application to payoff, monitoring loan covenants, obtaining quarterly financials, annual audits, insurance information and other data; they review the portfolio weekly, enabling immediate intervention with borrowers as needed. We use an eight-level risk rating system to assess risk and allocate reserves, reviewing each loan at least quarterly to assign appropriate risk ratings and reserves. Staff maintains contact with borrowers throughout the life of the loan to anticipate/resolve problems before they jeopardize a borrower's ability to pay.

BCC staff has a wide range and depth of asset management experience spanning the CDFI, financial services and development industries from current and prior positions, including the oversight of large and expanding loan, QLIC and venture capital portfolios. Staff manages assets of over \$600 million. BCC's board, loan and venture committees add depth and experience from their work in banking, financial services and community development, and provide oversight of our strategies, policies and investment portfolio. Our accountants, Alexander, Aronson Finning & Co., bring experience monitoring nonprofit tax credit portfolios; they review our entire NMTC portfolio annually as part of our audit.

b Describe how the *Applicant* will manage the addition of NMTC activities into its current portfolio of activities, including whether additional staff will need to be hired.

BCC has staffing and systems in place to administer and commit a 2011 NMTC allocation; we do not anticipate hiring additional staff to manage and monitor our 2011 NMTC portfolio.

BCC has received and fully invested or committed five prior NMTC allocations totaling \$353 million. These prior awards, together with our 27 years of experience underwriting and managing investments in LICs, have allowed us to develop efficient and effective asset management systems and processes for managing NMTC deals. The underwriting, structuring, and administration of the portfolio of NMTC transactions associated with our proposed award are manageable within our existing infrastructure.

BCC's staff and board bring decades of asset and risk management to their work – for a detailed discussion of individuals, please see table C1. In addition, the organization has invested in management information systems (MIS) infrastructure and workflow analyses focused on maximizing efficiency and allowing us to build capacity without adding staff.

For this current round, NMTC-related financing activities will be led by the senior management team of Elyse Cherry, DeWitt Jones and Michelle Volpe, who will coordinate staff and work closely with our board, loan and investment committees, legal counsel and accountants to monitor the portfolio and appropriately manage associated risks.

c For the *Applicant* (or *Controlling Entity*), complete [Table D1](#) (Investment Portfolio) and discuss the *Applicant's* (or *Controlling Entity's*) delinquency rate(s) as of March 31, 2011 for its major product lines as well as its default rate (write-offs) over the past 3 years for each major product line. Also:

- Describe the trends in delinquencies and write-offs and defaults as shown in Table D1. Be sure to explain the reasons for any negative results such as an increase in delinquencies or any unusual spikes in write-offs or loan restructurings that have occurred. If the *Applicant*, or its *Controlling Entity*, is a regulated financial institution, please compare delinquency and default rates with the appropriate peer group.
- For each major product line, describe how the *Applicant* (or *Controlling Entity*) monitors financial assets. Be sure to explain how the organization identifies assets at greater risk (such as use of a risk rating system for a loan portfolio) and how the organization responds when assets are at greater risk.
- Indicate if the *Applicant* (or *Controlling Entity*) has written asset management and collection policies and whether it has ever deviated from those policies in the past five years.
- Address the *Applicant's* strategy for minimizing defaults and managing delinquencies to mitigate against write-downs or write-offs going forward.

Boston Community Capital's entire mission is to connect disadvantaged people and communities to mainstream capital markets. For 27 years, we have been providing loans and investments to businesses and nonprofit organizations that are creating jobs, housing and opportunities in communities where low-income people live and work. We work closely with our borrowers to manage delinquencies and mitigate against write-downs or write-offs. All of the write-offs described in Table D1 occurred in our Venture Fund portfolio, which makes equity investments in double- and triple-bottom line companies. A certain number of write-downs are consistent with the venture capital model and the Venture Fund's business plan; despite these write-downs, the Fund has had several successful exits and is on target to return all capital with a positive returns to investors at the end of funds' terms.

From 2006-2010, BCC provided over \$314 million in debt and equity capital to disadvantaged businesses and communities. These investments include \$220 million in NMTC investments made using BCC's 2003, 2006, 2008, and 2009 NMTC allocations, as well as loans from Boston Community Loan Fund (BCLF; the Loan Fund), loans and equity investments through Boston Community Venture Fund (BCVF; the Venture Fund), renewable energy and conservation financing provided through our Solar Energy Advantage Affiliate, and mortgages to homeowners provided through our Stabilizing Urban Neighborhoods Initiative and Aura Mortgage Advisors. (In 2011,

BCC has provided an additional \$28 million in NMTC investments, which do not appear in Tables A1 and A2.)

Since 1985, the Loan Fund has experienced loan losses of less than one twentieth of one percent; according to Opportunity Finance Network, this compares with a cumulative loss rate of three tenths of one percent for CDFIs in our peer group. In the last three years, the Loan Fund has not had any write-offs. As of December, 2010, the Loan Fund delinquencies over 90 days totaling \$19,569; these represent 0.04% of our portfolio. According to Opportunity Finance Network, the average delinquency rate for our peer group is 3.8%.

In the last three years, our Venture Fund has written off equity investments totaling \$2.4 million, representing 12% of capital invested. As an equity fund, these losses are in line with our projections. According to the Community Development Venture Capital Alliance (CDVCA), industry averages for CDVC funds are not available; however, write-downs as a percentage of capital invested reported to CDVCA by four "typical" CDVC funds ranged from 10-39%. The Venture Fund had no delinquencies as of December 31, 2010.

Our Solar Energy Advantage Affiliate had zero delinquencies and no defaults or write-offs.

Our Stabilizing Urban Neighborhoods (SUN) Initiative had one delinquency and no defaults or write-offs.

BCC and its affiliates do have written asset management and collection policies; deviation from these policies would require review and approval from our Loan Committee. We have not deviated from these policies in the last five years.

d Discuss any delinquent, defaulted, or impaired loans or equity investments from prior NMTC investments. Please note the total value of each investment, as well as the total number of days delinquent or the amount charged off. Please discuss the *Applicant's* strategies for managing these troubled investments.

None of our loans or equity investments from prior NMTC investments have been delinquent, defaulted or impaired.

32: Program compliance experience

a Describe the collective roles, responsibilities, and experience of key personnel, consultants and board members in managing the *Applicant's* regulatory and tax compliance. The *Applicant* should reference information from Table C1 as necessary.

With the proposed 2011 award, BCC will continue to build on our strong and established track record of ensuring ongoing compliance with the standards and requirements of our funders (including the CDFI Fund and Calvert Foundation, among others), the CDFI industry, as established by the Opportunity Finance Network, and our own internal policies and procedures through internal systems and procedures already in place to monitor current investments.

As an important part of BCC's multi-tiered approach to ensuring NMTC program compliance, these systems will track investments made via the NMTC program as well as BCC's other lending activity, providing detailed tracking of dollars invested and recaptured, and details on the businesses in which we have invested. We will be able to track those businesses' and CDEs' qualifications and status as QALICBs and/ or QLICIs, both for invested and re-invested dollars.

Members of the board and loan committees (Julie Gould Maria Maffei, and several members employed in the banking industry) also bring experience in government compliance practices, especially with regards to LIHTCs, NMTCs and Historic Tax Credits. Finally, our attorneys, Edwards Angell Palmer Dodge, and our auditors, Alexander, Aronson, Finning and Company, have extensive government compliance practices (including extensive experience with New Markets Tax Credits and Low-Income Housing Tax Credits); BCC's annual audit includes a review of government compliance requirements.

b Discuss how the *Applicant's* systems and procedures (e.g., portfolio monitoring, reporting, investment/re-investment strategies) will ensure ongoing compliance with NMTC Program requirements. Specifically, be sure to indicate how the *Applicant* will ensure that:

- At least 85 percent of the proceeds of the *QEIs* are invested in *QLICIs* in accordance with the *NMTC Program Income Tax Regulations*. If the *Applicant* is providing loans or investments to another *CDE*, how will it ensure that the secondary *CDE* fulfills its investment requirements?
- The businesses that the *Applicant* invests in are *QALICBs*, in accordance with the *NMTC Program Income Tax Regulations*. If purchasing a portfolio of loans, how will the *Applicant* ensure that it purchases loans that are *QLICIs*?
- Payments of, or for, capital, equity, or principal by its borrowers or investees are re-invested into *QLICIs* within applicable reinvestment periods. If providing loans to or investments in another *CDE*, how will it ensure that the secondary *CDE* fulfills its re-investment requirements?

BCC is currently ensuring compliance with NMTC program requirements for five prior NMTC awards. As reflected in C1, BCC employed the national accounting firm The Reznick Group, a firm nationally known for its experience in multifamily housing transactions, Low-Income Housing, Historic and New Markets Tax Credits as well as analysis and structuring of major real estate syndications to assist us in designing, implementing and establishing policies and procedures in connection with our compliance program for our prior NMTC awards.

Our compliance program, which has been reviewed and approved by Reznick, includes: (1) NMTC-specific program compliance procedures; (2) an annual audit of BCC's NMTC portfolio by an independent external consultant; (3) employing internal systems, procedures and technologies that provide detailed tracking of all of BCC's loans and investments; (4) engagement of auditors, attorneys, committee members and consultants with in-depth experience and established track records in program compliance for tax credit-related programs; and (5) close collaboration with CDEs and bank partners to track, monitor, report on, and replace loans in the

portfolio as required by NMTC regulations. In administering our prior NMTC awards, BCC staff and management have invested significant time and resources in gaining a thorough knowledge of the NMTC program and specifically its compliance requirements. We believe combining our resources with the depth and experience of Reznick enables us to maintain a compliance program that addresses all IRC Section 45(d) compliance requirements and conformance with our Allocation Agreement.

We further recognize the importance of maintaining a compliance program that accommodates the needs and concerns of the investor marketplace. Our program is designed to address such items as:

- Initial qualification of all QALICB investments (e.g. identification of census tract, conformance with gross income, services provided and tangible property tests).
- Ongoing maintenance of our CDE status (we perform annual and semi-annual testing of conformance with mission test and board accountability requirements).
- Conformance with the 12-month QEI investment criteria (we track each QEI investment independently to ensure that the QEI is invested/loaned in the form of a QLICI within 12-months of the date of the initial QEI).
- Procedures to ensure that investor QEI's will not be redeemed (ongoing testing and procedures are in-place to ensure that all payments to the investor during the compliance period are deemed a return "on their investment" not "of their investment").
- Conformance with the "substantially all" 85% QEI investment test (procedures in place check semi-annually, utilizing either the safe harbor or direct tracing method, that at least 85% of the outstanding QEI investments, on an annual average basis, is invested in QALICB's for the subject compliance period. Funding of up to 5% in reserves is also addressed in our calculations along with the allowance to reduce the 85% threshold to 75% in year seven of our debt product investments).
- Conformance with QEI reinvestment requirements (subject to the 85% "substantially all" test, procedures are in place to identify where a QLICI principal repayment to our CDE triggers the requirement to reinvest such proceeds in another QALICB within the timeframe required under the IRC Section 45(d) regulations. These reinvestments into QALICB's will be subject to the same underwriting and compliance procedures in-place for initial QALICB investments).
- Conformance with 7-year QEI investment criteria (each QEI is traced in tranches or individually to ensure that the QEI is not redeemed by the investor prior to the expiration of the 7-year compliance period).
- Procedures are in place to ensure timely and proper entry of all required submissions to the CDFI Fund under their CIIS and Allocation Tracking System and completion of their Institutional-Level Report. Procedures have also been implemented relating to investor notification requirements regarding their QEI and completion and timely filing of the annual audited financial statements of our CDE.
- Overall investment conformance with all of the terms of our Allocation Agreement.
- Procedures have been established to address and cure in an expeditious manner any events that could potentially trigger tax credit recapture and/or other penalties.

The bullet points above are just a sampling and overview of the compliance policies and procedures in place at our CDE management level. Initial and ongoing training for all our personnel responsible for investment monitoring and compliance is required under our internal control policies. As subsidiary CDEs will also be used through a sub-allocation of our tax credit authority, all compliance work and due diligence for our proposed NMTC award will also be performed at this subsidiary level.

33: Low-Income Community Representation

- Complete [Table C2](#).
- Describe how *Low-Income Community* representatives to the Governing or Advisory Board will be directly involved in the design, implementation or monitoring of the *Applicant's* business strategy. Provide a narrative that addresses the following:
 - The number and percentage of *Low-Income Community* representatives on the *Applicant's* Advisory and Governing Boards.
 - The role, formal or otherwise, these individuals or their organizations played in formulating and approving the *Applicant's* pipeline of investments.
 - The role, specific to the *Applicant's* Governing Board, these individuals have in approving investment parameters or decisions.

LIC representatives to BCC's Governing Board and Loan Committee have been directly involved in the design, implementation and monitoring of BCC's business strategy, including the development, administration and oversight of BCC's first five NMTC allocations. Their role will be similar in the implementation and oversight of our proposed award, which follows the same strategy.

NUMBER AND PERCENTAGE OF LIC REPRESENTATIVES

Half of BCC's outside board members (Charles Clark, Julie Gould, Mercedes Tomkins and Jim Walsh) are LIC representatives, including our board chair and two of our three officers. One of our eight outside board members -- Mercedes Tompkins -- as well as two of ten outside Loan Committee -- Linnie McLean and Eva Clarke -- are LIC residents. These individuals have been selected for the board not just because of their status as LIC residents, but also because they are community leaders and decision-makers and because of their track records advocating on behalf of these communities. Our board includes representatives of LIC development

corporations, legal services for the homeless and mentally ill, and inner-city youth job training programs; our Loan Committee includes similar LIC representation. Our remaining board and committee members, while they do not reside in LICs or represent LIC organizations, have demonstrated commitment to BCC's mission of building healthy communities where low-income people live and work. For example,

- Ed Dugger is president of UNC Partners, the nation's largest venture fund focused on supporting entrepreneurs of color, and is chair of The Business Collaborative, a private sector initiative designed to create networks for minority and inner-city entrepreneurs.

- Sarah Lincoln oversees small business lending at Citizens Bank, where her portfolio includes numerous loans in economically distressed areas.

- Victor Rivera, board member and Chair of our Loan Committee, is SVP and Market Manager of Bank of America's Small Business Banking Group, focused on client development working with many small businesses located in economically distressed communities.

THE ROLE OF LIC REPRESENTATIVES TO THE GOVERNING BOARD AND LOAN COMMITTEE IN FORMULATING AND APPROVING INVESTMENTS AND INVESTMENT PARAMETERS

As active board members and board leadership, LIC representatives are intimately involved in the design, implementation and monitoring of our business strategy, including the development and approval of investment parameters and decisions. Board members review and participate in the development of all business plans; new business initiatives; budgets; goal setting; and evaluation. In addition, in formal quarterly meetings and throughout the year, board members routinely test the direction of the organization against its stated mission. Their involvement is integral to all aspects of our governance.

Board members are responsible for providing leadership and guidance on all issues related to the governance, strategy and policies of BCC and its affiliates. The Loan Committee oversees lending policy and approves loan recommendations. BCC staff, board and committee members actively participate in LIC groups to research and inform BCC's business and outreach strategies, including pipeline development. For example,

- Loan Committee member Eva Clarke, as a Vice President at MMA Financial, works with LICs to offer debt and equity financing that successfully utilizes the federal Low Income Housing Tax Credit to create affordable housing.

- Julie Gould, SVP of Community Impact and Investment at Mercy Housing, a 27-year old national nonprofit CDFI, is responsible for leading Mercy Housing's Strategic Healthcare Partnerships and oversees Mercy Loan Fund, a subsidiary of Mercy Housing and a national lender to nonprofit affordable housing developers, Mercy's Resource Development and Marketing, and the organization's National Resident Services.

Because serving LICs is BCC's exclusive mission, we do not just depend on the LIC representatives on the Board for input; all of our board members, in both their professional and voluntary affiliations, have worked actively for the benefit of LICs and are able to contribute this experience.

34: CRA ratings

If the *Applicant*, or its *Controlling Entity*, is an insured financial institution that receives Community Reinvestment Act (CRA) ratings from regulators, please indicate the CRA ratings that it has received over the past five years. If the most recent CRA rating is less than "Outstanding", describe: 1) the conditions or circumstances that led to the rating; 2) the steps the institution is taking to achieve an "Outstanding" rating; and 3) the role that the NMTC can play in enabling the institution to achieve an "Outstanding" rating.

N/A

35: Financial health

Answer the following questions regarding the *Applicant's* (or the *Controlling Entity's*) financial health. Indicate if the responses are (check one):

Applicant

- a** Have the financial statements for the last complete fiscal year been independently audited or is an audit underway?

Yes

Please provide fiscal year end date for the last completed independent audit (mm/dd/yyyy).

12/31/2010

If no audit has been completed or is underway for the last complete fiscal year, please explain why and what steps the *Applicant*, or its *Controlling Entity*, is taking to obtain audited financials in the future:

N/A

- b** If "Yes", have any of the *Applicant's*, or its *Controlling Entity's* completed auditor reports within the past three years (or, if shorter, for the period from inception) indicated any of the following:

1. An opinion other than unqualified?

No

2. A going-concern paragraph?

No

3. Repeated findings of reportable conditions?

No

4. Material weaknesses in internal control?

No

If yes to any of the above, indicate the fiscal years of the occurrences and describe the circumstances and corrective action being taken:

N/A

c Have the *Applicant's*, or its *Controlling Entity's* financial statements shown positive net income (or if a non-profit, positive change in net assets) for each of the last three years, or if in business for less than three years, for the period of time it has operated?

Yes

If No, please explain the circumstances, indicate the fiscal year in which this occurred, and describe the corrective action being taken:

N/A

d Is the *Applicant* (or *Controlling Entity*) aware of any non-compliance issues cited since the issuance of its most recent audited financial statements or Management's Annual Report on Internal Controls Over Financial Reporting?

No

If Yes, please explain the circumstances and describe the corrective action being taken:

N/A

e Does the *Applicant* or its *Controlling Entity* expect to achieve profitability (or in the case of non-profit organizations a positive change in net assets) in each of the next three years?

Yes

If No, please explain any anticipated negative results and describe how operations will likely be impacted:

N/A



IV-Capitalization Strategy A-Investor Strategy

11NMA000478

36: Track Record-Raising Capital from Third-Party Sources

Complete Tables E1-E2 and describe the track record of the *Applicant* (or its *Controlling Entity*) raising capital from third-party sources, particularly equity capital at market or near-market rates. Be sure to distinguish between raising capital from profit-motivated investors; from government or philanthropic sources of capital; or using tax credits as an incentive. Reference information provided in Table C1 as appropriate:

BCC has been raising capital from profit-motivated, nonprofit and government investors for more than 27 years. From 2006-2010, we raised over \$316 million in loans, equity, tax credit equity and grant capital. Our investors include over 20 regional and national banks; foundations and nonprofits; the CDFI Fund; and over 200 individuals.

BCC has received five prior NMTC awards totaling \$353 million; we have fully invested the first four (totaling \$300 million), and expect to complete the investment of our 2010 allocation in Fall 2011. We raised equity capital for our first five awards from private sector, profit-motivated investors that had not previously invested in BCC, including General Electric Commercial Finance (GECF), Nationwide, TD Bank, and ConAgra Foods Lamb Weston. GECF has issued a commitment for the full value of our proposed award.

In addition to NMTC funds, BCC attracted more than \$53 million in market-rate loans from profit-motivated investors from 2006-2010. These loans include lines of credit from Wainwright Bank & Trust and Bank of America to support our regular lending, a second line of credit from HSBC totaling \$15 million to support leverage loans in NMTC transactions using other allocatees' NMTC allocations, and over \$12 million raised from private individuals to support our SUN foreclosure relief work.

Finally, BCC has raised \$21 million in equity for its two venture capital funds (prior to 2005) from banks, foundations, insurance companies, and individuals, and has leveraged this investment to help our portfolio companies secure over \$166 million in additional investment from profit-motivated investors. Our Loan Fund works with profit-motivated investors including Fidelity, State Street Bank, and other investment firms whose clients seek a balanced portfolio including community development investment.

Because part of our mission is to serve as an investment vehicle for mainstream investors interested in putting their money to work in low-income communities, our capitalization efforts focus not only on traditional CDFI funders but also on more mainstream investors.

37: Investment Partnerships

a Does the *Applicant* intend to secure investments from partnership entities that will leverage non-*Equity Investments* (e.g., debt, grant dollars) from outside of the partnership to increase the tax credit yield for members of the partnership?

No

b If yes, provide the percentage of equity versus non-equity investments for all such investor partnerships based on the *Applicant NMTC Allocation Request*.

Percentage of *Equity Investments*

N/A

Percentage of Non-*Equity Investments*

N/A

38: Investment Strategy

a Has the *Applicant* provided investor *Commitments* or *Letters of Intent/Interest* for investors listed in Table E1?

Yes

b If yes, discuss the *Applicant's* strategy for securing investments from alternative investors in the event that the investors listed in Table E1 are unable or unwilling to make the anticipated investments. If the *Applicant* intends to secure investments from partnership entities that will leverage non-*Equity* investments (e.g., debt, grant dollars) be sure to address the strategy for identifying and securing both *Equity* investments and non-*Equity* investments.

While BCC has obtained a commitment from General Electric Commercial Finance – a partner in four of its prior NMTC allocations – for the full value of our proposed allocation, we are prepared to secure investments from alternative investors in the event that GECF is unable or unwilling to make the anticipated investments.

In 2008, when the capital markets imploded and financial institutions had an investment hiatus, BCC developed relationships intended to take advantage of the interest of corporate and individual investors in NMTC transactions. BCC now has relationships with Bank of Oklahoma, which has a large cohort of corporate and individual NMTC investors, and ConAgra Foods. Those relationships generated sufficient investment dollars – from ConAgra and ten individual and corporate investors – to close on the full amount of our \$85 million, 2008 NMTC allocation in less than 13 months from the date of our Allocation Agreement. Bank of Oklahoma and ConAgra are both interested in pursuing additional NMTC transactions with BCC. JPMorgan Chase, which issued a commitment for the full value of our \$85 million 2008 award but was ultimately not selected as an investor, has also expressed a strong interest in investing in NMTC transactions with BCC as allocatee. BCC has the option to pursue an NMTC investment from more than twenty other bank partners and insurance companies who are historic BCC investors (see Table E2).

To the extent necessary, BCC will also develop direct relationships with large corporate investors – e.g. Kimberly-Clark and Walmart – who have expressed interest in NMTC transactions.

- c If no, discuss the *Applicant's* strategy for securing NMTC investor *Commitments*:
- The *Applicant's* strategy for identifying additional equity investors or non-equity providers (if utilizing a partnership model), including the extent to which the *Applicant* will be utilizing community alliances or strategic partners to raise investment capital.
 - The *Applicant's* timeline for securing investments from equity investors and/or partnerships if the *Applicant* answered yes to Question #37(a) and, any risks that may preclude the *Applicant* from closing such investments, and how the *Applicant* is mitigating such risks.
 - If the *Applicant* is using a third-party investment banker to raise capital, describe whether a contract is in place, the terms (actual or proposed) of the contract, and the progress to date that the banker has made in securing *Commitments* from investors. Do **NOT** list these investment bankers in Table E1.

N/A

39: Affiliated investors

a Will one or more of the *Applicant's* current or prospective investor(s) originate or otherwise identify transactions in which the *Applicant* will invest?

Yes

b Will the *Applicant* receive any *QEI*s from *Affiliates*?

No

c If the answer to (a) or (b) is yes, provide narrative detailing:

- The name of each such equity investor or non-equity provider;
- The role of each equity investor or non-equity provider with respect to locating, underwriting, and approving each investment;
- Whether each equity investor or non-equity provider offers similar products or services already; and
- If applicable, the extent to which the *Applicant* will offer products with more favorable rates or terms than those currently offered by the equity investor or non-equity provider and/or will target its activities to areas of greater economic distress than those currently targeted by the equity investor or non-equity provider.

While BCC retains underwriting and approval authority for its QLICs, we work with investors with deep experience in the industries and regions in which we are investing to help identify transactions. For example, for our sustainable timberland and forest products projects, we work with General Electric Commercial Finance (GECF), one of the foremost forest products investors in North America and a leading commercial investor in environmental projects. Attracting specialized industry investors lowers the cost of financing, since the investors' expertise is aligned with the transaction and therefore the investor does not require a premium for investing in an unfamiliar field. Further, GECF, and other partners including ConAgra, know the market well, thereby reducing our marketing and underwriting costs.

While our investors are typically active investors to the businesses and industries that finance through our NMTC transactions, they are not able to offer the same terms and products. Our QLICs have at least 25% below market interest rates, no amortization periods and no fees. Our investors cannot offer these terms, nor are the available from other lenders in the market. Combined with low transactions costs due to the size of the transactions, our QLICs are aligned with the financing needs of QALICBs to make long-term commitments and sustainable investments in these communities. As a result, our QLICs have encouraged long-term investors to commit to additional social benefits for the rural communities in which they operate, and our QALICBs are able to compete successfully with alternative proposals from investors and businesses with short-term strategies that exploit both natural and financial resources, often leave behind a contaminated or despoiled environmental legacy, and fail to create any lasting economic benefit.

40: Distribution of Benefits

Quantify as best you can, for each of your planned investment types, how the economic benefits of the *NMTC Allocation* will be apportioned amongst:

- (i) the investors, through economic returns;
- (ii) the *QALICB* investees/borrowers, through lower costs of capital;
- (iii) the *Applicant* (or its subsidiaries), through fees or economic returns.

BCC's NMTC strategy and pricing structure is predicated on maximizing the benefit of the NMTC for LICs. At least 76% of the value of the credit, both in BCC's prior allocations and in the proposed allocation, benefits LICs. Roughly 43% goes in as a direct benefit to the QALICBs and approximately 33% supports additional below-market and non-traditional financing generated through our Leverage Strategy. The balance, or approximately 24% goes to investors.

With respect to the 43% noted above, the direct financial benefit to the QALICBs comes from the below market interest rates, no loan fees, and other non-traditional loan terms. We value the minimum benefit of the credit to the QALICBs by calculating the present value savings over seven years of the below market interest rates—at least 26%, or 250 basis points, below comparable market rates for our QLICs—and of no loan fees—the comparable fees are at least 75 basis points. The total present value of these benefits is then divided by the total present value of the tax credit on the QEI. Please note that since none of our QLICs amortize during the first seven years or any reserves associated with them, the actual financial and cash flow benefit to the QALICBs is even higher. Our QLIC with

the Boston Collegiate Charter School, which is a non-profit organization, generated an even higher percentage to the QALICB since we incorporated charitable donation benefits into the QLICI structure.

In addition, as noted above, the overall fee structure that BCC charges to its QEI investors (see Table F1) generates approximately 36% of the present value of the credit; as a mission-based CDFI we reinvest 100% of those proceeds in QLICs and other community development finance activities that benefit LICs through the Leverage and New Business strategies. (Please see Question 42 for more detail on how BCC uses these proceeds to significantly expand the impact of its NMTC allocation). Since our lending tends to be short term, or we have established secondary market relationships to purchase our seasoned loans, we are able to significantly leverage the benefit of the NMTC fees that we earn. Based on our experience with our prior allocations, we anticipate using the fees we earn to 1) build the equity base of our Loan Fund, leveraging at least an additional \$45 million in loan capital, resulting in over \$75 million in increased lending for the Loan Fund over the NMTC term; 2) increase equity and reserves for our SUN foreclosure prevention mortgage lending, leveraging an additional \$45 million, which will revolve and finance approximately \$100 million in new mortgages for low income families; and 3) invest in the development of our energy conservation and efficiency financing business for multifamily affordable housing developments, leveraging \$16 million in financing and resulting in \$38 million in new lending. Less than one fifth of the economic value of the NMTC credit goes to investors or to cover the transaction costs related to raising and closing the QEIs.

BCC has used the same fee pricing and structure in each of its prior allocations and will use that structure in the proposed allocations. General Electric Commercial Finance, our primary investor partner in our prior allocations, has committed to purchase up to \$125 million in QEIs from the proposed allocation using this fee structure. As described in more detail in Question 42a, BCC is able to attract QEI investors with this fee structure because our Direct Investment Strategy for the QEIs and QLICs significantly reduces the costs and risks to investors of participating in the NMTC program.



IV-Capitalization Strategy B-Sources and Uses of Capital

11NMA000478

41: Percentage of QEIs to be invested in QLICIs

Will more than 85 percent of the *QEI* proceeds be invested/re-invested in *QLICIs*?

Yes

If yes, what percentage:

95%

42: Sources of Compensation and Profits

Complete [Table F1](#). Be sure to list all sources of compensation and profits that the *Applicant* and/or its *Affiliates* (including, if applicable, investment partnership funds) will charge to (or receive from) its borrowers, investors, or other parties involved in the NMTC transactions.

a Referencing the information in Table F1 as appropriate, briefly describe the types and amount of all sources of compensation and profits that will be collected (whether at the front-end, back-end or during the compliance period), and how such sources compare to what is typically earned in the marketplace. Please indicate how fees will vary for different product types or different investment types and discuss the key factors that determine the fees for a specific transaction.

BCC earns between 15%-18% of its NMTC allocations as fees, which we use to expand our overall activities and leverage the value of the NMTC program. We collect fees upfront and throughout the NMTC compliance period, primarily front-loaded during first 2-3 years of the QLICI, equal to 33% of the value of the credit (or 36% calculated on a present value basis.) With a single exception (where the QLICI had a very low interest rate and allowed the QALICB to assume the QLICI at favorable terms) all fees are charged to investors, not QALICBs.

We reinvest 100% of fees into additional loans and investments that benefit LICs through our Leverage and New Business Strategies. By collecting approximately 50% of fees at closing or in the first year after the QEIs close (BCC closes QEIs and QLICIs simultaneously), we begin reinvesting these fees early. Combined with the 43% of the credit that directly benefits QALICBs, approximately 80% of the credit's value benefits LICs; one fifth of the NMTC value accrues to investors or is required for transaction expenses.

In general, BCC has used the same fee structure proposed here in our prior allocations. GECF, our primary investor in our prior allocations, has committed to purchase up to \$125 million in QEIs using this structure. In our first two allocations, back end fees of approximately 500 basis points were also included in the fee structure. With our strong track record with our investors, for our recent transactions, we have been able to include the full value of our fees as upfront or deferred upfront fees, allowing us to collect all the fees within the first three years.

Investors agree to this fee structure because our strategy minimizes the costs and risks of participating in the NMTC program in three ways:

- 1) We seek investors with expertise in the underlying types of projects we are funding: they understand both the businesses and how the economic value of the credits to the QALICB strengthen the credit quality of the QLICI; therefore, they do not need to charge any premium.
- 2) We reduce transaction costs in several ways: replicating the same QLICI and QEI structure with the same partners over the entire QLICI portfolio; sizing QLICIs to the financing needs of the projects, which limits the need for multiple sources for financing; and making large-size QLICIs that reduce the underwriting, legal and closing costs as a percentage of the NMTC allocations.
- 3) We substantially reduce recapture risks inherent in the NMTC program with a large pipeline of eligible QLICIs.

b Does the *Applicant* anticipate investing in projects with more than one *CDE* as a co-investor?

Yes

If "Yes", please describe any means the *Applicant* expects to employ to minimize costs to the borrower/investee associated with these multi-*CDE* transactions.

For some of our larger transactions, we co-invest with other CDEs. Many of those projects have total costs of between \$50 million and \$100 million, requiring QLICIs larger than we can provide on our own. While multiple CDEs can add additional costs, projects this size often require multiple lenders even when financed without NMTCs so the incremental costs of multiple CDEs are less than they would be on much smaller projects.

We have worked with GECF and other CDEs to establish a structure and relationships that allows for efficient replication. First, we have established a standard structure for our deals with GECF, allowing us to replicate the operating agreement and transactions documents for subsequent deals.

Second, while there are multiple CDEs in the transaction, GECF is the sole investor in the other CDEs. GECF does not use a leveraged loan structure. A single investor and a similar (and relatively simple) structure across all the CDEs greatly reduce the complexity and cost. (In our experience as a leveraged lender in much smaller NMTC transactions using other CDEs' allocations, those transactions are far more expensive and time-consuming to close.)

Third, in most cases where we invest with other CDEs, those CDEs are typically also mission-based CDEs, like BCC, and have worked closely with BCC on NMTC and other transactions for many years.

These strategies significantly reduce the transaction time and expense for each deal. For example, in our most recent QEI, a \$20 million transaction with GECF, we closed the transaction within four weeks of final approval of the deal. Our total legal costs, which were paid by the investor, were less than \$40,000, or under two tenths of one percent of the QLICI.

c Provide a brief description of how the *Applicant* and/or its *Affiliates* will finance its cost of operations and if it will use the proceeds discussed in (a) for such purposes. Provide a narrative that addresses the following:

- The estimated total annual cost of operations of the *Applicant* and a description of the sources of funds to support the operating costs.
- A description of the proportion of operating costs that will be covered by internally generated funds versus contributed operating revenue.
- If the *Applicant* will rely on contributed operating revenue from an *Affiliate* organization, discuss that contributing organization's obligations to make such contributions, its track record in raising cash or in-kind contributions, and its strategy to secure on-going funds.
- To what extent the *Applicant* will require its borrowers to pay transaction costs.

Boston Community Capital is self-sufficient and covers all of its operating expenses from internally generated revenue, including net interest income, loan and management fees. BCC has been self-sufficient for the past ten years and does not need any grant or contributed funds to cover any of its operating costs, including any costs related to this NMTC allocation.

For 2011, BCC has adopted a \$13.3 million budget with a projected operating surplus of \$3.7 million. The surplus, primarily the result of NMTC fees, allows BCC to expand our core community development lending activities and to capitalize new initiatives serving low income communities. BCC has fully capitalized the cost of projected new initiatives planned for 2011.

Based on our prior NMTC allocations, we estimate that the annual administrative operating costs related to this allocation, including all costs directly at the CDE level, will be approximately \$100,000, which will be covered by fees paid to BCC by the investors from the sale of the QEIs. The anticipated QLICI transactions will be of a size sufficient for the interest income to cover all expenses related to underwriting, monitoring and servicing the individual QLICIs.

As described below and in Question 40 and shown in Table F1, we have negotiated an economic structure to the QEIs that generate at least 75% of the economic benefit of the NMTC for low-income communities, either through direct lower costs to the QALICB or through fees that support BCC's Leverage and New Business Strategies. We have used the same price and fee structure for our QEIs of our prior NMTC allocations, with General Electric Commercial Finance (GECF) as the primary investor. TDBank and a group of private investors, which have also invested in our QEIs have had the same fee pricing and structure. GECF has committed to purchase up to \$125 million in QEIs from BCC under the proposed NMTC award using the same fee structure.

BCC does not intend to charge any fees to its QALICB borrowers.

43: Minimum Request Amounts

a [Complete Table F2](#). Is there an absolute minimum amount below which the *Applicant* would be unwilling to accept a NMTC Allocation?

No

If yes, provide the amount:

N/A

Describe how this amount was determined. Be sure to address why the *Applicant* could not administer a smaller award:

N/A

44: CDFI Fund Award Status

Has the *Applicant* and/or any of its *Affiliates* previously received a financial award (not including an NMTC Allocation) from the CDFI Fund?

Yes

If yes, please list the award(s) in the table. The *Applicant* may use additional space as necessary.

[Detail Below](#)

Previous Awards

Name of awardee/recipient	EIN	Control number	Total award amount	Add / Edit
BCLF Ventures Inc	04-3246552	971CD991025	\$1,000,000	
BCLF Ventures II Inc	04-3541544	011CD003301	\$3,000,000	

Boston Community Loan Fund Inc	22-2593378	021CD003938	\$1,000,000
Boston Community Loan Fund Inc	22-2593378	051FA005882	\$1,398,750
Boston Community Loan Fund Inc	22-2593378	961CD002546	\$1,000,000
Boston Community Loan Fund	22-2593378	991CD001361	\$1,000,000
Boston Community Loan Fund	22-2593378	092FA008310	\$1,000,000
Boston Community Loan Fund, Boston Community Capital and BCLF Ventures	22-2593378	991CD001352	\$1,000,000
Aura Mortgage Advisors	20-5460472	101FA008881	\$750,000

45: NMTC Allocation Status

Has the *Applicant* and/or any of its *Affiliates* received an *NMTC Allocation* from the Fund in a prior allocation round?

Yes

If yes, please list the allocations(s) in the table. The *Applicant* may use additional space as necessary.

[Detail Below](#)

Previous Allocations

Name of awardee/recipient	EIN	Control number	Total allocation amount	Add / Edit
Boston Community Capital Inc	04-3246555	03NMA000478	\$70,000,000	
Boston Community Capital Inc	04-3246555	06NMA000478	\$60,000,000	
Boston Community Capital Inc	04-3246555	08NMA000478	\$85,000,000	
Boston Community Capital Inc	04-3246555	09NMA000478	\$85,000,000	
Boston Community Capital	04-3246555	10NMA000478	\$53,000,000	

46: Allocatee justification for additional Allocation

If the *Applicant* answered "Yes" to Question #45, briefly explain the status of its previous *Allocation* award(s). Be sure to address:

a The number and dollar amount of *QEIs* issued on each award and the number and dollar amount of *QLICs* made with each award.

BCC has received five prior NMTC allocation awards. We fully invested our first four awards within 18 months of receiving them.

We received a \$70 million allocation in NMTC Round II (2003) and signed the allocation agreement on December 3, 2004. BCC issued six *QEIs* for the full amount of the \$70 allocation with the final *QEI* issued on September 29, 2006. Simultaneously with issuing the *QEIs*, we closed on six *QLIC* loans. The total amount of these *QLICs* was \$62,650,000.

In NMTC Round IV, we received a \$60 million allocation and executed the allocation agreement on November 9, 2006. We issued two *QEIs* for the full \$60 million, with the second *QEI* issued on March 4, 2008. Again, simultaneously with issuing the *QEIs*, we closed on two *QLIC* loans for a total of \$57,173,700.

In NMTC Round VI, we received an \$85 million allocation and executed the allocation agreement on April 3, 2009. Despite dislocations in the capital market the placed strain on pipeline projects and previously identified investors, BCC tapped its pipeline of "shovel ready" projects and its relationships with existing and new potential investors. On April 23, 2010, less than 13 months after closing our agreement, we issued a *QEI* for the full \$85,000,000. Simultaneously with issuing the *QEI*, we closed on a *QLIC* loan for a total of 80,750,000.

For NMTC Round VII, we received an \$85 million allocation and executed the allocation agreement on December 16, 2009. We issued three *QEIs* for the full \$85 million, with the final *QEI* issued on June 29, 2011. As with our prior allocations, we closed on *QLICs*, totaling \$80.55 million, simultaneously with issuing the *QEIs*.

We closed on our \$53 million 2010 (Round VIII) allocation on April 7, 2011. As of the date of this application, we have issued two *QEIs* totaling \$26.1 million, and closed on *QLICs* totaling \$24.795 million. We have committed to three additional *QEIs* for the remaining amount of the allocation that are scheduled to close in the fall 2011.

b If the *Applicant* has made *QLICs*, describe the types of transactions that have been financed to date. The *Applicant* must discuss:

- the three projects that received the largest investments (and may describe additional projects);

- for each project identified, describe how NMTC proceeds were used to finance transactions that would not likely otherwise have occurred;
- any community outcomes or benefits that were generated as a result of the transaction; and
- the fees charged as part of each investment.

As noted above in Question 44(a), BCC has made 14 QLICIs for over \$300 million with our five NMTC allocations; we have three additional QLICIs scheduled to close in the fall of 2011. Our QLICIs to-date have funded rural and urban projects that have created or preserved over 450 direct permanent jobs and construction jobs, helped preserve over additional 4,000 additional jobs in related businesses, and leveraged over \$700 million in private financing. BCC's NMTC investment strategy has included focusing on large-scale, economically and environmentally sustainable rural investments that act as economic generators for the surrounding communities. Nine of BCC's QLICIs have been to sustainable forestry and wood products businesses, allowing the QALICBs to purchase large tracts of timber and forest land under perpetual sustainable forestry covenants. Other projects include the expansion of an inner-city charter school serving low-income students, commercial and industrial facilities in LICs, and a series of solar photovoltaic installations, providing low cost, fixed price clean electricity to inner city affordable housing developments. As the examples below (and others described throughout this application) show, the NMTC financing has been critical in generating the social, economic and community benefits of these transactions. With the exception of the first transaction discussed below, no fees were charged to borrowers.

In April 2010, BCC used our 2008 NMTC allocation to provide \$80.8 million to construct a sweet-potato processing plant in Delhi, Louisiana, a highly-distressed census tract in a Non-Metropolitan County and Renewal Community. The facility created 275 jobs upon opening in September 2010, drawing employees from an eight-parish area of Northeastern Louisiana; future expansion could increase the total number of jobs created to more than 500. A Louisiana State University study estimates 1,400 to 1,700 indirect jobs will be created related to the facility. The facility expects to source more than half of their product needs from Louisiana producers, many of whom are converting their crops to sweet potato from tobacco and cotton. The facility was the first large scale frozen food facility to receive LEED platinum certification in the country.

BCC's second largest NMTC transaction was a \$71.3 million QLICI to support the stabilization of Roseburg Forest Products, a major forest products company and employer in Oregon, Northern California and the US South. It is an integrated company managing over 600,000 acres of prime timberland in the Pacific Northwest, nine wood products facilities in the PNW (Oregon, Montana and California), and particleboard and MDF plants in the US South. Roseburg is committed to stewardship of the land, including maintaining healthy working forest, water management and involvement in watershed councils, fish and wildlife habitat/conservation, and recreational opportunities. The business is involved in State enhancement/restoration programs, University level applied science research. BCC's QLICI helped the company refinance current debt, helping the company to survive the downturn in the housing market by providing substantially lower interest rates, no amortization, long term financing with no refinancing risk over the NMTC period, and the unencumbrance of assets (timberland) that provide collateral for additional borrowing (if needed), or flexibility to raise cash through timberland sales. NMTC financing helps provide Roseburg with the financial resources to survive the downturn and rehire when the market recovers, preserving jobs for 2,215 mill workers in seven NMTC eligible census tracts, with the potential to increase to 2,754 when the market recovers. These jobs pay an average wage of \$16-19/hour vs. \$8/hour for minimum wage alternatives in this community.

BCC's third largest NMTC transaction was a \$45 million QLICI to finance the acquisition of over 400,000 acres of timber in the West Virginia Appalachian region (including parts of Kentucky, West Virginia and Virginia), an area devastated by coal mining and other environmentally damaging activities. This timber is now being managed on a perpetually sustainable basis that will allow the region to recover. As a natural forest it will support biodiversity in flora and fauna. The project created 75 direct jobs. Logs from the property will be supplied to 10 local sawmills, employing over 1,000 local workers. A full-time forestry crew ensures sound ecological practices in the timber harvesting activities.

Other examples:

- BCC provided \$25.4 million QLICI in the form of a below-market, long-term loan as part of the financing to allow GMO Renewable Resources to purchase of 1.1 million acres of sustainable working forest land in Maine and New Hampshire. The acquisition will restore the land as a harvestable timber forest, creating or preserving over 300 direct and indirect at-risk forest-product related jobs in a region with few other large-scale employers or industries. As a result of the NMTC, GMO and the seller of the land agreed to fund and support a cooperative effort among themselves, BCC and several other mission-based lenders, and The Nature Conservancy on a range of development and conservation objectives, including sustainable working forest certification (SFI), and the development of new industries and recreational tourism enterprises in the region. Conservation easements have been set up for the most environmentally valuable tracts, public access rights to privately-held rivers and streams critical to eco-tourism activities have been established, and a fund has been created to support entrepreneurship among the local population through the development of ecotourism businesses in the area. Finally, this project has funded research into soy-based adhesives intended to replace formaldehyde-based adhesives currently used in particle board and other plywood substitutes. The use of NMTC in this transaction sufficiently drove down the overall cost of financing so that the transactions, in the aggregate, could support an additional \$174 million in non-tax credit-supported debt. More importantly, without the NMTC investment, none of the substantial community and environmental benefits would have been possible.

- BCC provided a \$19 million below-market, long-term QLICI loan as part of approximately \$24 million of NMTC funding from BCC and others to finance the purchase of 84,000 acres of previously prime forest abutting the reservation lands of the Makah tribe on the Olympic Peninsula in Washington state. The land, approximately 27% of the privately-owned land on the Olympic Peninsula, had been substantially degraded as a result of many years of clear-cutting, overharvesting, and other poor forestry practices. The NMTC transaction created a partnership among GMO Renewable Resources, a forest products management company, the Makah Tribe, and Ecotrust, a non-profit organization that has developed new approaches to "triple bottom line" management of West Coast rain forests to maximize economic, environmental and social returns. The land will be managed to preserve habitat and to increase carbon sequestration through reforestation of the area, extending harvest rotations, and selective logging rather than clear-cutting. In addition, Ecotrust is working with local utilities to use the purchase of this land as a model to create additional value through the establishment of carbon credit and habitat credit markets. The NMTC also allowed the Makah Tribe purchase 3,800 acres, creating a land bridge between two portions of the Makah Indian Reservation. A successful model here will encourage other companies to manage their

forests in a similar environmentally sound and socially sustainable fashion.

• BCC provided Boston Collegiate Charter School (BCCS) with a \$14.4 million QLICI from BCC in early 2008. BCC's QLICI allowed the school to expand by 50% to 660 students and provide very low cost permanent financing for the school. BCCS opened in 1998 to 120 students in grades 5, 6, and 7 and has grown to an enrollment of over 500 students in grades 5 through 12. BCCS's students, as illustrated by its most recent entering class, which was selected by lottery, are 45% minority, with over 40% qualifying for free or reduced price lunch. 80% of the students will be the first in the families to attend college. BCCS is located in a particularly distressed area of Boston's Dorchester neighborhood. Its goal is to instill in its students the expectation of college from the moment they walk through BCCS' doors. 100% of each senior class in the school's history has been accepted into college. Boston Collegiate was the only public school in Massachusetts to have 100% of 10th graders pass the English and Math MCAS exams (required for graduation) for eight consecutive years (2003-2011). In its 13-year history, the school has received more than 3,600 applications from Boston families. BCC's complex QLICI loan structure extends for 30 years with no payments due during the first seven years. As a result, the effective interest rate for the school is 1.05% for a 30-year, fully-amortizing loan for the total development costs of the project, or the equivalent of a \$7 million grant, representing more than half of the project costs. Without the QLICI loan, the school would have been unable to afford an expansion.

c Discuss whether the activities undertaken with the NMTC dollars were consistent (with respect to product offerings; markets served; rates and terms; etc.) with the business strategy presented in the relevant *Allocation Application*. If the activities were not consistent with the relevant *Allocation Application*, describe the inconsistencies.

BCC's activities undertaken with NMTC dollars have been consistent with the business strategies presented in our NMTC applications. As with this application, each of our prior NMTC applications laid out both Direct Investment and Leverage Strategies. As described throughout this application, we met all the goals that we set out and are in full compliance with all terms of the allocation agreements. We issued our QEIs and invested our QLICIS on schedule in a national service area with QLICIs in West Virginia, Kentucky, Maine, Washington, Texas, North Dakota, Massachusetts, New Hampshire, Virginia, New York and Louisiana. 100% of our QLICIs were in highly or particularly distressed LICs. Our QLICIs all have below market interest rates (at least 25% below comparable rates) and multiple additional flexible and non-traditional loan terms, offering significant financial benefit to the QALICBs and the LICs in which they are located.

As described above, we would note that the requirements for high impact QLICIs in rural communities required both larger projects and larger NMTC funds than our initial projections showed. As a result, the average size of our QLICIs was larger than projected in our first three applications. We adjusted these values in our 2009 and 2010 NMTC applications; the adjusted values are also reflected here.

d To the extent the *Applicant's* past transactions have been structured to allow *QALICBs* to acquire a portion of *QLICIs* through a put/call option at the end of the seven-year compliance period, please quantify the value of the investment acquired by the *QALICBs* at the end of the seven-year compliance period both as a dollar amount and as a percentage of total *QLICIs*.

As described in Questions 14 and 16, BCC's QLICIs are primarily senior debt with no amortization or principal payment during the seven year compliance period. As a result, the QALICB is responsible for the repayment or refinancing of the principal amount at that time. To the extent that the refinancing occurs as scheduled, the QLICIs will be repaid to the CDEs, which, in turn, will allow distributions to the investors equal or less than their original investment. With the exception of transactions using our first two allocations where BCC is scheduled to receive a back-end fee equal to 5% of the QLICI, all proceeds will be allocated to the investors.

While we do not anticipate structuring our standard QLICIs with put/calls allowing the QALICBs to purchase the QLICIs at discounted prices, in two small transactions—Boston Collegiate Charter School (BCCS) and Solar Energy Advantage (SEA)—we have structured the QLICIs and QEIs to allow the QALICBS to assume the remaining value of the QLICI after the compliance period ends for a nominal price. For the BCCS transaction, the value of the QLICI at the end of the compliance period will be approximately \$5 million, or 32% of the initial \$15.8 million QLICI. This amount will be donated to a non-profit organization affiliated with the QALICB. For the SEA transaction, where the value of the QLICI at the end of the compliance period is expected to be \$4.9 million, or 100% of the original QLICI, the QALICB has a put/call on the QLICI at approximately 2.6% of the value of the original QLICI.

47: Investments or control of previous allocatees

Other than those activities already identified and discussed under Question #46, has the *Applicant* and/or any of its *Affiliates*: i) made a *QEI* into a *CDE* (or *subsidiary* of a *CDE*) that received a *NMTC Allocation* in a prior round; or ii) assumed *Control* of a *CDE* that received a *NMTC Allocation* in a prior round?

Yes

If yes, please provide responses to the following:

a List the allocation(s) and total *QEIs* invested per allocation in the table. The *Applicant* may use additional space as necessary.

Detail
Below

b Discuss the types of transactions that have been financed to date with *QEI* proceeds, with particular emphasis on how *QEI* proceeds were used to finance transactions that would not likely otherwise have occurred, and any community impact or benefits that were generated as a result of the transactions:

Through our Loan Fund, BCC has provided \$65.4 million in "leverage loans" as part of other CDEs' QEI financings. The direct benefits to the QALICBs in these transactions included new facilities, stabilization of distressed business districts, and reductions in occupancy expense allowing for increased investment in services.

Each transaction was complex and required non-traditional underwriting and loan terms, including unsecured loan, no or negative

amortization for seven years, and a 30-year structure for the QALICB. These complex structures yielded significant value accruing to the benefit of the QALICB; in each case, over 50% of the economic value of the NMTC credit.

Without the loan capital and reserves provided by the fees generated from our own NMTC transactions, we would not have been able to make these leverage loans.

Some examples:

- \$13.3 million to The Leaguers, a Newark, NJ human service provider with a 40-year track record of providing Head Start services to low-income families. The Leaguers built a new 43,932 sq. ft. facility which expanded classroom space, consolidated offices from four other locations, and reduced annual occupancy costs by \$430 K.

- \$8.5 million to MATCH School a Boston public charter high school that prepares low-income and minority students to succeed in college. MATCH expanded the school and generated capital to enhance programming, reducing its debt service by \$200 K per year and using savings to hire a team of tutors to provide one-on-one instruction.

- \$4.8 million loan to BaRT Public Charter School in Adams, MA, a school serving students from nine rural LICs, to refinance the acquisition and to renovate a 36,425 square-foot commercial building for use as a school. The transaction fixed the School's occupancy costs at substantially below market rents and reduced these costs by \$150 K/year.

- \$10.5 million loan to the E.L. Haynes Public Charter School, to take out existing construction financing and provide stable, below-market, long-term financing for a new 45,850 square foot school in Washington, D.C. for 470 students in grades Pre-K through 8. Lower occupancy costs enabled the school to devote greater resources to expanding opportunities for students, and to undertake the development of a new high school to serve an additional 650 students.

- \$3.4 million loan to 700 Harrison Investment Fund LLC to stabilize the commercial components of a mixed-use project converting an under-utilized parcel in Boston's South End into a productive, vibrant use - including a community garden, parking for a large employer, a Spanish restaurant and gourmet prepared food market, and bi-lingual preschool that provides high quality child care for this underserved neighborhood.

- \$2.5 million loan to JPNDC Investment Fund LLC to develop two commercial spaces in Boston's Jamaica Plain, stabilizing two key commercial districts. Both projects offer ~ 7,000 sq ft ground floor commercial space under affordable rental units.

- \$12 million to Mary's Center Community Health Center in Washington, DC to build a new community health care facility and complete capital improvements on an existing facility, increasing capacity from 20 to 40 patient rooms, adding 10 primary care providers, and adding service areas for dental operatories and mental health programs.

- \$6.55 million to renovate Mount Pleasant Home, a Boston, MA residential facility serving frail low-income elders, increasing residential units from 44 to 60; adding 8,750 square feet of commercial space to generate rental income; and updating building systems to reduce operating expenses. The transaction stabilizes the organization's finances, enhancing its ability to provide deeply affordable, high quality elder residential care.

- \$5.8 million to develop Whittier Street Health Center's new 79,000 square foot facility in a Boston LIC. A partnership with Brigham and Women's Hospital will promote more effective delivery of emergency services.

- \$1.5 million interest in a \$17.5 MM loan to a high performing, expanding charter school in Lynn MA – KIPP Academy Lynn to finance construction of a new 69,000 sq/ft facility, allowing KIPP to expand its successful middle school program and add a high school, increasing students served/ year by 500.

- \$1.7 million interest in a \$15.1 million loan to Mattapan Community Health Center to build a new four-story 49,500 square foot community health center, creating an economic anchor in a struggling urban business district in Boston, MA. The 35,000 sq ft facility will support 100% growth in patient visits/year.

QEI's Invested

Name of awardee/recipient	Control number	Total QEI amount invested	Add / Edit
CSDC New Markets Fund LLC	05NMA002010	\$4,493,000	
NCB Development Corporation	03NMA000434	\$8,500,000	
Stonehenge Community Development	06NMA001253	\$13,320,000	
City First New Markets Fund II, LLC	06NMA002272	\$21,000,000	
Low Income Investment Fund	08NMA000120	\$6,300,000	
Local Initiatives Support Corporation	06NMA000144	\$7,429,658	
Mass Development New Markets LLC	09NMA000366	\$26,000,000	
City First New Markets Fund II, LLC	08NMA002272	\$20,000,000	
NCB Capital Impact	08NMA000434	\$9,817,241	
Low Income Investment Fund	09NMA000120	\$10,500,000	
Citibank NMTC Corporation	08NMA002297	\$10,000,000	
National Community Loan Fund I, LLC	09NMA003158	\$10,100,000	

Boston Community Capital, Inc	09NMA000478	\$5,170,000
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Exhibit A - Track Record of Activities

11NMA000478

The Tables in Exhibit A reflect the activities of (check one):

Applicant

Table A1: Track Record of Loans/Investments to Non-Real Estate Businesses

Calendar Year (s)	2006	2007	2008	2009	2010	Totals (2006-2010)	Totals to Disadvantaged Businesses and Communities (2006-2010)	Totals to Non-metropolitan Counties (2006-2010)
1 Total # businesses financed	14	8	11	20	38	91	89	12
2 Total \$ amount of direct financing provided by the Applicant	\$21,337,761	\$43,079,701	\$41,591,898	\$13,241,158	\$178,630,053	\$297,880,571	\$295,457,451	\$219,006,380
2a \$ Amount of debt financing provided by Applicant	\$18,319,269	\$42,353,947	\$40,323,826	\$13,058,108	\$178,630,053	\$292,685,203	\$290,262,083	\$218,324,482
2b \$ Amount of equity financing provided by Applicant	\$3,018,492	\$725,754	\$1,268,072	\$183,050	\$0	\$5,195,368	\$5,195,368	\$681,898
3 \$ Amount of financing provided by other sources (including QALICB owner equity)	\$275,061,523	\$5,285,996	\$42,152,196	\$5,000,000	\$115,380,238	\$442,879,953	\$437,879,953	\$40,802,634
4 Total \$ amount of financing from all sources	\$296,399,284	\$48,365,697	\$83,744,094	\$18,241,158	\$294,010,291	\$740,760,524	\$733,337,404	\$259,809,014

Table is Complete in all aspects.

The Tables in Exhibit A reflect the activities of (check one):

Applicant

Table A2: Track Record of Loans/Investments to Real Estate Businesses

Calendar Year (s)	2006	2007	2008	2009	2010	Totals (2006-2010)	Totals to Disadvantaged Businesses and Communities (2006-2010)	Totals to Non-metropolitan Counties (2006-2010)
1 Total # businesses financed	27	19	12	21	13	92	89	2
2 Total \$ amount of direct financing provided by the Applicant	\$30,295,584	\$23,450,812	\$14,790,074	\$26,540,699	\$5,522,435	\$100,599,604	\$82,989,810	\$2,420,000

2a	\$ Amount of debt financing provided by Applicant	\$30,295,584	\$23,450,812	\$14,790,074	\$25,543,099	\$5,054,893	\$99,134,462	\$81,524,668	\$2,420,000
2b	\$ Amount of equity financing provided by Applicant	\$0	\$0	\$0	\$997,600	\$467,542	\$1,465,142	\$1,465,142	\$0
3	\$ Amount of financing provided by other sources (including QALICB owner equity)	\$286,794,099	\$119,582,573	\$171,145,708	\$69,626,540	\$32,640,266	\$679,789,186	\$667,654,886	\$12,764,360
4	Total \$ amount of financing from all sources	\$317,089,683	\$143,033,385	\$185,935,782	\$96,167,239	\$38,162,701	\$780,388,790	\$750,644,696	\$15,184,360

Table is Complete in all aspects.

The Tables in Exhibit A reflect the activities of (check one):

Applicant

Table A3: Track Record of Loans/Investments to Other CDEs

Calendar Year(s)	2006	2007	2008	2009	2010	Totals (2006-2010)	Totals to Disadvantaged Businesses and Communities (2006-2010)	Totals to Non-metropolitan Counties (2006-2010)
1 Total # CDEs financed	-	-	-	-	-	0	-	-
2 Total \$ amount of financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 \$ Amount of financing (debt)	\$ -	\$ -	\$ -	\$ -	\$ -	\$0	\$ -	\$ -
4 \$ Amount of financing (equity)	\$ -	\$ -	\$ -	\$ -	\$ -	\$0	\$ -	\$ -

Table is Not Applicable.

The Tables in Exhibit A reflect the activities of (check one):

Applicant

Table A4: Track Record of Loan Purchases from Other CDEs

Calendar Year(s)	2006	2007	2008	2009	2010	Totals (2006-2010)	Totals to Disadvantaged Businesses and Communities (2006-2010)	Totals to Non-metropolitan Counties (2006-2010)
1 Total # of loans purchased	-	-	-	-	-	0	-	-
2 Total \$ amount of loans purchased	\$ -	\$ -	\$ -	\$ -	\$ -	\$0	\$ -	\$ -

Table is Not Applicable.



Exhibit B - Projected Activities

11NMA000478

Table B1: Projected Loans/Investments to Non-Real Estate QALICBs (Estimated)

Calendar Year(s)	2012	2013	2014	2015	2016	Total
1 Total # transactions to be financed	4	-	-	-	-	4
2 Total \$ amt of financing	\$100,937,500	\$0	\$0	\$0	\$0	\$100,937,500
3 \$ Amt of financing (Debt)	\$100,937,500	\$ -	\$ -	\$ -	\$ -	\$100,937,500
4 \$ Amt of financing (Equity)	\$0	\$ -	\$ -	\$ -	\$ -	\$0
5 Total # of reinvestment transactions	0	-	-	-	-	0
6 Total \$ Amt of reinvested financing	\$0	\$0	\$0	\$0	\$0	\$0
7 \$ Amt of reinvested financing (Debt)	\$0	\$ -	\$ -	\$ -	\$ -	\$0
8 \$ Amt of reinvested financing (Equity)	\$0	\$ -	\$ -	\$ -	\$ -	\$0

Table is Complete in all aspects.

Table B2: Projected Loans/Investments to Real Estate Businesses (Estimated)

Calendar Year(s)	2012	2013	2014	2015	2016	Total
1 Total # transactions to be financed	4	-	-	-	-	4
2 Total \$ amt of financing	\$17,812,500	\$0	\$0	\$0	\$0	\$17,812,500
3 \$ Amt of financing (Debt)	\$17,812,500	\$ -	\$ -	\$ -	\$ -	\$17,812,500
4 \$ Amt of financing (Equity)	\$0	\$ -	\$ -	\$ -	\$ -	\$0
5 Total # of reinvestment transactions	0	-	-	-	-	0
6 Total \$ Amt of reinvested financing	\$0	\$0	\$0	\$0	\$0	\$0
7 \$ Amt of reinvested financing (Debt)	\$0	\$ -	\$ -	\$ -	\$ -	\$0
8 \$ Amt of reinvested financing (Equity)	\$0	\$ -	\$ -	\$ -	\$ -	\$0

Table is Complete in all aspects.Percentages entered in I(A), QLICI Activities indicate this table is Not Applicable.Percentages entered in I(A), QLICI Activities indicate this table is Not Applicable.Percentages entered in I(A), QLICI Activities indicate this table is Not Applicable.



Exhibit C - Staff and Board Qualifications

11NMA000478

Table C1: Management Capacity

Table is Complete in all aspects.

1 -

Name	Elyse D. Cherry	Years with (or years providing services to) the Applicant	27
Firm	Boston Community Capital		
Title at Firm	CEO		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital raising Capital deployment Sourcing or loan underwriting NMTC Program compliance		GB member on loan/investment committee ED or equivalent	

Description of Individual's Qualifications

Elyse Cherry has worked with BCC since it was founded; she joined the organization as president in 1997 and was named to the additional role of CEO of BCC in 2000. Before joining our staff, she had been a founding board member of BCC and served as its Loan Committee Chair, Clerk and Board Chair.

Under Cherry's leadership, BCC has invested over \$650 million in LICs, over 80% of it in the last five years. She has overseen the deployment of BCC's first five NMTC awards, totaling \$353 million; the first four awards are fully invested and our 2010 award of \$53 million is fully committed, with \$26 million closed and the balance scheduled to close in Fall 2011. As president of BCVF, Cherry makes investments in "double bottom line" businesses. Under her leadership, BCVF has raised and fully invested over \$21 million in companies that provide jobs, goods and services for low-income people and LICs. Cherry holds board seats and provides financial counseling and services to several of our portfolio companies.

Cherry is an attorney and a former partner of the law firm of Hale and Dorr, where her practice focused on commercial finance and development transactions valued at \$1-100 million, as well as the finance and development of affordable housing. In addition, Cherry has represented limited partnerships established by a number of local community development corporations (including Fields Corner CDC, Allston Brighton CDC and Codman Square Development Corporation) in low-income housing tax credit transactions.

Prior to joining BCC, she was CEO of Earthwide Products Corporation, an investment fund targeting environmental businesses. She also served as Vice President of SRB Corporation, a member of the Plymouth Rock family of insurance/insurance service companies, where she coordinated the start-up of a \$200 million investment management department. Elyse began her career as a VISTA volunteer in Knoxville, Tennessee.

Cherry is a leader in the CDFI industry. She is a member of the Kellogg Foundation's Mission Driven Investment Committee and is past Vice Chair of the Opportunity Finance Network's board of directors. Cherry is past chair of boards of the Massachusetts Cultural Council and MassEquality. She is a graduate of Wellesley College and the Northeastern University School of Law.

As CEO of Boston Community Capital, Ms. Cherry has ultimate responsibility and authority for the overall success of Boston Community Capital, leads the organization's strategy and vision, manages key problems and challenges, and coordinates the organizational performance (growth, social impact, financial strength, public policy). She is BCC's key reporter to the Board, with overall responsibility for the hiring and firing of affiliate presidents. Together with DeWitt Jones, Michelle Volpe, Andrew Chen and Jessica Brooks, Cherry is a member of BCC's senior management team. She is an ex-officio member of the boards of BCC and our affiliates, and serves on our Venture Committee.

Cherry works closely with DeWitt Jones and Michelle Volpe to oversee all aspects of the administration of BCC's NMTC awards, from strategy development and raising capital to marketing, underwriting, portfolio management and program compliance. With respect to the deployment of capital and services, she develops and approves strategy, markets the fund to prospective borrowers and partners, identifies new projects, participates in underwriting and approval of all NMTC projects BCC finances. This role is consistent with her responsibilities as a member of BCC's senior management.

As President of Boston Community Venture Fund (BCVF), Cherry has sole operational responsibility and authority for the success of BCVF's two funds, including capitalization, strategy, investment, staffing, performance, research, and planning. She raises investment funds and makes equity investments in businesses across the Northeast that have the potential to achieve strong social as well as financial returns.

2 -

Name	DeWitt Jones	Years with (or years providing services to) the Applicant	27
Firm	Boston Community Capital		
Title at Firm	President, Managed Assets and Solar Energy Advantage		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital raising Capital deployment Sourcing or loan underwriting		GB member on loan/investment committee Other key management	

NMTC Program compliance Community Outreach	
Description of Individual's Qualifications	
<p>DeWitt Jones, President of Boston Community Managed Assets and BCC Solar Energy Advantage, was BCC's first employee. Under his leadership, the organization has grown from a start-up with \$3500 in loan capital from socially responsible investors to an organization with over \$600 million under management today.</p> <p>For nearly two decades, Jones served as President of BCC's Loan Fund, overseeing the lending of \$173 million to create affordable housing, daycare and social services in low-income communities.</p> <p>DeWitt Jones is a member of BCC's senior management team, an ex-officio member of the boards of BCC and our affiliates, and serves on our Loan and Venture Committees. He works closely with Elyse Cherry and Michelle Volpe to oversee all aspects of the administration of BCC's NMTC awards, from strategy development and raising capital to marketing, underwriting, portfolio management and program compliance. Jones is also a co-founder of WegoWise, BCC's energy tracking affiliate, and chairs that company's board.</p> <p>With respect to the deployment of capital and services, he develops and approves strategy, markets the fund to prospective borrowers and partners, identifies new projects, participates in underwriting and approval of all NMTC projects BCC finances. This role is consistent with his responsibilities as a member of BCC's senior management.</p> <p>In addition to his NMTC-related responsibilities, Jones leads and oversees BCC's Solar Energy Advantage affiliate and the organization's energy efficiency, conservation and renewable energy financing programs for affordable housing and other community projects. He is responsible for all aspects of deployment of capital and services for these programs.</p> <p>Mr. Jones has been integrally involved in BCC's capitalization efforts since the organization's inception 27 years ago. In addition, through his work with the Loan Fund, he has gained familiarity with the logistics of Low-Income Housing Tax Credits and Historic Tax Credits to finance community development work. Under Jones' leadership, BCC has received 9 awards from the CDFI Fund, and five NMTC allocations, and is in full compliance with each of its awards.</p> <p>At BCC and in his role as a board member and chair of the Finance Committee of the National Community Capital Association (1988-1996), Jones played a key role in the creation of the equity equivalent investment instrument – a tool designed to encourage banks to invest equity-like capital into CDFIs; under his leadership, BCLF grew into a leader in selling equity equivalents to local and national banks.</p> <p>Prior to joining BCC, he was Executive Director of the Massachusetts Urban Reinvestment Advisory Group and served as a VISTA volunteer from 1980-1981. A founding member of the National Association of Community Development Loan Funds, now Opportunity Finance Network (OFN), Jones has chaired its Financial Services and Public Affairs committees. From 1991-1998, Dick was co-owner and treasurer of Maria and Ricardo's Tortilla Factory, a national industry leader located in Boston's inner-city. He serves as a director of the Boston Community Venture Fund and chairs the board of Boston Day and Evening Academy, a public high school serving over-age high school students. He is the former treasurer of the Center for Women and Enterprise, a regional women's business development center. He has served on Boston Mayor Menino's Blue Ribbon Task Force on Housing Finance and as Board president of the Penikese Island School. He is a graduate of Harvard College and its Kennedy School of Government.</p>	

3 -			
Name	Michelle Volpe	Years with (or years providing services to) the Applicant	16
Firm	Boston Community Capital		
Title at Firm	Loan Fund President		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital deployment Sourcing or loan underwriting Asset management Loan servicing NMTC Program compliance Community Outreach		Dir. of lending/investing or equivalent Other key management	
Description of Individual's Qualifications			
<p>Michelle Volpe has over 20 years of experience deploying capital and providing FCOS in LICs. Volpe joined BCC's Loan Fund in 1995 and has served as a Senior Loan Officer and Team Leader; in 2011, she became Loan Fund President and a member of the BCC senior management team and serves on our Loan Committee.</p> <p>Volpe works closely with Cherry and Jones to oversee all aspects of the administration of BCC's NMTC awards, from strategy development and raising capital to marketing, underwriting, portfolio management and program compliance. With respect to the deployment of capital and services, she develops and approves strategy, markets the fund to prospective partners, identifies new projects, participates in underwriting and approval of all NMTC projects BCC finances. This role is consistent with her responsibilities as a member of BCC's senior management.</p> <p>As Loan Fund President, Volpe has operational responsibility and authority for the Fund's success, including capitalization, strategy, investment, staffing, performance, research and planning. She oversees all lending activity, and, with Loan Committee Chair, presides over committee's review and approval of lending policy and loan decisions, managing a portfolio of commercial real estate, housing and small business loans serving LICs, and leading the Loan Fund's expansion efforts. She works closely with loan fund staff, borrowers and consultants to structure transactions that allow our borrowers to leverage capital from mainstream financial markets to meet the needs of the LICs they serve.</p>			

Volpe oversees booking new loans from initial inquiry and application screening, through the credit underwriting and loan approval process, to loan documentation, closing, funding and ongoing monitoring. BCC's loan portfolio primarily consists of nonconforming loans and its borrowers include: community development corporations, social service agencies, community organizations, and for-profit developers. Her position includes providing technical assistance to borrowers, structuring financial plans and working with other public and private lenders. Specific responsibilities include: reviewing loan requests for feasibility and mission; providing technical assistance and guidance on financial structuring of loan requests; underwriting loans including preparation of credit memos and loan recommendations to Loan Committee; overseeing the preparation of commitment letters for approved deals; working with the Loan Program Manager and the Finance Department to manage the loan closing process including loan participations, loan funding, booking and repayment; managing ongoing borrower relationships and the loan monitoring process, including mission and social impact; and maintaining awareness of portfolio-wide risks and opportunities.

Michelle has worked for BCC's Loan Fund since 1995, and has more than 20 years of experience lending to support the development of affordable housing, community facilities, and non-profit organizations providing services to low-income families and communities. As President of the Loan Fund, Michelle manages BCC's team of lenders and supports the team in its efforts to maintain strong underwriting standards, monitor portfolio quality, and establish strong relationships with new lending, borrowing, and funding partners. As an active lender, she manages existing borrower relationships and cultivates new opportunities to deploy loan fund capital into low-income communities.

Prior to joining Boston Community Capital, she worked as an assistant vice president at BayBank, where she was a member of the healthcare, education and not-for-profit lending group. She managed a loan portfolio with credit commitments to human service providers, cultural organizations, and healthcare providers. Before joining BayBank, Michelle worked as an Intern with Self-Help Credit Union in Durham, North Carolina. She serves as a member of the local advisory committee of the Nonprofit Finance Fund. Michelle is a graduate of the University of North Carolina at Chapel Hill and Yale University's School of Management.

4 -			
Name	Andrew Chen	Years with (or years providing services to) the Applicant	13
Firm	Boston Community Capital		
Title at Firm	CFO and Venture Fund Managing Director		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital raising Asset management NMTC Program compliance		CFO or equivalent Other key management	
Description of Individual's Qualifications			
<p>As CFO for Boston Community Capital and affiliates, Andrew Chen oversees a portfolio of over 150 loans and investments totaling over \$500 million. He oversees organizational and financial management tasks including portfolio, treasury, risk management, capitalization, budgeting, financial planning and financial accounting. Together with the finance team, he is accountable for the accurate reporting of all financial and accounting functions of BCC and its affiliates; works closely with other senior staff and consultants to develop new programs and products, negotiates contracts, and develops multi-year financial projections; directs responsibility for the monthly financial reporting process, including cost allocation strategies, monthly variance analysis, maintenance of internal financial controls, and accurate and timely reporting to Board and external constituents; oversees payroll and benefits administration; oversees annual budget preparation process, develops multi-year financial projections and projects cash flow from lending and investing programs; manages loan participation invoicing and payments; and develops and monitors performance benchmarks for BCC, participating in the development of industry-wide standards.</p> <p>Chen joined Boston Community Capital in 1998. In the last five years, Andrew Chen has helped BCC's portfolio companies raise equity investments totaling \$157 million from profit-minded investors to grow their businesses. With this experience, he is also serving as interim CEO of WegoWise, BCC's energy tracking affiliate, during its start-up phase.</p> <p>Prior to joining BCC, Chen served for seven years as President of The Fanda Investment & Development Corporation, where he completed projects ranging in size from \$1MM to \$10MM, focusing on start-up ventures in the US and in Asia. He evaluated and planned new venture enterprises; researched industry dynamics and competition; developed cost models and costbenefit studies; and analyzed investment opportunities in the advanced materials, packaging, automotive, aerospace, environmental, and construction. He also served for thirteen years as a General Partner with The Chimera Group and Jade Associates, a successful Boston-based real estate development partnership and a New Jersey-based real estate investment syndicate. In these roles, he assessed property acquisitions; projected cash flows and return; coordinated financing arrangements; prepared and presented marketing materials; and negotiated contractual agreements. Investors in these partnerships achieved returns on investment in excess of 35%.</p> <p>Chen has a doctorate from MIT in Technology, Management and Policy, where his research focused on materials processing and technology commercialization. He also holds S.M. and B.S. degrees in Materials Science and Engineering from MIT and The Johns Hopkins University, respectively.</p>			

5 -			
Name	Jessica Brooks	Years with (or years providing services to) the Applicant	10
Firm	Boston Community Capital		
Title at Firm	Vice President, Development and Communications		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital raising NMTC Program compliance Community Outreach		Other key management	

Description of Individual's Qualifications

Since 2001, Jessica Brooks has partnered with BCC's senior management in capitalization efforts - raising equity, loan and grant capital from profit-minded and philanthropic organizations. From 2006-June 2011, she has helped BCC secure over \$300 million in grant, loan and equity capital, including \$234 in QEIs associated with BCC's first four NMTC allocations.

As Vice President of Development and Communications, Brooks is a member of the BCC senior management team, partnering with Cherry, Jones, Volpe and Chen in their capitalization efforts, collaborating on proposals and presentations to prospective investors and working with prospective investors to negotiate and close investments. Once investments are committed, she serves as an additional point of contact for investors, managing relationships and ensuring that reporting requirements are met.

With respect to our NMTC allocations, Brooks works closely with other members of the senior management team to prepare and review our NMTC applications and raise capital; she works closely with our finance team to ensure compliance with all reporting requirements associated with the allocation awards.

Before joining BCC, Brooks gained experience attracting capital from profit-minded investors while working at Abuzz, a start-up technology company. Brooks wrote a business plan that attracted \$5 million in venture capital financing, and played a key role in the company's subsequent acquisition by The New York Times for more than \$30 million. Brooks led departments responsible for account and affiliate management, managing partner relationships with CNBC, American Express, and The Boston Globe, and honing relationship management skills that serve her well in her current position. She has also worked as a securities trader on Wall Street, where she was a licensed General Securities NASD Principal (Series 24); General Securities NYSE/NASD Registered Representative (Series 7); and Uniform Securities Agent (Series 63).

Brooks is recent past chair of the board of The Food Project, a national nonprofit committed to youth development and sustainable agriculture, and former board chair of Social Venture Partners Boston, a venture philanthropy organization that builds nonprofit capacity through strategic grantmaking and volunteer engagements. In 2011, the Boston Business Journal profiled her as an "Emerging Leader."

6 -

Name	Lisa Zappala	Years with (or years providing services to) the Applicant	6
Firm	Boston Community Capital		
Title at Firm	Senior Finance Advisor		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Asset management Loan servicing NMTC Program compliance		Other finance staff Contracted consultant	

Description of Individual's Qualifications

As Senior Finance Advisor, Lisa Zappala works with members of the BCC senior management team to oversee the organization's financial management and planning. With respect to our NMTC allocation awards, Zappala is involved in application preparation and review, asset management, loan servicing, and NMTC program compliance.

Lisa brings to her role extensive senior-level finance experience. She is former CFO of a publicly traded company with \$300 million in revenues, where she oversaw the company's Financial Reporting and Compliance, Treasury and Investor Relations, and co-managed IT and Facilities.

Zappala is a former Senior Manager at Arthur Anderson and Company, where she assisted businesses in turn-around financial issues, including bankruptcy; launched an outsource practice for Financial Consulting Services; and assisted several businesses in reorganizing their financial accounting staff, systems and processes.

Zappala serves on the Boards of Directors and Audit Committees of two publicly traded companies. She has a Bachelor's degree in Accounting from Boston College and has been certified as a CPA.

7 -

Name	E. Matthew Gautieri	Years with (or years providing services to) the Applicant	10
Firm	Boston Community Capital		
Title at Firm	Controller		
Type of activity with Applicant in each Capacity		Position with Applicant	
Asset management Loan servicing NMTC Program compliance		Other finance staff	

Description of Individual's Qualifications

As Controller, E. Matthew Gautieri is responsible for a variety of organizational and financial management tasks including portfolio, treasury, risk management, capitalization, budgeting, financial planning and financial accounting. He is accountable for the accurate reporting of all financial and accounting functions of BCC and its affiliates; works closely with other senior staff and consultants to develop new programs and products, negotiates contracts, and develops multi-year financial projections; has direct responsibility for the monthly financial reporting process, including cost allocation strategies, monthly variance analysis, maintenance of internal financial controls, and accurate and timely reporting to Board and external constituents; oversees payroll and benefits administration; oversees annual budget preparation process,

develops multi-year financial projections and projects cash flow from lending and investing programs; manages loan participation invoicing and payments; and develops and monitors performance benchmarks for BCC, participating in the development of industry-wide standards.

Gautieri has provided leadership and oversight of BCC's finance department for seven years, working closely with CFO Andrew Chen and Senior Finance Advisor Lisa Zappala, and taking on increasing responsibilities throughout this tenure. He has led a major, successful effort to streamline internal operations, increasing the organization's capacity while lowering costs. Mr. Gautieri was recruited from the banking industry, where he had over twenty years of experience overseeing tracking, reporting and operations systems for growing institutions.

Prior to joining BCC, Gautieri worked at FleetBoston Financial, managing the financial planning process for Fleet's Small Business Services and serving as the financial analyst for five operating divisions of the Commercial Real Estate Lending Group. In addition to other responsibilities in these roles, Mr. Gautieri represented Fleet's Small Business Services Group at monthly bank-wide financial control meetings and worked to establish and monitor individual lender and division goals and objectives. Prior to joining Fleet, Mr. Gautieri served as Financial Controller for Shawmut Bank's \$1.2B commercial real estate loan portfolio, including overseeing a \$900 million distressed commercial real estate and title-own property portfolio in liquidation throughout New England.

Mr. Gautieri has been an active participant and contributor to CDFI peer learning and training programs across the country, working closely with partners at the Opportunity Finance Network and Community Development Venture Capital Alliance.

Mr. Gautieri attended Fisher College. He resides in Taunton, MA.

8 -

Name	Gail Berlinger	Years with (or years providing services to) the Applicant	4
Firm	Boston Community Capital		
Title at Firm	Portfolio Manager		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital deployment Asset management Loan servicing NMTC Program compliance Community Outreach		Loan/investment officer or equivalent Compliance officer	

Description of Individual's Qualifications

As Portfolio Manager for BCC's Loan Fund, Gail Berlinger monitors covenant compliance and trends within the existing loan portfolio, conducts status reviews, and develops reporting practices focusing on the social and environmental impact of Boston Community Loan Fund's holdings and the QLICI's associated with BCC's five previous NMTC allocations.

Prior to joining BCLF, Gail worked in the Low Income Housing Tax Credit field, in both asset and portfolio management with Boston Capital and in property management with Federal Management Company. She began her career as a property manager with Boston Union Realty. Gail has served on the board, finance committee and fund development committee of Transition House, the oldest domestic violence shelter in New England. She holds a BA from Rutgers University and a Masters in Urban Affairs from Boston University, focusing on issues affecting low-income communities.

Gail joined Boston Community Capital in January 2007.

9 -

Name	Luis Matienzo	Years with (or years providing services to) the Applicant	6
Firm	Boston Community Capital		
Title at Firm	Loan Operations Manager		
Type of activity with Applicant in each Capacity		Position with Applicant	
Asset management Loan servicing		Compliance officer	

Description of Individual's Qualifications

Luis Matienzo has served as BCC's Loan Operations Manager since 2005, and has worked with senior management and BCC staff to manage assets and risk on BCC's loan and investment portfolio, including BCC's five prior NMTC awards. As Operations Manager, he has three primary roles: loan administration, information management and portfolio management. He is responsible for updating and maintaining BCC's loan and investment database, and working with BCC's loan officers and senior management to assure the conformity of BCC's portfolio, including QLICs from BCC's prior NMTC allocations.

Prior to joining BCC, Matienzo worked for Bank of America as an Information Officer for a \$7 billion real estate portfolio. He has worked at Bank of Boston and Fleet as an Operations Manager/Team Leader and Loan Administrator for a \$200 million real estate portfolio located in low- and moderate-income areas in New England, and at Fleet's Community Development Bank. He brings to his position expertise in construction loan management and information management.

10 -

Name	Charles Clark (Board Chair)	Years with (or	
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Firm	YouthBuild USA	years providing services to) the Applicant	24		
Title at Firm	VP, Asset Development				
Type of activity with Applicant in each Capacity		Position with Applicant			
Capital raising Capital deployment Asset management Community Outreach		Governing board (GB) chair GB member on loan/investment committee			
Description of Individual's Qualifications					
<p>Mr. Clark is the Chair of the Board of Directors. As a member of the board, Mr. Clark is responsible for the broad strategic direction of BCC and its affiliates and has overall fiduciary responsibility for the organization. In coordination with management, the board establishes overall mission for the organization, reviews and approves key indicators, broad strategy, and policy to assure that BCC carries out its mission and is run in a prudent and responsible manner, hires and fires BCC's CEO, elects board members, and performs other actions as required by law or by-laws. Board members serve as an external advocate for BCC and its mission, act as internal experts, providing information on market and industry trends, social impact, and new sources and tools for capitalization, and provide guidance and advice. The board approves broad policy and strategic initiatives.</p> <p>As board chair, Mr. Clark presides at all meetings of the board, overseeing and framing discussion. He also ensures that board members fulfill their responsibilities, works with management to set agendas for meetings, and appoints chairs to all standing committees. Mr. Clark also serves on BCC's Finance Committee and Venture Committee. The Finance Committee is responsible for providing ongoing oversight to the financial management of the corporation. Mr. Clark shares expertise and makes recommendations on such topics as budget, investment policy, and auditor engagement.</p> <p>As a member of the Venture Committee, Mr. Clark approves loans to and investments in portfolio companies that provide a "double bottom line" of social and financial returns. Mr. Clark provides introductions to potential sources of capitalization, deal flow, or operating support. He also reports on Venture Committee's investment activities, portfolio monitoring and learning to the Board, and as requested, to external constituencies, including funders, borrowers and lenders/investors. He joined the Boston Community Capital Board in 1987, served as its Treasurer for several years, and has been its Chair since the spring of 1999.</p> <p>Mr. Clark is currently the VP of Asset Development at YouthBuild, USA. YouthBuild is a national non-profit organization that engages low-income young adults to earn their GED or high school diplomas and learn construction skills. Mr. Clark was a director of YouthBuild USA for 10 years; he joined them as a staff member four years ago to manage and raise funds for a program which provides gifts to YouthBuild graduates to help them build assets to achieve economic independence.</p> <p>Prior to joining YouthBuild USA, Clark was Senior Vice President and the Regional Banking Division Head at Citizens Bank, Boston, MA. In that position, he directed Citizens Bank's small business lending in Massachusetts, which included a small business deposit and loan portfolio of approximately \$1.0 billion with a staff of 100, including 8 team leaders and 30 commercial lenders. Previously, he was President, Boston Region of USTrust, where he was responsible for community reinvestment lending and director of the bank's minority small business lending initiative.</p> <p>Mr. Clark serves on several non-profit boards and committees in addition to BCC's. He is a member of the board of directors of Junior Achievement of Eastern Massachusetts. Mr. Clark is a member of the Finance and Administration Committee of the United Way of Massachusetts Bay. He is a former Trustee of the New England College of Finance; a former Board Member of Jobs For Youth; a former Board Member of the Massachusetts Alliance for Small Contractors; a former member of the Investment Committee of the Property and Casualty Initiative; a former Board Member of Massachusetts Certified Development Corporation; and a former Board Member of YouthBuild USA.</p>					

11 -					
Name	Sarah Lincoln (Board Treasurer)	Years with (or years providing services to) the Applicant	10		
Firm	Citizens Bank				
Title at Firm	Division Executive				
Type of activity with Applicant in each Capacity		Position with Applicant			
Capital raising Capital deployment Sourcing or loan underwriting Community Outreach		GB member on loan/investment committee			
Description of Individual's Qualifications					
<p>As a member of the board, Sarah. Lincoln is responsible for the broad strategic direction of BCC and its affiliates and has overall fiduciary responsibility for the organization. In coordination with management, the board establishes overall mission for the organization, reviews and approves key indicators, broad strategy, and policy to assure that BCC carries out its mission and is run in a prudent and responsible manner, hires and fires BCC's CEO, elects board members, and performs other actions as required by law or by-laws. Board members serve as an external advocate for BCC and its mission, act as internal experts, provide information on market and industry trends, social impact, and new sources and tools for capitalization, and provide guidance and advice. The board approves broad policy and strategic initiatives.</p> <p>Sarah Lincoln oversees Citizen's Regional Banking unit for Massachusetts. The target customer has revenues of between \$5MM-\$25MM with financing needs of anywhere between \$500M to \$5MM. She currently manages a portfolio valued at \$700MM in senior debt financing. The unit includes 60 colleagues focused on delivering exceptional customer service and financial advice to the bank's clients and prospects working closely with key partners within the bank and in the community.</p>					

Prior to joining Citizens, Lincoln was Director of the Wholesale Division at Fleet Bank where she oversaw Fleet's community development work, CDFI investing and community development venture capital. She managed a portfolio valued in excess of \$1.3 billion that included debt and equity (both funds and direct investments), as well as Low Income Housing Tax Credits. She oversaw the management of products as listed above within five business units: Small Business, Real Estate, Private Equity, Strategic Investments (including mezzanine debt, as well as debt and equity to CDFIs), and Low Income Housing Tax Credits. Prior to Fleet's merger with BankBoston, Lincoln directed the small business and C&I lending for BankBoston's First Community Bank. Her earlier work at the bank includes 11 years on the corporate lending side of the institution, included debt portfolios totaling in the neighborhood of \$500MM to \$700MM in large corporate and middle market commitments.

Lincoln is a graduate of Middlebury College and has an MBA from the University of Virginia.

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Name	Victor Rivera (Loan Committee Chair)	Years with (or years providing services to) the Applicant	10
Firm	Bank of America		
Title at Firm	SVP, Client Development Group		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital deployment Sourcing or loan underwriting Asset management Community Outreach		GB member on loan/investment committee	
Description of Individual's Qualifications			
<p>As a member of the board, Victor Rivera is responsible for the broad strategic direction of BCC and its affiliates and has overall fiduciary responsibility for the organization. In coordination with management, the board establishes overall mission for the organization, reviews and approves key indicators, broad strategy, and policy to assure that BCC carries out its mission and is run in a prudent and responsible manner, hires and fires BCC's CEO, elects board members, and performs other actions as required by law or by-laws. Board members serve as external advocates for BCC and its mission, act as internal experts, provide information on market and industry trends, social impact, and new sources and tools for capitalization, and provide guidance and advice. The board approves broad policy and strategic initiatives. Mr. Rivera acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization. He also provides guidance and advice as it pertains to his areas of expertise (i.e. small business lending, asset management, and underwriting and credit).</p> <p>As chair of BCC's Loan Committee, Mr. Rivera is responsible for the review and approval of the Loan Fund's lending policy and loan decisions. He regularly attends Loan Committee meetings and serves as a goodwill ambassador for the Loan Fund, standing ready to promote the mission of the organization in coordination with staff, providing introductions to new borrowers, new markets and potential sources of capital. Mr. Rivera provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. He serves as a sounding board with respect to lending programs, social impact, loan structuring and loan monitoring; reviews portfolio management, social impact and financial performance; reviews and approves loan approval procedures, including lending guidelines and policies; and reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.</p> <p>Mr. Rivera is a Market Executive, Senior Vice President, of Business Banking in the Client Development Group, South East Region at Bank of America, where he oversees 13 client managers. His portfolio consists of \$1.1 billion in deposits and over \$500 million in loans. His group services over 10,000 clients located in the states of Tennessee, North Carolina, South Carolina, Georgia and Florida. Prior to joining Bank of America, Victor was a Senior Client Manager for Business Banking at Fleet Bank. He has additional experience as a former Chief Operating Officer of Boston Community Loan Fund, and with FleetBoston Financial, where he had extensive underwriting and credit experience, both in the field and as a manager. Prior to joining Fleet, Mr. Rivera was a bank examiner with the Office of Thrift Supervision. He is a graduate of the University of Puerto Rico.</p>			

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Name	Edward Dugger III (Venture Committee Chair)	Years with (or years providing services to) the Applicant	13
Firm	UNC Partners		
Title at Firm	President		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital raising Capital deployment Sourcing or loan underwriting Community Outreach		GB member on loan/investment committee	
Description of Individual's Qualifications			
<p>As a member of the board, Mr. Dugger is responsible for the broad strategic direction of BCC and its affiliates and has overall fiduciary responsibility for the organization. In coordination with management, the board establishes overall mission for the organization, reviews and approves key indicators, broad strategy, and policy to assure that BCC carries out its mission and is run in a prudent and responsible manner, hires and fires BCC's CEO, elects board members, and performs other actions as required by law or by-laws. Board members serve as external advocates for BCC and its mission, act as internal experts, provide information on market and industry trends, social impact, and new sources and tools for capitalization, and provide guidance and advice. The board approves broad policy and strategic initiatives.</p> <p>Mr. Dugger acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization. He also provides guidance and advice as it pertains to his areas of expertise (i.e. raising capital from profit-motivated investors and investing in minority-owned businesses).</p>			

For over 20 years, Mr. Dugger was a national leader in managing private equity capital on behalf of institutional investors that have a commitment to profitable, yet socially responsible investments. The venture funds managed by Mr. Dugger had as their investment focus emerging and acquired companies operating in such growth-oriented industries as communications and environmental services. They were also managed to consciously expand business opportunities for entrepreneurs of color and to promote policies that support the development of inclusive work forces. As a result, Mr. Dugger contributed to the creation of some of the nation's largest and most successful African American businesses. Furthermore, his perspective on business and its role in society has made him a prominent business and civic leader in Boston and a recognized pioneer in his field across the nation.

Complementing his business insights is a broad knowledge of U.S. economic policy stemming from his professional training in public and international affairs and his tenure as a director of the Federal Reserve Bank of Boston. More recently Mr. Dugger has utilized his extensive experience in developing growth companies and a wide range of civic institutions to help launch several initiatives designed to anticipate the impact on business of our nation's rapid demographic changes and develop new strategies for transforming this change into competitive advantages for businesses and communities. Among the business initiatives that Mr. Dugger has helped to design, organize and launch are The Business Collaborative and its successor, the Initiative for a New Economy, which strive to improve the business links between minority business enterprises and large public companies.

Mr. Dugger is currently President of UNC Partners, a successful private venture capital fund with more than \$30,000,000 under management, and is a board member of the Massachusetts Business Roundtable as well as numerous private companies. He is former chair of the Social Venture Network.

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Name	Julie Gould (Board Member)	Years with (or years providing services to) the Applicant	2
Firm	Mercy Housing		
Title at Firm	President of National Lending and Development Consulting; Senior Vice		

Type of activity with Applicant in each Capacity	Position with Applicant
Capital deployment Sourcing or loan underwriting Asset management	Other GB member

Description of Individual's Qualifications

Julie Gould is a member of the BCC Board of Directors. As a member of the board, she is responsible for the broad strategic direction of BCC and its affiliates and has overall fiduciary responsibility for the organization. In coordination with management, the board establishes overall mission for the organization, reviews and approves key indicators, broad strategy, and policy to assure that BCC carries out its mission and is run in a prudent and responsible manner, hires and fires BCC's CEO, elects board members, and performs other actions as required by law or by-laws. Board members serve as external advocates for BCC and its mission, act as internal experts, provide information on market and industry trends, social impact, and new sources and tools for capitalization, and provide guidance and advice. The board approves broad policy and strategic initiatives.

Ms. Gould acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization. She also provides guidance and advice as it pertains to her areas of expertise (i.e. community development lending, affordable housing development, federal finance programs).

Gould is Senior Vice President of Capital Markets and President of National Lending and Development Consulting at Mercy Housing, a 28-year old national nonprofit organization that works to create a more humane world where poverty is alleviated, communities are healthy and all people can develop their full potential by providing affordable, program-enriched housing to a variety of people across the country, including low-income families, seniors and people with special needs.

Gould brings to her position more than 26 years of experience in the affordable housing industry. She is responsible for leading Mercy Housing's Strategic Healthcare Partnerships, a unique collaboration among nine of the largest nonprofit health care systems across the nation, that provide affordable housing and health care linkages. Gould also oversees Mercy Loan Fund, a subsidiary of Mercy Housing and a national lender to nonprofit affordable housing developers, Resource Development and Marketing, and National Resident Services.

From 1988 through 2008, Gould worked at Fannie Mae, where she served as vice president for community lending, developing a new line of business for lending to Community Development Financial Institutions (CDFIs), flagship affordable housing products and technology services; and director of multifamily tax credits, specializing in investing in nonprofit developers of low-income housing. At Fannie Mae, Gould led a diverse range of special assignments, including consulting to the South African Housing Ministry, leading business planning efforts in the Gulf Coast after Hurricane Katrina, and co-chairing the annual Help the Homeless campaign in Washington, D.C.

Before joining Fannie Mae, Gould was budget examiner with the Office of Management and Budget, deputy staff director at the Federal Home Loan Bank Board, and vice president at the Federal Asset Disposition Association. She also worked for three members of Congress.

Gould has a master's degree in City and Regional Planning from the University of California, Berkeley, and a Bachelor of Arts in History and Communications from Pitzer College in Claremont, Calif. She was elected to the Boston Community Capital Board of Directors in 2009.

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Name	Meg Bennett	Years with (or years providing services to) the Applicant	14
Firm	Deutsche Bank Private Wealth Management		
Title at Firm	Director and Private Banker		

Type of activity with Applicant in each Capacity	Position with Applicant
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Capital raising Capital deployment	Other position: Loan Committee
Description of Individual's Qualifications	
<p>As a member of the Loan Committee, Meg Bennett is responsible for the review and approval of the Loan Fund's lending policy and loan decisions. She regularly attends Loan Committee meetings and serves as a goodwill ambassador for the Loan Fund, standing ready to promote the mission of the organization in coordination with staff, providing introductions to new borrowers, new markets and potential sources of capital.</p> <p>Ms. Bennett provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. She serves as a sounding board with respect to lending programs, social impact, loan structuring and loan monitoring; reviews portfolio management, social impact and financial performance; reviews and approves loan approval procedures, including lending guidelines and policies; and reports on Loan Fund's activities and its learnings to the Board and to external constituencies, including funders, borrowers and lenders.</p> <p>Bennett is a Director and Private Banker in Deutsche Bank Private Wealth Management's Boston office, where she is responsible for cultivating relationships with ultra-high-net-worth individuals, families and professional firms, including private equity firms in New England. Before joining Deutsche Bank in 2006, Ms. Bennett was at Mellon Financial Corporation, where she was a First Vice President and Team Leader, directing and mentoring a team of 10 professionals focused on unsecured and securities-related credit facilities, including those involving restricted and/or insider stock and derivative-based transactions. Previous to that, she spent 13 years at BayBank lending to public and private corporations and non-profit organizations.</p> <p>Since joining Deutsche Bank, Ms. Bennett has served as a member of Deutsche Bank's Community Involvement Committee (CIC) in Boston. The CIC is a committee made up of Boston DB employees that awards monies to Boston not-for-profit organizations that apply for grants from the Deutsche Bank Foundation.</p> <p>She joined the Loan Committee in 1997.</p>	

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Name	Jennifer Pinck (Loan Committee)	Years with (or years providing services to) the Applicant	13
Firm	Pinck and Company		
Title at Firm	President		
Type of activity with Applicant in each Capacity		Position with Applicant	
Asset management Community Outreach Other activity: Construction Management		Other position: Loan Committee	
Description of Individual's Qualifications			
<p>As a member of the Loan Committee, Jennifer Pinck is responsible for the review and approval of the Loan Fund's lending policy and loan decisions. She regularly attends Loan Committee meetings and serves as a goodwill ambassador for the Loan Fund, standing ready to promote the mission of the organization in coordination with staff, providing introductions to new borrowers, new markets and potential sources of capital.</p> <p>Ms. Pinck provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. She serves as a sounding board with respect to lending programs, social impact, loan structuring and loan monitoring; reviews portfolio management, social impact and financial performance; reviews and approves loan approval procedures, including lending guidelines and policies; and reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.</p> <p>Pinck has over 25 years of management experience in the construction industry including positions representing the Owner, the Consultant and the General Contractor. She has worked on residential, commercial and heavy highway and civil projects in both the public and private sector. In addition to obtaining an MBA (Simmons GSM '86) she has a Boston ABC license and was the first woman to obtain one (1986).</p> <p>Currently consulting in the area of construction management, she provides services primarily to owners and developers with emphasis on design development, value engineering, bid award and/or negotiations, and construction oversight. With her experience with public bidding and procurements she brings considerable contract administration experience, effectively managing cost, schedule and quality to deliver complex, multi-contract projects that involve extensive interfaces with other agencies, contractors and regulatory authorities.</p> <p>From 1992 to 1996, Pinck worked for the management consultant Bechtel/Parsons Brinckerhoff as a Senior Manager on the Central Artery/Tunnel Project. In the position of Mitigation Manager, she managed a staff of engineers, urban designers, architects, and other professionals in the development of community safeguards and traffic and staging plans to minimize disruption. She also developed and implemented programs to ensure the timely and cost-effective response to incidents and to facilitate resolution of problems and issues arising during design and construction.</p> <p>From 1988 to 1992 Pinck worked as a Construction Manager for the MWRA on the Deer Island Treatment Plant. In that role she directed the activities of the lead design engineer, Metcalf & Eddy, and the program/construction manager, Kaiser, and oversaw all phases of planning, design, construction and program management. Among her responsibilities was the design of a 45,000 sq. ft on-island office building; the procurement, construction and operation of a 1600 cubic yard/day concrete batch plant; and a variety of construction and service contracts.</p> <p>From 1981 to 1988 Pinck worked for the George B.H. Macomber Co. Beginning as a field engineer, she was by 1986 the first woman to work as a Superintendent for that firm. She managed supervisory staff and coordinated all trades; participated actively in architect, owner and tenant</p>			

relations; negotiated change orders; oversaw scheduling, purchasing, permits and inspections, safety and labor relations. Her projects included the 40-story cast-in-place Devonshire Towers in downtown Boston, a number of mid-rise structural steel office buildings as well two historic renovation projects.

Pinck is founder and President of Pinck & Co, Inc a construction management consulting firm providing Owner's Project Management services to non-profit owners and developers. Pinck served as the Vice Chair of the Cambridge Board of Zoning Appeal from 1999 to 2006. She serves as a Trustee for The Boston Harbor Association and board member for TEC, an affiliate of IBA in Boston's South End. She has been a member of the Boston Community Loan Fund Committee since 1998.

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Name	Sara Schnorr	Years with (or years providing services to) the Applicant	18
Firm	Edwards Angell Palmer Dodge LLP		
Title at Firm	Managing Director		

Type of activity with Applicant in each Capacity	Position with Applicant
Legal services	Contracted consultant

Description of Individual's Qualifications

Sara Schnorr provides legal counsel to Boston Community Capital and its affiliates, working with Loan Fund and Venture Fund staff on loan closings, equity investments, contracts, et cetera. Schnorr is experienced in all aspects of complex commercial real estate acquisition, development, land use, and financing matters, particularly for clients in the telecommunications, biotechnology, community development, and affordable housing industries. She represents nonprofits, tenant organizations and lenders involved in community economic development and affordable housing.

Ms. Schnorr represented a tenant-controlled nonprofit that acquired an existing 775-unit affordable housing project with a 1,300-space subsurface parking facility developed under MGL Chapter 121A; that acquisition involved a complex cash merger transaction, low income housing tax credit equity, and mortgage financing from Massachusetts Housing Finance Agency that was insured under HUD's Risk-Sharing Program. She represented National Cooperative Bank in providing construction and term financing for the Artists Building at 300 Summer Street, an innovative artists' live-workspace project involving a "cooperative within a condominium"; as well as construction and term financing to Community HealthLink, Inc., a nonprofit provider of community-based mental health and substance abuse services. This financing included participations by two major insurance companies and was largely secured by a guaranty from the City of Worcester, Massachusetts that was collateralized by the City's promissory note guaranteed by the U.S. Department of Housing and Urban Development ("HUD") under its Section 108 Program.

Ms. Schnorr serves as outside general counsel to Boston Community Capital as well as outside general counsel to the Massachusetts Community Economic Development Assistance Corporation, a quasi-public organization that also finances community development projects and affordable housing initiatives in low-income communities.

Schnorr received her A.B. cum laude from Harvard College, her M.A.T. from Wesleyan University and her J.D. from the University of Virginia School of Law. She was a Fulbright Fellow at Ludwig Maximilians Universitat, Munich, Germany 1970-1971.

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Name	Nicholas V. Romanos	Years with (or years providing services to) the Applicant	7
Firm	Edwards Angell Palmer Dodge LLP		
Title at Firm	Partner		

Type of activity with Applicant in each Capacity	Position with Applicant
Legal services	Contracted consultant

Description of Individual's Qualifications

Nicholas V. Romanos is a member of the Tax, Benefits & Compensation Department at Edwards Angell Palmer Dodge LLP and practices in the firm's Boston office. His practice includes all aspects of tax and business planning for corporations, investment partnerships, limited liability companies, tax-exempt organizations and individuals. Romanos focuses his practice on corporate and partnership taxation, with an emphasis on private equity and tax credit syndication. He has extensive experience representing developers, syndicators, and investors in transactions using federal and state tax credits and incentives, including low-income housing, historic and New Markets Tax Credits.

Romanos provides legal counsel to Boston Community Capital and its affiliates, working with Loan Fund and Venture Fund staff on loan closings, equity investments, contracts, et cetera. He is a graduate of Boston University and has a J.D. and L.L.M. in Taxation from Boston University School of Law.

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Name	Thomas Washburn	Years with (or years providing services to) the Applicant	15
Firm	Alexander, Aronson, Finning and Company		
Title at Firm	CPA, Vice President		

Type of activity with Applicant in each Capacity	Position with Applicant
NMTC Program compliance	Contracted consultant

Description of Individual's Qualifications

Thomas Washburn is an independent auditor. He prepares independent audited annual financial statements for Boston Community Capital and its affiliates, including Boston Community Loan Fund, Boston Community Venture Fund, Boston Community Managed Assets, BCLF Ventures I LLC, BCLF Ventures II LLC, and BCC's New Markets Tax Credits CDEs. The annual audit includes a review of government compliance requirements.

Thomas Washburn has been with Alexander, Aronson, Finning & Co. since 1991 and works within the nonprofit sector and with closely-held businesses. Mr. Washburn works extensively with human service providers, foundations and community development organizations and is known as an expert in these areas. Mr. Washburn's commercial clients include closely-held manufacturing, real estate, and medical businesses. Mr. Washburn also routinely assists his clients in developing and improving financial management systems.

Responsible for much of the in-house training of Alexander, Aronson, Finning & Co.'s staff members, Mr. Washburn also delivers educational seminars for nonprofit agencies throughout New England. Most recently, he co-developed and taught a financial budgeting and management workshop series for management of nonprofit community development corporations. He also consulted on financial management issues with grantees of the Neighborhood Reinvestment Corporation, a federally-funded agency that works with nonprofit client organizations throughout the country to preserve affordable housing.

Mr. Washburn graduated from Bentley College with honors, where he earned his Bachelor of Science degree in Accountancy. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Massachusetts Society of Certified Public Accountants (MSCPA) and has served as the firm's representative to the Young Entrepreneurs Organization's Boston Chapter.

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Name	Joel Aronson	Years with (or years providing services to) the Applicant	15
Firm	Alexander, Aronson, Finning and Company, PC		
Title at Firm	Vice President		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Program compliance		Contracted consultant Other position: Auditor	

Description of Individual's Qualifications

Joel Aronson is an independent auditor. Mr. Aronson prepares independent audited annual financial statements for Boston Community Capital and its affiliates, including Boston Community Loan Fund, Boston Community Venture Fund, Boston Community Managed Assets, BCLF Ventures I LLC, BCLF Ventures II LLC, and BCC's NMTC CDE subsidiaries. The annual audit includes a review of government compliance requirements.

Joel Aronson has been with Alexander Aronson Finning and Co. since 1975. Prior to joining the firm, he was with a major international accounting firm for six years. Mr. Aronson heads AAF's financial planning practice and services closely-held businesses and individuals. He is nationally recognized for his work with nonprofit organizations and his clients include foundations, grant-making organizations, schools, community health centers, community development corporations, and social service agencies. Mr. Aronson concentrates on overseeing and performing audits, business planning, financial planning and tax work. He is a highly regarded trainer and develops and participates in teaching courses, including nonprofit budgeting and financial management systems. He is often asked to participate in various forums as a trainer and expert presenter.

Mr. Aronson is the Treasurer and Board member of Executive Service Corps of New England, and is a trustee for World Unity, Inc. He is past treasurer and board member and is a current volunteer for Project Bread – the Walk for Hunger. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Massachusetts Society of Certified Public Accounts. He has received several awards for his community service, among them the Community Service Award from the Urban Edge Housing Corporation, a Boston-based community development company; the Allocations Service Award from the United Way of Mass. Bay; and the Meritorious Service Award from the Westborough/Northborough Chamber of Commerce.

Mr. Aronson holds a Bachelor of Science degree in Business Administration with Honors from Northeastern University and an MBA with Highest Honors from Babson College.

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Name	Gary Perlow	Years with (or years providing services to) the Applicant	9
Firm	Reznick Group		
Title at Firm	Managing Principal		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital raising NMTC Program compliance		Contracted consultant	

Description of Individual's Qualifications

Gary Perlow has assisted with the development of BCC's NMTC investment models and comprehensive investment plan, structuring a mechanism that conforms to the New Markets Tax Credit Program regulations under Internal Revenue Code 45(d); preparing a financial model which reflects investor yields, internal rates of return, tax credit flow-throughs, etc., as well as investor benefit schedules reflecting return on investment rates. Mr. Perlow assists with design and oversight of compliance, monitoring and asset management procedures, evaluating potential investor issues to reduce the risk of tax credit recapture and tax loss/income reallocations, providing guidance related to the

"substantially all" test, and making recommendations on overhead, fees, reserves, etc. He also provides advisory services on all other tax and business issues related to BCC's flowthrough taxable entity and the establishment of BCC NMTC LLCs.

Gary Perlow is the principal in charge of Reznick Group's national NMTC practice and has over seventeen years of experience working with numerous federal tax credit and other regulatory programs. Mr. Perlow has assisted clients nationwide in the design of their tax credit compliance programs, including both NMTC and low-income housing tax credit programs. He has also performed numerous independent tax credit compliance reviews for regulatory agencies and tax credit investors. Mr. Perlow was also requested by the CDFI Fund to participate in their 2002 industry NMTC Compliance Roundtable Committee meeting to assist the Fund in designing their compliance and monitoring reporting requirements. Additionally, Mr. Perlow represents the National NMTC Coalition as their technical advisor. He has also written numerous articles on the NMTC program and has participated as a speaker in over 50 national NMTC conferences. He is recognized in the NMTC industry as one of the leading technical experts related to this program.

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Name	Ira Weinstein	Years with (or years providing services to) the Applicant	9
Firm	Reznick Group		
Title at Firm	Director of Community Development		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital raising NMTC Program compliance		Contracted consultant	
Description of Individual's Qualifications			
<p>Ira Weinstein assists with the development of BCC's NMTC investment models and comprehensive investment plan, structuring a mechanism that conforms to the New Markets Tax Credit Program regulations under Internal Revenue Code 45(d); preparing a financial model which reflects investor yields, internal rates of return, tax credit flow-throughs, etc. as well as investor benefit schedules reflecting return on investment rates. He assists with design and oversight of compliance, monitoring and asset management procedures, evaluating potential investor issues to reduce the risk of tax credit recapture and tax loss/income reallocations, providing guidance related to the "substantially all" test, and making recommendations on overhead, fees, reserves, etc. He also provides advisory services on all other tax and business issues related to BCC's flowthrough taxable entity and the establishment of BCC NMTC LLCs.</p> <p>Ira Weinstein is a principal in the Baltimore office of the Reznick Group and Director of the firm's Community Development Finance Group; he operates a tax credit consulting practice that includes a client base of developers, investors, syndicators and Community Development Entities. Over the last decade and in his capacity as financial advisor, he has supported their efforts to raise tax credit equity and structure tax advantaged debt and equity products to finance affordable housing, historic rehabilitation and Qualified Low Income Community Investments. He has supported the efforts to raise equity in support of all of the client CDE's community development efforts, develop debt and equity products, and structure and close QLICI transactions. In addition, he has worked with several QALICB clients negotiating with CDEs to receive loans and/or investments under the NMTC program.</p> <p>Mr. Weinstein speaks nationally at numerous industry and firm sponsored conferences and seminars each year. Prior to joining Reznick Group, he worked in corporate finance raising capital from the debt and equity markets in support of corporate and project finance, asset acquisition and divestiture. Additionally, Mr. Weinstein managed a consulting contract working to establish financing vehicles to be administered by an Empowerment Zone.</p> <p>Mr. Weinstein is a graduate of the University of Delaware.</p>			

Table C2: Low Income Community Accountability

Table is Complete in all aspects.

Name	Charles Clark (Chair)	Years on Board	24
Firm	YouthBuild USA	Title at Firm	VP, Asset Development
Advisory or Governing Board Member		Governing	
How is S/he Representative of Low-Income Communities?		Employee or board member of a non-Affiliated community-based or charitable organization	
Describe the individual's qualifications as an LIC representative, including related LIC community affiliations or experiences.			
<p>Charles Clark is VP of Asset Development at YouthBuild USA, a national nonprofit organization that works to unleash the positive energy of low-income young people to rebuild their communities and their lives. It supports an expanding nationwide network of more than 200 local YouthBuild programs. In this role, YouthBuild USA orchestrates advocacy for public funding, guidance and quality assurance in program implementation, leadership opportunities for youth and staff, research to understand best practices, and grants and loans to YouthBuild affiliates. YouthBuild USA leads the national YouthBuild movement and contributes to the broader youth and community development fields in order to diminish poverty in the United States and internationally.</p>			
Name	Julie Gould	Years on Board	2
Firm	Mercy Housing	Title at Firm	President of National Lending and Development Consulting
Advisory or Governing Board Member		Governing	
How is S/he Representative of Low-Income Communities?		Employee or board member of a non-Affiliated community-based or charitable organization	
Describe the individual's qualifications as an LIC representative, including related LIC community affiliations or experiences.			

Julie Gould is Senior Vice President of Capital Markets (Interim) and President of National Lending and Development Consulting at Mercy Housing, a 28-year old national nonprofit organization that works to create a more humane world where poverty is alleviated, communities are healthy and all people can develop their full potential by providing affordable, program-enriched housing to a variety of people across the country, including low-income families, seniors and people with special needs. She brings to her position more than 25 years of experience in the affordable housing industry. Gould also oversees Mercy Loan Fund, a subsidiary of Mercy Housing and a national lender to nonprofit affordable housing developers, Resource Development and Marketing, and National Resident Services.

From 1988 through 2008, Gould worked at Fannie Mae, where she served as vice president for community lending, developing a new line of business for lending to Community Development Financial Institutions (CDFIs), flagship affordable housing products and technology services; and director of multifamily tax credits, specializing in investing in nonprofit developers of low-income housing. At Fannie Mae, Gould led a diverse range of special assignments, including consulting to the South African Housing Ministry, leading business planning efforts in the Gulf Coast after Hurricane Katrina, and co-chairing the annual Help the Homeless campaign in Washington, D.C.

Before joining Fannie Mae, Gould was budget examiner with the Office of Management and Budget, deputy staff director at the Federal Home Loan Bank Board, and vice president at the Federal Asset Disposition Association. She also worked for three members of Congress.

Name	Mercedes Tompkins	Years on Board	19
Firm	Brookview House	Title at Firm	Chief Development Officer
Advisory or Governing Board Member		Governing	
How is S/he Representative of Low-Income Communities?		Resident	
Describe the individual's qualifications as an LIC representative, including related LIC community affiliations or experiences.			

Ms. Tompkins is a community activist with over two decades of experience working on behalf of LIC residents. She is Chief Development Officer at Brookview House, a nonprofit with a mission to assist homeless families in the development of skills necessary to break the cycle of poverty by providing transitional housing, training and counseling services. Ms. Tompkins is also a low-income community resident.

Name	Fr. James Walsh, S.J.	Years on Board	26
Firm	Metro Law Center of James Walsh, P.C.	Title at Firm	Principal
Advisory or Governing Board Member		Governing	
How is S/he Representative of Low-Income Communities?		Employee or board member of a non-Affiliated community-based or charitable organization	
Describe the individual's qualifications as an LIC representative, including related LIC community affiliations or experiences.			

Fr. Walsh is a Jesuit priest and attorney who runs a pro bono legal practice for low-income people, focusing on housing and guardianship issues. He also serves on the board of Jesuit Volunteer Corps East, a national nonprofit organization that connects Catholic volunteers with volunteer opportunities serving LICs, including people who are homeless, unemployed, refugees, people with AIDS, the elderly, street youth, abused women and children, the mentally ill and the developmentally disabled.



Exhibit D - Asset Management

11NMA000478

The information in Table D1 reflect the activities of:

Applicant

Table D1: Investment Portfolio

Fiscal Year(s)		2008	2009	2010
1.	<u>Non Real Estate Business</u> Loans & Equity Investments Delinquent or written-off			
2.	# of loans & equity investments outstanding	49	65	114
3.	Total \$ Amount of loans & equity investments outstanding	\$151,972,473	\$153,191,940	\$333,691,967
4.	Delinquency rate associated with non-real estate businesses	0 %	0 %	0 %
5.	Total \$ amount of write-offs of loans & equity investments to non-real estate businesses	\$1,465,703	\$329,378	\$646,283
6.	<u>Real Estate Business</u> Loans & Equity Investments Delinquent or written-off			
7.	# of loans & equity investments outstanding	80	89	83
8.	Total \$ Amount of loans & equity investments outstanding	\$19,298,670	\$49,116,342	\$48,994,158
9.	Delinquency rate associated with real estate businesses	0 %	0 %	0 %
10.	Total \$ amount of write-offs of loans & equity investments to real estate businesses	\$0	\$0	\$0

CDFI Application	Exhibit E - Investor Strategy	11NMA000478
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Table E1: Identification of Investments and Investor Commitments

Name of Investor	Type of Investment ¹	Using Leverage Structure?	Unrelated Entity?	Previous Investor? ²	Total Funding Provided from 2006-2010 (if previous investor)	Dollar Amount Sought	Status of Request ³	Estimated or Actual Date for Receipt of Funds
General Electric Commercial Finance	Equity	No	Yes	Yes	\$133,646,279	\$125,000,000	Investor provided Commitment	12/31/2012
Totals					\$133,646,279	\$125,000,000		
Table is <u>Complete</u> in all aspects.								

¹ Debt, equity, or grant.

² A previous investor is any investor that has invested in the *Applicant*, its *Controlling Entity*, or any *Subsidiary* entities since 2004.

³ Funds have been received; investor provided *Commitment*; investor issued *Letter of Interest/Intent*.

Table E2: Track Record of Raising Capital from Investors

This table reflects the activities of (check one):	Applicant					
Calendar Year(s)	2006	2007	2008	2009	2010	Total
1. Total # of investments	166	166	111	177	180	800
2. Total \$ amount of investments	\$17,622,588	\$89,155,681	\$20,120,674	\$6,001,855	\$183,512,186	\$316,412,984
3. Total # of grants ¹	123	120	76	143	122	584
4. Total \$ amount of grants ²	\$277,962	\$5,549,068	\$551,762	\$1,199,071	\$1,162,943	\$8,740,806
5. Total # of below market rate loans ¹	40	41	34	33	18	166
6. Total \$ amount of below market rate loans ²	\$2,908,873	\$6,396,087	\$3,779,438	\$1,302,784	\$2,314,243	\$16,701,425
7. Total # of market rate loans ¹	0	4	0	0	38	42
8. Total \$ amount of market rate loans ²	\$0	\$33,000,000	\$0	\$0	\$20,035,000	\$53,035,000
9. Total # of Equity Investments ¹	3	1	1	1	2	8
10. Total \$ amount of Equity Investments ²	\$14,435,753	\$44,210,526	\$15,789,474	\$3,500,000	\$160,000,000	\$237,935,753
Table is <u>Complete</u> in all aspects.						

¹ Values should be a subset of Line 1.

² Values should be a subset of Line 2.

CDFI Application	Exhibit F - Fees and Flow of Allocations	11NMA000478
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Table F1: Summary of Compensation and Profits

		Total Amount (Basis Points)			Charged to Investors			Charged to Borrowers or Investees			Charged to Other Entities (e.g. subsidiary CDEs, etc.)		
		Average	Low	High	Average	Low	High	Average	Low	High	Average	Low	High
1	QEI proceeds retained by the CDE ¹	500	500	500	500	500	500	0	0	0	0	0	0
2	Front-End sources of compensation and profits ²	800	800	800	800	800	800	0	0	0	0	0	0
3	Ongoing sources of compensation and profits ³	200	300	400	200	300	400	0	0	0	0	0	0
4	Back-End sources of compensation and profits ⁴	0	0	0	0	0	0	0	0	0	0	0	0
5	Other sources of compensation and profits ⁵	0	0	0	0	0	0	0	0	0	0	0	0
Total		1500	1600	1700	1500	1600	1700	0	0	0	0	0	0

¹ The "Total Amount" is the inverse of the figure provided in Question 41 expressed as basis points.

² Front-End includes any and all revenue charged prior to or during the close of each transaction (i.e., origination fees, brokerage fees, legal fees, closing costs, guarantee fees, etc.).

³ Ongoing includes any and all revenue collected throughout the allocation compliance period (i.e., asset management, compliance, interest rate spread etc.), with the exception of ordinary interest payments passed through to investors.

⁴ Back-End includes any and all revenue collected at the time of the investment exit (i.e., success, residuals, exit, carried interest, etc.).

⁵ Indicate any other additional sources of revenue charged to investors, borrowers, or other entities.

Table F2: Schedule for Issuing QEIs (Estimated)

NMTC Allocation Amount Requested		\$125,000,000					
Calendar Year(s)		2012	2013	2014	2015	2016	Total
1	Total \$ amount of QEIs to be Issued	\$125,000,000	\$0	\$0	\$0	\$0	\$125,000,000
2	Percent of total NMTC Allocation	100%	0%	0%	0%	0%	100%

End of Application