



2010 NMTC Allocation Application

Application Details

Type / Program:	2010 NMTC Allocation Application		
Applicant:	Boston Community Capital Inc.		
Created:	5/17/2010 11:05:11 AM ET	Submitted:	6/1/2010 9:36:05 PM
Overall Completion Status:	Submitted - Control Number 10NMA000478		

Thank you! Your electronic online 2010 NMTC Allocation Application has been successfully submitted.

Before 5:00 PM ET, June 4th, 2010, you must print the Signature Page, complete it, scan it as a pdf document and upload it.

An application is not complete, and will not be considered for review, until your Signature Page has been uploaded electronically by 5:00 pm ET on June 4, 2010. This form must be signed and dated by the Authorized Representative to be considered valid.

By signing this Allocation Application, the Applicant makes the Assurances and Certifications, set forth in the Allocation Application, which the Assurances and Certifications are made a part hereof and will continue in effect until the Applicant enters into an Allocation Agreement with the Fund.

I hereby certify that all of the information that the Applicant has provided in this Allocation Application and in the Assurances and Certifications in support of this Allocation Application is true, correct, and complete. The execution and submission of this Allocation Application has been duly authorized by the governing body of the Applicant.

Please be aware that all files need to be in the form of a pdf document, including the investor documentation and organization charts.

If you fail to provide the requisite attachments (e.g., organizational charts, investor documentation), your application will still be accepted, however, it will be scored accordingly.

Organization Name:

Boston Community Capital Inc.

Authorized Representative Name:

Elyse Cherry

Authorized Representative Title:

Chief Executive Officer

Authorized Representative Phone Number:

(617) 427-8600

Authorized Representative Signature:

Date: 6/1/2010

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[Return to Table of Contents](#)



Applicant Information

10NMA000478

1: NMTC Allocation requestTotal dollar amount of *NMTC Allocation* requested in this *Allocation Application*:**\$150,000,000****2: Applicant organization**For the purposes of Questions #2-7 in this *Applicant Information* section, the term *Applicant* shall only apply to the entity applying for a *NMTC Allocation*, and not to *Subsidiary* entities that may receive a transfer of all or part of a *NMTC Allocation*.

- a *Applicant* Name:

Boston Community Capital Inc.

- b *Applicant* Employer Identification Number:

043246555

- c Structure of the *Applicant* (check all that apply):

None of the aboveCorporate status of the *Applicant* (select one)**Non-profit**

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

No

- e 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

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

9/21/1994

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

\$110,863,651

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

12/31

- i Does the *Applicant* have any *Affiliates* that are applying for a *NMTC Allocation* in the 2010 round? (check one):

No

3: Controlling Entity organization

Is the *Applicant* designating a *Controlling Entity*?

No

a *Controlling Entity* Name:

N/A

b *Controlling Entity* Employer Identification Number:

N/A

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

N/A

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

N/A

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

N/A

e 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: Authorized Representative

Select Authorized Representative

Authorized representative contact information (update in MyCDFI Fund)

Elyse Cherry
Telephone: (617) 427-8600
Fax: (617) 427-9300
Email: echerry@bostoncommunitycapital.org
Address:
Use Applicant's address

6: Contact person

Select Contact

Contact information (update in MyCDFI Fund)

Jessica E Brooks
Telephone: (617) 427-8600 x216
Fax: (617) 427-9300
Email: jbrooks@bostoncommunitycapital.org
Address:
Boston Community Capital
56 Warren Street
Boston, MA 02119-3236

7: Applicant's CDE certification

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 April 27, 2010**, 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 2010 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.

8: Service area

Identify the type of service area that the *Applicant* will serve (check one). The service area identified here must be consistent with (i.e., identical to or a subset of) the service area identified by the *Applicant* in its *CDE Certification Application* and approved by the Fund:

National service area

9: 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		
Indiana Louisiana Mississippi	New York North Carolina	Oregon Pennsylvania

Counties

10: 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)

10%

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

15%

%Non-Metropolitan Counties

75%

11: Predominant financing activity

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

Business financing

12: Time to complete

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

200

CDFI Application	I-Business Strategy A-Products, Services, and Investment Criteria	10NMA000478
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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%

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

0%

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

100%

- 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%

% 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 (check, if applicable)

N/A

As a discrete line of business (check, if applicable)

N/A

14: Executive Summary

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

- A brief summary of the *Applicant's* geographic market, including the specific needs or problems that it intends to address with NMTC.
- A brief summary of the types of projects and/or borrowers the *Applicant* will target and address why is NMTC is 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 a nonprofit CDFI whose sole mission has always focused on using innovative financial tools to build healthy communities where low-income people live and work. We pursue our mission by developing financing tools that create access to capital in low-income communities (LICs); creating broad connections between LICs and mainstream sources of capital; and leveraging private sector investment in LICs at a scale sufficient to connect them to the economic mainstream. Since 1985, BCC has invested more than \$530 million in underserved communities: building over 10,000 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 four NMTC allocations totaling \$300 million. Through deployment of our own allocations and by making leverage loans for deals using others' NMTC awards, BCC has developed NMTC expertise and a pipeline of projects that have allowed us to deploy our prior 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 is consistent with and leverages our 25-year record and experience from prior NMTC awards. We project that a \$150 million NMTC award will generate at least \$800 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. The three strategies are as follows:

- 1) "Direct Investment Strategy": making QLICIs to high-impact QALICBs in highly distressed rural and urban 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.

DIRECT INVESTMENT

BCC will lend 95% of our proposed NMTC allocation, or \$142.5 million, to QLICIs. For the proposed allocation, BCC has a \$397.5 million pipeline, 57% of which is in Non-metropolitan counties. BCC received NMTC allocations totaling \$215 million in Rounds II, IV, and VI; these have been fully invested in nine separate transactions across the U.S; our 2009 award (Round VII) will be similarly invested. 100% of our NMTC investments have been in highly distressed areas; 84% have been in Nonmetropolitan counties.

As with prior awards, each of the QLICIs for this award will include at least five flexible or non-traditional features (including rates, terms or product offerings). Based on prior allocations and our pipeline, we anticipate that this award will leverage an additional \$251 million for the QALICBs, create 840 permanent FTE jobs and 120 construction jobs, and focus on environmentally sustainable businesses in rural areas.

LEVERAGE

BCC has used the fees from our NMTC allocations to strengthen our balance sheet and to better serve LICs. Our first two NMTC awards improved BCC's balance sheet sufficiently to allow our Loan Fund to raise more than \$50 million in new loan capital and increasing our annual lending capacity by \$45 million. We project that the proposed \$150 million NMTC allocation will generate sufficient additional equity to leverage more than \$60 million in new investments in the Loan Fund and expand our lending capacity over seven years by \$281 million. We estimate that this lending will leverage an additional \$427 million in public and private funding for the projects we finance. All of BCC's lending serves LICs; our Leverage Strategy lending also meets many indicia for flexible rates and terms.

NEW BUSINESS

BCC has also used approximately \$5.5 million in NMTC proceeds 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 measuring utility inputs/outputs for multi-family affordable housing. It has also leveraged:

- (1) more than \$27 million for our Stabilizing Urban Neighborhoods Initiative (SUN), which helps individuals facing eviction due to foreclosure re-purchase their homes from lenders and banks at discounted rates with fixed rate mortgages they can afford (60 mortgages financed since January 2010); and
- (2) \$10 million through BCC Solar Energy Advantage, a business that funds energy production, conservation and energy efficiency improvements in existing multifamily properties (7,000 solar panels installed to date making BCC the largest third party owner of solar production facilities in MA).

Proceeds from a 2010 award would, for example, allow BCC to expand SUN's geographic focus and expand our energy conservation work. By investing \$10 million of equity in these two revolving financing vehicles, we would anticipate leveraging an additional \$100 million, which over seven years will translate into an additional \$380 million in mortgages and conservation financing.

- b** Provide a very brief description of how the *Applicant* will utilize the NMTCs. Suggested length 4-5 sentences. *Applicants* will not be scored on this response. The information provided by the *Applicant* will be used by the Fund to develop profiles for its *Alloctees*. Such profiles will be shared with the general public via the Fund's website or other public materials/forums. Please follow the format provided in the Sample profile below.

Sample profile:
XYZ, CDE (XYZ) will use its NMTC allocation to: (i) increase its current lending capacity and offer better rates and terms to borrowers; (ii) increase the volume of investments made in high-impact, primarily rural businesses; and (iii) grow new lines of business, including a residential foreclosure prevention and neighborhood stabilization program. XYZ will focus in particular on projects that are likely to be located in rural areas, including renewable energy businesses. The NMTC allocation will enable XYZ to offer subordinated debt products with significantly reduced interest rates.

BCC will use our allocation to finance businesses and real estate development in rural and urban LICs, improving current activities by:

- (1) increasing the volume of investments made in high-impact, primarily rural QALICBs ("Direct Investment");
- (2) increasing the volume and aggressiveness of our core lending activities, providing more flexible terms to borrowers ("Leverage"); and
- (3) continuing to develop new businesses and financing tools serving LICs ("New Business").

A \$150 million award will allow BCC to undertake approximately \$800 million in expanded activities supporting LICs. The fees, additional investments, and increased lending capacity made possible by this award will also allow BCC to maintain institutional self-sufficiency as we pursue our mission as a CDFI.

15: 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 (check 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.

- 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:

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

All QLICIs financed and committed to date have had below-market interest rates, ranging from 1.49% to 4.75%, or 100 to 500 basis points below conventional market interest rates for those transactions. All QLICIs 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 to allow, for example, a longer holding period on real estate. For example, we provided a 5.45% first mortgage acquisition and pre-development loan to a community-based developer to purchase an Archdiocese of Boston property for redevelopment. The low rate, which is more than 30% below the 8% we would otherwise need to charge for this type of loan, significantly reduced the carrying costs for the developer, giving it sufficient time to finalize plans and financing for the development of a 116 unit mixed-income, mixed-use project.

LOWER THAN STANDARD ORIGINATION FEES

BCC has charged zero commitment fees to-date for the QLICIs that it has committed under its Direct Investment Strategy, and we do not anticipate charging commitment fees for future QLICIs. Market rate commitment fees for comparable transactions equal 50 to 100 basis points.

LONGER THAN STANDARD INTEREST-ONLY PAYMENTS

All BCC's QLICIs to date have had a seven-year interest-only period and we anticipate future QLICIs will also have a seven-year interest-only period; standard commercial financing has no interest-only period.

HIGHER THAN STANDARD LOAN-TO-VALUE RATIO

Higher than standard LTV ratios are a routine part of our Leverage Strategy. While most conventional lenders limit loans to 75% of value, BCC often lends at higher LTV ratios to fill financing gaps. (E.g. BCC provided mezzanine construction financing with an LTV of 86% and a loan-to-net sales proceeds ratio of 90% to Mitchell Properties to develop a mixed-income, for-sale housing project in Boston's South End. This project created 46 affordable units, representing nearly 50% of all of the low-income housing developed that year in a rapidly gentrifying neighborhood.)

Our predevelopment and acquisition lending also requires higher than standard LTV ratios. Example: a \$2.7 million loan to Viet Aid, a community based Asian-American-focused CDC, to acquire a former church and rectory in an LIC for redevelopment into low-income rental units, retail space and for-sale units. If BCC had not provided this loan, which had a 136% LTV, this project would have been sold to a market-rate developer and the opportunity to preserve affordable units in a gentrifying area would have been lost.

LONGER THAN STANDARD AMORTIZATION PERIOD

BCC structures all of its QLICI loans to require no amortization of principal for the first seven years. Commercial loans that are comparable to BCC's QLICI loans begin amortizing as of the date of closing.

MORE FLEXIBLE BORROWER CREDIT STANDARDS

Virtually all of our lending requires flexible or non-traditional credit standards of some form; we apply these more flexible standards without necessarily receiving the corresponding 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 sales agreements.

LOWER THAN STANDARD DEBT SERVICE COVERAGE RATIO

BCC's underwriting standards for QLICIs anticipate market-rate debt service coverage (DSC). However, since our rates and origination fees are below-market, the amount of debt that a project can carry is substantially higher than it would otherwise be in a true "market rate" loan.

With respect to our Leverage Strategy, our flexibility comes from our analysis of a borrower's revenue and expenses. For example, many of our non-profit borrowers require some regular grant or donation income to cover operating costs, or depend on irregular income sources like development fees. While other lenders ignore or discount these revenue sources, BCC assesses their sustainability and makes loans with lower DSC ratio requirements. Under our Solar Energy Advantage (SEA) Program, we will provide capital based on projected operating and utility savings rather than demonstrated cash flow, even where debt service coverage is currently below conventional 1.15:1 DSC ratios standard for affordable housing projects.

LESS THAN STANDARD LOAN LOSS RESERVES

BCC sets aside reserves of 5% for its traditional lending; we will not require reserves for QLICIs.

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 \$2.5 million subordinated construction loan to develop 155 units of mixed-income rental housing in a 240,000 s/f former textile mill in the mill district of Lawrence, MA,

a low-income community north of Boston. Our subordinated loan leveraged over \$26 million in commercial construction financing, \$12.5 million in historic tax credit equity, a \$2.8 million state grant and a \$4 million equity investment from a third party developer. We were the only lending source able to provide this level of subordinate financing. Without our financing, the site would have been developed as 100% market-rate rentals. With our financing, over 20% of the units will be rented to families with incomes at or below 50% of the area median income. The project serves as an important catalyst for neighborhood development in an otherwise abandoned and dilapidated section of this city.

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 typically go up to 95% of value, whereas conventional lenders typically go up only as high as 80%. Our subordinate loans also include for 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.)

16: Additional flexibility for debt

By choosing one of the following options (choose only one):

The *Applicant* will commit that 100 percent of its *QLICIs*, as listed in Question 16, 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

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 *QLICIs*?

N/A

If yes, identify the percentage:

N/A

and 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

CDFI Application	I-Business Strategy B-Prior Performance	10NMA000478
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18: Track record of QLICl activities

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

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

Yes

a Complete Tables A1-A4, as applicable for the types of *QLICl* 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 *QLICl* activity identified (including *FCOS*), referencing data included in Tables A1-A4, as appropriate.

- 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*, *Controlling Entity*'s or *Affiliates*' direct financing (i.e. its own capital at risk) versus indirect financing (e.g. loan packaging, project development, etc).

Boston Community Capital's entire mission is to connect disadvantaged people and communities to mainstream capital markets. For 25 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. From 2005-2009, BCC provided over \$300 million in debt and equity capital to disadvantaged businesses and communities. These investments, including NMTC investments made using BCC's 2003 and 2006 NMTC allocations as well as loans from Boston Community Loan Fund (BCLF; the Loan Fund) 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 60% of that activity has been in non-real estate businesses with the balance in real estate businesses. From 2005-2009, 34.6% of our overall activity - and 73.4% of our NMTC activity - has been in Non-metropolitan counties. (Note: This does not include the investment of our 2009 NMTC allocation - which we invested in April 2010 - 100% of which was invested in Non-Metropolitan Counties. Including the investment of this allocation, 84% of BCC's NMTC activity has been in Non-Metropolitan Counties.)

BCC's annual lending has increased more than ten-fold over the past decade, and has enabled us to fund nearly 7,200 slots for low-income children in child care facilities, charter schools and youth programs, strengthen more than 320 community organizations, and develop over 10,000 units of affordable housing in low-income communities. 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.

Our Venture Fund has also demonstrated a capacity to spur and manage growth, tripling the size of the capital commitment for our second equity fund. Investing in businesses that achieve a "double bottom line" of social and financial returns, BCVF provides an additional way for investors to work through BCC to serve our targeted low-income communities. Both equity funds, capitalized at \$5 million and \$16.5 million, are fully invested in companies that create jobs, needed services and opportunities for low-income people and communities. BCVF has had several successful exits and anticipates returning capital with a positive return to investors at the end of the term of the funds.

LOANS AND INVESTMENTS TO NON-REAL ESTATE BUSINESSES

As shown in Table A1, from 2005-2009, BCC provided \$182.3 million in loans and investments to 65 disadvantaged non-real estate businesses. Through 2009, NMTC transactions from BCC's first two NMTC allocations total \$118 million; the remaining \$64.3 million includes loans by our community loan fund, loans and investments from our two community development venture capital funds, mortgage loans provided to individuals facing eviction due to foreclosure to help them re-purchase their properties, and renewable energy financing provided by our Solar Energy Advantage affiliate.

Examples of non-real estate businesses financed include:

- The Media and Technology Charter High School, a school serving inner-city students in Brighton, MA;
- The City School, a youth development organization focused on social justice; and
- The Women's Center, a nonprofit organization providing advocacy, support and services for low-income women and their children.

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 million, 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 2005-2009.

LOANS AND INVESTMENTS TO REAL ESTATE BUSINESSES

As shown in Table A2, from 2005-2009, BCC provided \$122.6 million in loans to 98 real estate businesses; 100% of dollars lent were to disadvantaged businesses or communities. 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 previous owner was convicted of drug dealing out of one of the storefronts. Today, the block, attractively renovated and fully tenanted, has helped to attract inner-city business to this district.

BCC has not experienced any loan losses on its loans to real estate businesses.

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 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. BCC assists with arranging payments and payment plans, and with structuring the lending arrangement itself. We are able to apply our experience in structuring investments to guide borrowers in putting together loan packages that best fit their needs, in terms of the number and type of investors, and the terms of the deals. BCC also assists with restructuring loans, and works with its borrowers to ensure ongoing compliance and ability to perform. Beyond specific assistance relating to financial and technical issues, BCC has developed an extensive network of contacts during its 25-year history of successful lending within the community. Perhaps most importantly, BCC is able to introduce borrowers to other sources of capital. We estimate that for each dollar BCC has lent, we have leveraged at least \$5 of private and public investment. We also help borrowers identify knowledgeable and experienced contacts within other project-related fields, including construction planning and oversight, contracting, and business operations.

This active assistance and connection to a network of contacts extends not only to Boston Community Capital's loan portfolio, but also to our venture capital portfolio, where BCC is an active participant on the boards of directors of our portfolio companies. In this role, BCC oversees our portfolio companies' activities, from recruiting and product development issues to identifying customers, determining market positioning, and developing sales and expansion strategies. BCC also assists with financial oversight, lending our experience to help companies with planning and budgeting, fundraising, and monitoring and compliance.

- c Describe more specifically the *Applicant*'s, or its *Controlling Entity*'s, experiences in, and strategies for targeting such activities to *Disadvantaged Businesses and Communities*. Be sure to indicate how long the Applicant has been serving *Disadvantaged Businesses and Communities*:

BCC's mission and entire business strategy is to serve disadvantaged businesses and communities by providing capital for the businesses and non-profit organizations that serve those communities. Over our 25-year history, virtually all of BCC's lending and investing activities have been targeted to serve low-income people and communities; from 2005-2009, over 99% of our lending and investing served disadvantaged businesses and communities.

Our Loan Fund has 25 years of experience funding projects that benefit low-income people and communities. Over half of our Loan Fund's loans are to areas defined as HUB Zones by the Small Business Administration, "High Cost Areas" by the Department of Housing and Urban Development, and "Metropolitan Difficult Development Areas" by the Internal Revenue Service. 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%.

Our Venture Fund's strategy is to invest in businesses that can create a double bottom-line—social and financial returns – for investors. We have invested more than \$21.5 million in companies that create jobs and opportunities for low-income people and communities. These companies include WorkSource, a job training program, and City Fresh Foods, a minority-owned catering company that provides meals-on-wheels to low-income African-American and Latino senior citizens.

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 QLICIs 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. Our five-year strategic plan calls for employees to participate in civic and national leadership roles that broaden our networks and shape public policy around issues affecting underserved communities, and to advocate for impact measures that allow us to measure and maximize value created by CDFIs in LICs. We play an active role in the CDFI industry, creating national standards, models, and tools and participating in initiatives designed to attract mainstream capital to disadvantaged markets. BCC staff play active roles in national organizations like the Opportunity Finance Network, Wall Street Without Walls, the Inner City Economic Forum, and the Community Development Venture Capital Alliance. 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 track record with such transactions and how it relates to the proposed QLICI activities.

Virtually all of BCC's over \$530 million in financing activities in our 25-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;
- projects serving low-income people as part of serving a broad range of people; 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 QLICIs.

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 QLIC, 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 were not finalized at the time our loan was made.

BCC has made loans to community organizations and others that serve low-income people but do not qualify as QALICBs. For example, BCC made a loan to The City School, a civic program for young people. Core to its mission is serving an economically and racially diverse community; as a result, while it serves a large number of low-income youth, it does not qualify as a QALICB since neither a majority of its clients, its services nor its property are located in LICs.

- b** Approximately what percentage of these activities were directed to *Disadvantaged Businesses or Communities?*
99%

CDFI Application	I-Business Strategy C-Projected Business Activities	10NMA000478
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20: Single/multiple project(s) or general strategy

Complete Tables B1-B5 in Exhibit B, as applicable, according to the types of *QLICIs* activities in which the *Applicant* intends to engage, and indicate whether the *Applicant* will use the proceeds of its *QEIs* to (check one):

General Pipeline

21: Single or Discrete Activities

If the *Applicant* identified in Question #20 that it intends to use its *QEI*/proceeds solely in support of a single *QLICI*, or a discrete number of identified *QLICIs*:

- a Identify the specific *QLICIs* (including execution of contracts to deliver *FCOS*):

N/A

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

N/A

22: Pipeline of Activities

If the *Applicant* identified in Question #20 that it 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;
- Sample transactions in the *Applicant's* pipeline. Be sure to indicate the total project cost and provide an estimate of the amount of *QLICI* investment for each transaction;
- The *Applicant's* strategy for identifying potential borrowers, investees, or other customers, including the extent to which the *Applicant* will be utilizing community alliances or strategic partners to source transactions;
- The extent to which the *Applicant* intends to invest interest, dividends or other profits received from *QLICIs* into additional *QLICIs*, and the timeline for doing so.

As we have done successfully with our four prior NMTC allocations (three of which are fully invested), 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 QLICIs in distressed communities across the country. In particular, we have worked closely with General Electric Commercial Finance both as a partner in identifying potential high impact NMTC transactions and as an investee in the QEIs financing the QLICIs.

For our 2003 NMTC allocation (Round II), which closed in December of 2004, BCC committed the full amount of the allocation within nine months, closed on QEIs and QLICIs equal to 79% of the allocation within the first 12 months and on the remaining amount in less than two years. For our 2006 NMTC allocation (Round IV), which closed in November of 2006, we had closed QEIs and QLICIs equal to 73% of the allocation within a year and had closed on QEIs and QLICIs for the full amount of the allocation by March 2008. For our 2008 NMTC allocation (Round VI), which closed in April 2009, we closed on the QEIs and QLICIs for the full value of the allocation in April 2010. For our 2009 allocation which closed in December 2009, we have a full pipeline and anticipate closing on the full award in 2010. 100% of the QLICIs from our prior allocations were made in highly distressed communities.

For the 2010 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 2010 and closing on QEIs and QLICIs for the full amount of the allocation amount in 2011.)

BCC currently has a pipeline of over \$397.5 million in QLICIs to projects in particularly distressed communities. Examples include:

- Recapitalization and expansion of multi-mill forest products company in rural Oregon. NMTC financing will allow the company to survive the market downturn and position for rehiring and workforce expansion as the market recovers by significantly lowering the cost of its financing, while increasing liquidity to take advantage of emerging opportunities in renewable, biomass energy and mill upgrades. This \$550 million project, which will require \$100 million in NMTC financing, will retain approximately 1,100 jobs. The company's survival and health is critical to the mill towns throughout Pacific Northwest where the company operates, will support the sustainable management of the local timberlands, and will allow the company to undertake a major biomass renewable cogeneration investment at one of its large mills.

- Financing to develop a series of solar farms in the Appalachian territory of rural western North Carolina. The \$15 million project, fully financed by NMTC, will create a series of solar developments within a geographic area, creating installation jobs over a longer term than the typical solar development project in an area where unemployment rates currently top 16%. The projects will serve to provide clean energy at fixed costs for area residents.

- Creation of a revolving loan fund for the purpose of financing 103 homeownership units, 10,000 square feet of commercial space and a community center for homeowners, comprising the initial portion of a phased project on Native American tribal land in North Carolina. The project will also ultimately include 200 units of rental housing, 72 units of senior housing, additional commercial space, and a recreational

park. The project is located in a severely distressed rural area, with few affordable homeownership opportunities . The first phase of this development requires \$17 million in NMTC financing.

- Development of a new wood pellet manufacturing plant by a privately-held forest products company located in rural Louisiana. This \$60 million plant requires \$40 million in NMTC financing, which will allow the Mississippi-based company to increase the value of its residual chips, and will create 75 construction jobs, 35 direct full time jobs and approximately 25-30 indirect 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.

- Development and operation of 4 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 \$25 million project will require 100% NMTC financing and will generate approximately 40 "green" construction jobs.

- Providing \$12 million in allocation (comprising the total development cost of the project) to Phase II of a commercial accelerator in South Bend, IN. The project will provide additional laboratories, conference rooms, and incubator space allowing for collaboration with local academic institutions to develop job-creating products across a broad range of sectors. In addition to creating a projected 200 permanent jobs, the project will generate 160-190 construction jobs and will attract further investment to a highly-distressed area that has experienced severe economic decline.

- Redevelopment and cleanup of a disused medical center to house the expansion of a high school facility, also in South Bend, IN. This development is located in a highly distressed area and will bring 90-95 permanent jobs into the QCT and create an additional 500 construction jobs. The expansion will generate 100 additional student slots, and the school intends to use the new location and additional slots to serve students from the city's lowest income communities.

- Build-out of art, music, athletic, and community space for a school for students with learning disabilities, located in a highly distressed census tract in Manhattan, NY. This \$45 million project requires \$25 million in NMTC allocation, and is projected to create 27 construction jobs and increase permanent jobs at the site, developed by a prior NMTC transaction, by up to 34 jobs. The program additionally supports local food service vendors, as there is no food program at the school.

- Development of a mixed use Transit Village in a targeted distressed community in New Brunswick, NJ. The project includes for-sale and rental housing, office space, retail, and a large parking facility allowing greater access to other downtown commerce. The total development cost is over \$137 million, and the portion of requested allocation is \$15 million. The project is slated to create 350 new permanent jobs across multiple sectors in addition to 325 construction positions, with seventy percent of jobs anticipated to be filled by low-income individuals.

- Conversion and cleanup of a large brownfields site located within a highly distressed census tract in Bethlehem, PA into a public media center, providing enhanced educational opportunities for low-income and at-risk students. \$24 million in NMTC are required to finance this project with total costs of \$26 million. After creating 104 jobs during the construction phase, the development will create 30-55 permanent 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 QLICIs that BCC has committed to fund. To the extent that we need additional QLICIs for our proposed NMTC allocation, we will continue to work with and through our national partners to source deals.

As described in Question 14, in addition to our Direct Investment Strategy, BCC has a Leverage Strategy that uses the proceeds and profits from QLICIs and QEIs to reinvest in additional QLICIs 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 a substantial portion of the proceeds from our NMTC at the time of closing the QEIs, thereby allowing us to reinvest and leverage those proceeds immediately upon closing.

As described in Question 23, BCC has used the proceeds we have received from our first two NMTC allocations to expand our capital base, thereby leveraging over \$50 million in private market rate and below-market capital for our community development lending. (Our third allocation was invested in April 2010.) This additional capital, in turn, has already allowed our Loan Fund to increase our annual lending by over \$45 million. Since BCLF is a revolving loan fund, we project that over the 7-year term of the NMTC allocations, the proceeds from our existing NMTC allocations will leverage an additional \$427 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 three-part strategy and a similar investment structure, allowing us to reinvest the proceeds and profits generated by the QEI and QLICIs 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 2010 NMTC allocation will leverage an additional \$800 million in loans to low-income communities through these three strategies.

23: 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. We used the credits from our first

two NMTC allocations alone - totaling \$130 million - to expand our lending to LICs by more than \$373 million, including both the Direct Investment and Leverage Strategies.

As described in Question 48, BCC's NMTC strategy is based on structuring QEI and QLICI transactions that minimize the costs and risks to investors, thereby reducing recapture risk and capturing a greater portion of the value of the credit to benefit LICs. Based on this record, BCC will use the proposed NMTC allocation to increase our volume of activities by approximately \$804 million over the seven-year term of the allocation in three ways --

- (1) financing \$142.5 million in QLICIs through our Direct Investment Strategy;
- (2) financing an additional \$281 million in lending through our Leverage Strategy; and
- (3) leveraging \$100 million in new capital for our New Business Strategy, which will support approximately \$380 million in mortgages and conservation financing over the 7-year NMTC period.

First, through the Direct Investment Strategy, BCC will use our allocation to make \$142.5 million in QLICIs, 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 2010 allocation will allow us to increase that activity by nearly 60%. As described in Question 22, BCC currently has a \$397.5 million pipeline of projects across the country, 57% of which are in Non-Metropolitan Counties. These are projects that BCC could not finance without the NMTC allocation. Further, as described in Question 24, the scale of the financing we can offer with a \$150 million allocation allows us to work with projects that offer significant economic development, environmental benefit, and financial returns. Finally, the NMTC allocation allows BCC to provide "one stop" financing to a national portfolio of projects for which multiple sources of relatively small amounts of financing would mean delays, complexity, and possibly failure.

Second, by using NMTC fees to enhance our balance sheet, BCC has leveraged over \$50 million in new capital for our Loan Fund through our first two allocations alone (our third allocation was invested in April 2010), doubling our size and annual lending capacity. BCC will use our proposed allocation to generate fees to support our Leverage Strategy, expanding the Loan Fund's lending capacity by over \$281 million. This additional capacity will allow us to expand geographically, increase our loan size and support larger projects, and develop new lending products.

Third, by capturing NMTC fees, 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 first two NMTC awards allowed us to launch Aura Mortgage Advisors, a non-profit mortgage brokerage for low-income homeowners, which is currently helping address the foreclosure crisis in low-income communities by helping foreclosed homeowners re-purchase their homes with mortgages they can afford; and the Solar Energy Advantage (SEA) Program, a demonstration project for financing energy conservation and renewable energy in multi-family affordable housing projects. Proceeds from a 2010 award would, for example, allow BCC to expand SUN's geographic focus and expand SEA's energy conservation work. By investing \$1 million of equity in these two revolving financing vehicles, we would anticipate leveraging an additional \$100 million, which over seven years will translate into an additional \$380 million in mortgages and conservation financing.

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 23a and 48, fees from BCC's NMTC QEIs 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 "bottom-feeding" 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.

BCC has also used reserves to make higher risk predevelopment loans to pay for green and integrated design costs. For example, a loan to the Madison Park Development Corporation paid for an extensive integrated design process for an affordable for-sale housing project in Boston's Roxbury neighborhood. This loan - made prior to site acquisition and without any collateral - funded a development process that will result in a very green property without any material cost premium: one of the first green buildings in this LIC.

CDFI Application	I-Business Strategy D-Non-Metropolitan Counties	10NMA000478
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24: Non-Metropolitan Counties

- a Have at least 50% of the *Applicant's* total activities (financing or otherwise) over the past five years been directed to *Non-Metropolitan Counties*?

No

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

50%

- c What is the maximum percentage of *QLICIs* 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 24(b).)

60%

- d If the response to Q.24 (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 *QLICI* and non-*QLICI* related activities (e.g., rental housing) in *Non-Metropolitan Counties*. Be sure to indicate, both in real dollars and as a percentage of the *Applicant's* overall activities, the amount of loans, investments or related activities the *Applicant* has undertaken in *Non-Metropolitan Counties*; referencing the tables in Exhibit A as appropriate.

Since 2005, BCC invested or lent over \$186 million into Non-Metropolitan Counties. This includes the \$106 million in activity from 2005-2009 shown in Tables A1 and A2, as well as BCC's \$80.8 million QLICI invested in April 2010. Over 84% of BCC's NMTC QLICIs - \$168 million - have been placed in Non-Metropolitan Counties. This does not include portions of transactions that extend into rural, forested areas of census-designated 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 will create 300-500 full-time jobs directly, and an estimated 1,400-1,700 indirect jobs, according to a study by Louisiana State University. It will involve 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 2010 allocation, BCC has a \$397.5 million pipeline, 57% is in Non-Metropolitan Counties, including deals in rural Mississippi, Louisiana, Oregon and North Carolina.

- e If the response to Question 24 (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 *QLICIs* in *Non-Metropolitan Counties*

- Discuss how the *Applicant* intends to identify potential borrowers, investees, or other customers, including the extent to which the *Applicant* will be utilizing community alliances or strategic partners to source transactions.
- 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 *QLICI* 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 community and strategic partners that have allowed us to invest over 84% of our first three NMTC allocations (totaling \$168 million) in Non-Metropolitan Counties and to develop a pipeline of over \$226 million in QLICIs serving Non-Metropolitan 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. When the turmoil in the credit markets disrupted the closing of those QLICIs sourced through GECF, BCC turned to another project in its pipeline instead -- providing its full allocation to finance a sweet potato processing plant in rural Louisiana. The deal closed within 13 months of the closing of our NMTC allocation agreement with the CDFI Fund. Through it, BCC has created a strong working relationship with the Bank of Oklahoma, which has developed a robust business practice focused on businesses based in rural communities. The bank's Food and Agribusiness team focuses on six areas -- including cattle feeding, food processing, agricultural supply, dairy products and processing, broiler and pork companies, and grain merchandising and milling -- all of which have strong ties to rural communities.

As noted in Question 22, we have identified and begun underwriting a series of QLICIs in Non-Metropolitan Counties, including:

- \$100 million for the expansion of a multi-mill forest products company in rural Oregon to allow the company to diversify its manufacturing capacity and lower costs to compete with overseas producers

- \$15 million in financing to develop a series of solar farms in the Appalachian territory of rural western North Carolina.

- \$40 million to a Mississippi forest products company to support the construction of a wood pellets plant in rural Louisiana.

-\$17 million to create a revolving loan fund for the purpose of financing large-scale mixed use development on Native American tribal land in a severely distressed rural area of North Carolina.

(The transactions above are described in order to illustrate our pipeline; they are not specific QLICIs that BCC has committed to fund.)

We believe that a key challenge for undertaking NMTC activities in Non-Metropolitan Counties is linked directly to 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 prices and conditions 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 and Non-Metropolitan 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 company 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 a community or 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 (often highly touted) 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:

First, we have sought projects large enough to support and strengthen the major industry and to offer significant opportunities for diversifying the economic base. The projects we have financed with our first three NMTC allocations and those in our pipeline have total project costs from \$50-\$300 million, and the average size of our QLICIs for rural projects has been over \$20 million. At this size, we can also minimize the impact of the transaction costs required for the complex NMTC structure, offering more of the value of the NMTC to reduce the financing costs to the QALICB and thereby leveraging more private capital.

Second, we have worked with partners, including co-lenders and investors, with deep experience in the industries and regions in which we are investing. For example, for a series of QLICIs in sustainable timberland and forest products projects, we have developed a strategic partnership with General Electric Commercial Finance, one of the foremost forest products investors in North America and a leading commercial investor in environmental projects; similarly, our relationship with Bank of Oklahoma allows us to leverage the bank's expertise in food and agribusiness lending. 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.

Third, we have structured and priced 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. For example, each of our rural QLICIs have had at least five non-traditional rates or terms—below-market interest rates, seven-year interest-only periods, no amortization of principal, no loan fees and no loan loss reserve requirements. Combined with low transaction costs due to the size of the transactions, the structure of these QLICIs has significantly reduced the capital costs for the QALICBs. Further, by structuring QLICIs as debt over at least a seven year period, our QLICIs are aligned with the financing needs of QALICBs to make long-term commitments and sustainable investments in these communities. As a result, our QLICI commitments and structures have encouraged long-term investors to commit to additional social and community 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.

A QLICI financed with our second NMTC allocation illustrates how BCC's ability to make large-scale, flexible NMTC investments supports high impact economic development initiatives in particularly distressed Non-metropolitan communities. Using our 2006 Round NMTC allocation, 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 NMTC 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 will manage the timberland on a sustainable basis in perpetuity and 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 NMTC QLICI, those benefits are only fully realized if both the sustainable forest model and business strategies are successful over time.

CDFI <i>Application</i>	I-Business Strategy E-Investments in Unrelated Entities	10NMA000478
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25: Investing in unrelated entities

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

Yes

26: 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 QLICIs*.

- 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 *QLICI*?

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 *QLICI*?
- 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 (beyond those created in the normal course of a NMTC transaction) to *QALICBs* or residents of *Low-Income Communities*.

N/A

CDFI Application	II-Community Impact A-Targeting the Use of QLICIs	10NMA000478
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27: Targeting areas of higher distress

Check all areas likely to be served by the *Applicant*: (check 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 QLICIs 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 QLICI activities will result in the support of health related services.

No

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

- a. Will the *Applicant* commit to providing at least 75 percent of its QLICIs (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 QLICI; or (2) characterized by at least two of items 4-15 on the above list for each QLICI?

Yes

28: Identifying QLICIs in Targeted Areas

Discuss how the *Applicant* will identify QLICIs in the particularly distressed or undeserved communities selected in Q.27. The *Applicant* should be sure to specifically address:

- The extent to which the *Applicant* has actively engaged and fostered partnerships or collaborative efforts with *Low-Income Community* stakeholders.
- If the *Applicant* intends to support a single or discrete number of *QLICIs*, whether these projects were identified as a result of government or other community planning process.
- Whether the basis for approving investments includes an analysis of the tangible benefits to the *Low-Income Community*.

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 25 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 \$397.5 million in NMTC transactions located in particularly distressed communities throughout the country. (See Question 22 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.

**29: Expected Impacts**

- a** Select the impact/outcomes the *Applicant* expects to achieve as a result of the projected QLICIs described in the Business Strategy. Select all that apply. For every outcome selected, please explain how the *Applicant* will track and document these outcomes.

JOB CREATION.**Yes****QUALITY OF JOBS.****Yes****GOODS AND SERVICES TO LOW-INCOME COMMUNITIES.****Yes****FINANCING MINORITY BUSINESSES.****No****HOUSING UNITS.****Yes****ENVIRONMENTALLY SUSTAINABLE OUTCOMES.****Yes****OTHER.****No**

JOB CREATION: Quantify, as best as possible, the number of jobs (either in the aggregate or on average at each project financed) that will be created or maintained through the *Applicant's* QLICIs. Be sure to discuss construction jobs, jobs at operating businesses, and jobs at tenant-businesses occupying NMTC-financed real estate. Describe the methodologies and assumptions utilized to develop these job projections, and describe how these projections compare to what the *Applicant* has historically achieved. Discuss how the *Applicant* will track this information going forward.

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 2010 NMTC allocation will result in the creation and retention of 840 direct and 720 indirect permanent FTE jobs and approximately 120 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.

Our Round II NMTC loan 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.

METHODOLOGIES AND ASSUMPTIONS:

Our estimates of jobs created or maintained are based on projects in our pipeline as well as data we have collected on deals we've financed through our prior NMTC awards, and through our QLICI-type loans and investments in our Loan and Venture Fund portfolios. BCC collects this data as part of the initial underwriting analysis as well as, where applicable, through interviews and reports from borrowers. Going forward, we will continue to collect job creation data in this manner. As with prior NMTC awards, we will track this info using our loan management software.

Based on the location of the businesses and the types of jobs created and retained—for example, jobs at 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.

QUALITY OF JOBS: Discuss the *Applicant's* strategy for targeting jobs to *Low Income Persons* or residents of *Low-Income Communities*; and the extent to which the *Applicant* will endeavor to ensure that jobs pay decent wages and provide benefits (e.g., health insurance, retirement benefits, employee stock ownership, etc). To the extent the *Applicant* has a track record of achieving these outcomes, please describe.

Increased wages for Low-Income Persons and residents of Low-Income Communities will be an outcome of our NMTC activity. More particularly, 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.

METHODOLOGIES AND ASSUMPTIONS

Again, our projection of increased wages for LIC residents is based on our past experience with 3 prior NMTC awards invested to date and our history of lending and investing through our Loan Fund and Venture Fund. While the characteristics of increased wages described above are important and anticipated as outcomes for our investments, quantifying, tracking and monitoring them is difficult, expensive and frequently unreliable. While we are unable to quantify specific increases at this time, our close connections with borrowers and the continued development of our social impact database will allow us to track many of these benefits over time.

GOODS & 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*. What percentage of your NMTC-financed projects do you anticipate will provide goods and services to residents of *Low-Income Communities* or *Low-Income Persons*? To the extent the *Applicant* is financing real estate *QALICBs*, what efforts will the *Applicant* make to ensure that tenant-businesses, particularly locally-owned businesses and non-profit organizations, will receive rent reductions or be able to purchase their properties? To the extent the *Applicant* has a track record of achieving these outcomes, please describe.

We project that approximately one-third of non-real estate QALICBs 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 redevelopment and cleanup of a disused medical center to house the expansion of a high school facility in South Bend, IN. This development is located in a highly distressed area and will create an estimated 90-95 permanent jobs and create an additional 500 construction jobs. The expansion will generate 100 additional student slots, and the school intends to use the new location and additional slots to serve students from the city's lowest income communities.

METHODOLOGIES AND ASSUMPTIONS

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.

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*. To the extent the *Applicant* has a track record of financing such businesses, please describe.

N/A

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 foreclosures; and/or the extent to which the housing development adheres to principles of "smart growth", including transit-oriented development. To the extent the *Applicant* has a track record of achieving these outcomes, please describe.

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 60 families facing eviction due to foreclosure remain in their homes.

METHODOLOGIES AND ASSUMPTIONS:

Boston Community Capital has a 25-year track record of creating housing opportunities for low-income people and communities. Our Loan Fund has provided over \$226 million to create or preserve over 10,000 units of affordable housing, including homeownership units for first-time homeowners, rental properties for low- and moderate-income families, supportive housing and shelters. Historically approximately 75% of our lending has supported affordable housing.

ENVIRONMENTALLY SUSTAINABLE OUTCOMES: Describe the extent to which the *Applicant* will finance projects which remediate environmental contamination; meet LEED certification standards; and/or directly support the production or distribution of renewable energy resources (e.g., biomass, hydro, geothermal, solar, wind, etc.). To the extent the *Applicant* has a track record financing these types of projects, please describe.

BCC's pipeline includes projects that create environmentally sustainable outcomes, including the construction of a 35 mega-watt biomass co-generation facility in rural Washington to provide clean energy from waste wood and construction debris; development and operation of 4 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; developing a series of solar farms in Appalachia; and supporting a solar installation and training program providing power to municipal facilities and community residents in Mesa, AZ.

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. In addition, they have created indirect environmental impacts, such as funding research into soy-based adhesives intended to replace formaldehyde-based adhesives currently used in particle board and other plywood substitutes. These formaldehyde-based products have adverse health effects on the low-income workers in the plants that manufacture these products, on the construction workers and contractors who use these products, and on the end-users or consumers who live and work in the structures built with these materials. Rural Development Partners, a partner in one of our NMTC transactions, has teamed up with researchers from two universities working with over 1,200 farmers in the Midwest to examine the feasibility of commercializing such a soy-based product for the domestic and European market places. This product may create a "green" product for the building industry; it will also provide a new market for the crops of Midwestern soybean farmers.

Under our new business strategy, we have been able to 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 the largest third party solar electric provider 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 improvement performance. With future NMTC proceeds, we anticipate expanding our Energy Advantage conservation financing. This program is targeted to financing deep energy retrofit investments, with a target of 30%-40% reduction in utility use and cost.

METHODOLOGIES AND ASSUMPTIONS:

We have derived these projected impacts based on our historic lending and investing activity. We track these impacts as part of our underwriting process and through regular reports from our borrowers regular reports from our borrowers

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

N/A

b What percent of its NMTC investments (in terms of aggregate dollar amount) does the *Applicant* expect will result in one or more of the following: _____%

(i) non-real estate QALICBs in which at least 25% of permanent jobs created or retained are filled by persons that are residents of *Low-Income Communities* and/or were low-income at the time of hire;

(ii) real estate QALICBs in which the majority of the construction jobs pay the Davis-Bacon prevailing wage rate or are filled by persons that are residents of *Low-Income Communities* and/or were low-income at the time of hire;

(iii) real estate QALICBs in which at least 25% of the jobs created or maintained at the tenant-businesses occupying the commercial real estate are filled by persons that are residents of *Low-Income Communities* and/or were low-income at the time of hire;

(iv) QALICBs that provide goods and services primarily to *Low-Income Persons* or residents of *Low-Income Communities*;

(v) QALICBs that are *Minority-owned or Minority-controlled* or financed by Minority CDEs (not affiliated with the *Applicant*);

(vi) QALICBs that remediate environmental contamination; meet LEED certification standards; and/or directly support the production or distribution of renewable energy resources (e.g., biomass, hydro, geothermal, solar, wind, etc.).

100%

c If the *Applicant's* NMTC activities, as described in the Business Strategy section, 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. (i.e. 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

30: Expected Additional Investments

Discuss the extent to which the *Applicant's* proposed QLICIs 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.

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. We anticipate that the QLICIs described in this application will leverage an additional \$251 million in private investment in the projects we finance. 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.

31: Organizational charts

- 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);
 - 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.

32: 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 monitor the portfolio and provide FCOS to borrowers. BCC’s board of directors provides oversight.

Our senior management team – Elyse Cherry, DeWitt Jones and Rebecca Regan – 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. Regan has 20 years of experience in commercial real estate lending and community development at Bank of America, Fleet and Bank Boston; she has led the Loan Fund since 2005.

Since 1985, BCC has invested over \$530 million in LICs (over \$306 million from 2005-2009), 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 the senior management team of Elyse Cherry, DeWitt Jones and Rebecca Regan, 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, three of our prior NMTC allocations have been fully invested; we expect to invest our 2009 allocation in 2010. 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.

33: Asset and risk management experience

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 25 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 \$550 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. Both internal and external loan committees review each transaction. 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 maintain contact with borrowers throughout the life of the loan to anticipate/resolve problems before they jeopardize a borrower's ability to pay.

BCC staff have 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, QLICI and venture capital portfolios. Staff manage assets of over \$500 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 Fanning & 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 2010 NMTC allocation; we do not anticipate hiring additional staff to manage and monitor our 2010 NMTC portfolio.

BCC has received and fully invested three prior NMTC allocations: a Round II Award of \$70M, a Round IV Award of \$60M, and a 2008 Award of \$85 million; we expect to fully invest our 2009 allocation of \$85 million in 2010. These prior awards, together with our 25 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 Rebecca Regan, 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 Complete Table D1 (Investment Portfolio) and discuss the *Applicant's* (or *Controlling Entity's*) delinquency rate as of April 30, 2010 for its major product lines as well as its default rate (write-offs) over the past 3 years for each major product line. For each major product line, where the delinquency and/or default rate exceeds the peer group's stated industry average, please discuss the circumstances causing the higher rates. Also, please address the *Applicant's* strategy for minimizing defaults and managing delinquencies to mitigate against write-downs or write-offs.

Boston Community Capital's entire mission is to connect disadvantaged people and communities to mainstream capital markets. For 25 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 2005-April 2010, BCC provided over \$386 million in debt and equity capital to disadvantaged businesses and communities. These investments include \$200 million in NMTC investments made using BCC's 2003, 2006, and 2008 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.

Our NMTC portfolio has not experienced any defaults. As of April 30, 2010, we had no delinquencies in our NMTC portfolio.

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 April 30, 2010, the Loan Fund no delinquencies over 90 days. The Loan Fund had 3 delinquencies under 90 days; the outstanding balances on these loans represent 1.4% of the outstanding 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 three write offs, totaling \$2.5 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 has no delinquencies as of April 30, 2010.

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

Our Stabilizing Urban Neighborhoods (SUN) Initiative has zero delinquencies and no defaults or write-offs.

34: Program compliance experience

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 2010 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.

Finally, our attorneys, Edwards Angell Palmer Dodge, and our auditors, Alexander, Aronson, Finning and Company, have extensive government compliance practices (including extensive experience with Low-Income Housing Tax Credits); BCC's annual audit includes a review of government compliance requirements. 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.

- 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 four 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 QEIs 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 are 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 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.

35: Community accountability

Community Accountability:

- Complete [Table C2](#).
- How will *Low-Income Community* representatives to the Governing or Advisory Board be directly involved in the design, implementation or monitoring of the *Applicant's* business strategy? Provide narrative that addresses the following:
 - The process by which these individuals or organizations will solicit feedback from *Low-Income Community* stakeholders on matters relevant to the *Applicant's* proposed use of a *NMTC Allocation*.
 - The role, formal or otherwise, these individuals or their organizations played in formulating and approving the *Applicant's* projected investments listed in this application (whether investments are for a discrete number of projects or a general pipeline).
 - The role, formal or otherwise, these individuals or their organizations will have in approving future investment parameters or decisions.

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. 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 involves 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. Half of BCC's outside board members are LIC representatives, including our board chair and two of our four 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. 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. Both the Board and the Loan Committee meet regularly throughout the year, and their meetings are held in low-income neighborhoods. BCC staff, board and committee members actively participate in LIC groups —such as the Egleston Square Coalition or the Dudley Square Main Streets— to research and inform BCC's business and outreach strategies. Every year, BCC's staff attend dozens of meetings, events, and forums in the LICs in which we work. 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.

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 (MACDC), 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. For 10 years, BCC was located at "The Brewery", a small business incubator developed by the Jamaica Plain Neighborhood Development Corporation and located in a distressed area with a poverty rate of 26.7%. We were the first office tenant. In 1999, BCC outgrew this space and relocated to Roxbury's Dudley Square as the anchor tenant at Palladio Hall. Palladio Hall, located in Boston's Empowerment Zone within a census tract with a poverty rate of 55%, had been a vacant for 30 years and was developed by a local CDC. BCC was the first above-retail-level private sector tenant to relocate to Dudley Square in several decades.

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

As noted above, half of BCC's outside board members are LIC representatives, including our board chair. As active board members and board leadership, these individuals 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. 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. Finally, the broad participation of all BCC staff and board members in other organizations that serve LICs provides us with important sources of information on the needs and desires of the communities we serve.

36: 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. BCC is not an insured financial institution that receives CRA ratings.

37: 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).

12/31/2009

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** 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

38: Previous CDFI Fund awards

CDFI Fund Award Status:

Has the *Applicant* and/or any of its *Affiliates* previously received a financial award (not including a *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	971CD001025	\$1,000,000	
BCLF Ventures II	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 Inc	22-2593378	991CD001361	\$1,000,000	
Boston Community Loan Fund Inc	22-2593378	092FA008310	\$1,000,000	
Boston Community Loan Fund, Boston Community Capital and BCLF Ventures	22-2593378	991CD001352	\$1,000,000	

39: Previous Allocations 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	

40: Allocatee justification for additional Allocation

If the *Applicant* answered "Yes" to Question #39, 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 *QLICIs* made with each award.

BCC has received four prior NMTC allocation awards, in 2003, 2006, 2008, and 2009. We fully invested our first three awards within 18 months of receiving them. In December 2009, we closed our 2009 allocation agreement; we expect to complete investment of the full award before the end of the year.

We received a \$70 million allocation in the second NMTC round (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 QLICIs loans. The total amount of these QLICIs was \$62,650,000.

In the fourth NMTC round, we received a \$60 million allocation and executed the allocation agreement on November 9, 2006. We have 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 QLICIs loans for a total of \$57,173,700.

In the 2008 NMTC Round, 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 QLICI loan for a total of 80,750,000.

In the 2009 NMTC Round, we received an \$85 million allocation and executed the allocation agreement on December 16, 2009. We expect to close QEIs and QLICIs for the full value of our 2009 award by 12/31/2010.

- b If the *Applicant* has made *QLICIs*: 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, and
- any community outcomes or benefits that were generated as a result of the transaction.

As noted above in Question 44(a), BCC has made nine QLICIs for over \$200 million with our first three NMTC allocations and expects to complete investment of the full value of its 2009 allocation award by the end of 2010.

Our QLICIs to-date have funded rural and urban projects that have created or preserved 490 direct permanent and construction jobs, supported an additional 1,500 jobs in related businesses, leveraged over \$500 million in private financing, and developed approximately 150,000 sf of commercial and community facility space. 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. Five 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 and commercial and industrial facilities in LICs. 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.

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 will create approximately 275 jobs upon plant opening (scheduled for November 2010) originating 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 will follow Leadership in Energy and Environmental Design (LEED) standards for environmentally sustainable construction, which includes both the use of recycled building materials as well as recyclable disposable construction materials. The plant is registered with the United States Green Building Council.

BCC's second 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 will be 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.

Our third largest QLICI provided \$25.4 million in 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.

Another example is BCC's third NMTC transaction, which 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, over-harvesting, 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 reforesting 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.

Another example is the Boston Collegiate Charter School (BCCS), which received a \$14.4 million QLICI from BCC in early 2008. BCC's QLICI will allow 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. For five years in a row, 100% of the senior class 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 five consecutive years (2003-2007). In its 10-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 NMTC application; the adjusted values are also reflected here.

- d Discuss any delinquent, defaulted, or non-performing loans or equity investments from prior NMTC investments

N/A. BCC has not experienced delinquencies or defaults from prior NMTC investments.

41: Investments or control of previous allocatees

Other than those activities already identified and discussed under Question 40, 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 \$42.7 million in "leverage loans" as part of the QEI financing for six community facilities, including three charter schools in MA and Washington, D.C., a Head Start facility in NJ, and two mixed-use developments. The direct benefits to the QALICBs in each of these transactions included new facilities, significant reductions in organizational occupancy expense and reductions in annual debt service allowing for increased investment in services.

Our leverage loans provided between 34% and 75% of the total financing for the QEIs. In each of the transactions, BCC led the structuring of each of the leverage loans and will maintain the role of lead lender through maturity of the loan. Each transaction is very complex and required non-traditional underwriting and loan terms, including significant loans which are unsecured, no or negative amortization for seven years, and support a 30-year financial structure for the QALICB. The complex nature of the transactions are outweighed by the significant value accruing to the benefit of the QALICB; in each case, over 50% of the economic value of the NMTC credit.

While BCC's own NMTC allocations were not involved in any of these transactions, without the loan capital and reserves provided by the fees generated from our NMTC transactions, we would not have been able to make these leverage loans. Further, without our experience with our own NMTC allocation, we would not have had the experience to underwrite these deals or the capacity to lead their structuring.

THE LEAGUERS

BCC was the lead underwriter for a \$13.3 million loan that leveraged \$10.2 million of equity from an investor and resulted in a \$20 million QEI to The Leaguers, a non-profit human service provider headquartered in Newark, New Jersey, with a 40-year track record of providing Head Start services to low-income children and their families. The transaction allowed The Leaguers to build a new 43,932 sq. ft. state-of-the-art facility designed to expand its classroom space and consolidate its administrative offices from four other locations, while also reducing its annual occupancy costs by \$430,000. Stonehenge Community Development was the NMTC Allocatee. The net present value of benefit to The Leaguers was over \$10 million after accounting for all transaction costs and Allocatee fees, representing over 50% of the QEI, a significant increase from the typical NMTC deal. This new facility is now complete. The building has filled the "missing tooth" on the streetscape with a design that fits into the neighborhood as if it has been there for years.

MATCH SCHOOL

BCC's \$8.5 million loan to leverage an \$11.5 million QEI to support the MATCH School by providing funding for the expansion of the school and capital for increased programming, including tutoring for the students, resulted in a reduction in its debt service of over \$200,000 per year. The MATCH School is a public charter high school in Boston, MA that prepares students to succeed in college and beyond; the majority of its students come from families with no expectations of a university education. 77% of the student body (grades 9-12) is low-income and most of the students arrive at MATCH well behind grade level in reading and math. Started in 2000, the school has

an enrollment of 180 students selected by lottery. 63% of the students are African-American and 30% are Hispanic. This transaction allowed MATCH to utilize savings to bring on a team of tutors to provide one-on-one attention and bring their students up to grade level and beyond. NCB Development Corporation was the Allocatee for this transaction.

BART CHARTER PUBLIC HIGH SCHOOL

BCC made a \$4.5 million leveraged loan to the Berkshire Arts and Technology Charter Public High School (BArT) in Adams, MA to refinance the acquisition and renovation of a 36,425 square-foot commercial building. The NMTC transaction will fix the occupancy costs of the School at costs substantially below market rents and prices and reduce BArT's occupancy costs by \$150,000 annually. BArT is a regional public charter middle- and high-school, primarily serving students from nine low-income communities in rural northern Berkshire County, including Adams and North Adams. 55% of its students are low income and 36% receive special education services. This structure brought approximately 39% of the QEI in benefit to the QALICB. According to the 2000 census, Adams and neighboring North Adams were among the communities with the lowest median incomes and highest rates of population loss in the county. Founded in 2004 with a sixth and ninth grade class, the school grew from 64 students to 308 students in grades 6 through 12 by its fifth year of operations. This transaction provided the space and funding to support that growth and allowed the school to significantly expand its science and technology programs, adding science and technology courses in the high school, computer labs, and an e-commerce club. No single community in northern Berkshire County has the resources to provide educational alternatives to serve different types of students. There are no other charter schools in Berkshire County or in any of the surrounding counties. CSDC Capital II, LLC was the Allocatee for this transaction.

EL HAYNES PUBLIC CHARTER SCHOOL

BCC made a \$10.5 million leveraged loan to the E.L. Haynes Public Charter School, to take out existing construction financing and provide stable long-term financing for a new 45,850 square foot school newly developed building located on .42 acres of land at 3600 Georgia Avenue, NW, Washington, D.C. 20010. This facility will house 470 students in grades Pre-K through 8. The NMTC transaction fixed the annual occupancy costs of E.L. Haynes at a below market rate, enabling it to devote more financial resources to expanding opportunities for students, and to undertake with greater financial certainty the development of high school space for grades 9 through 12 (650 total children), needed in the fall of 2011. E.L. Haynes, opened in the fall of 2004, is the first year-round public school in Washington, D.C. The school offers a rigorous educational program to a diverse student body drawn from throughout Washington, DC, especially from Wards 1, 4, and 5, an area with Median Family Income 52.20% of Area Benchmark and an unemployment rate 3.19 times the national average. Named after Euphemia Lofton Haynes, the first African-American woman to receive a doctorate in mathematics, a teacher in the District of Columbia Public School system for 47 years, and the first woman to serve as President of the District of Columbia Board of Education, EL Haynes PCS will be an outstanding, urban public school with an exemplary math and science program. The school's mission: Every child at EL Haynes PCS will be instilled with a deep appreciation for mathematics and science and will develop the lifelong academic and social skills needed to be active community members, responsible citizens, and successful individuals. The student body reflects the demographics of all students in DC; roughly 60% are African-American, 25% Latino, 14% White, and 1% other ethnicities. Approximately 65-70% of the students qualify for free or reduced-priced lunch, 15% identified as students with special needs, and 15% are English Language Learners (ELLs). City First New Markets Fund II, LLC was the Allocatee for this transaction.

700 HARRISON AVE

BCC provided a \$3.4 million leveraged loan to 700 Harrison Investment Fund LLC which was combined with a \$1.7 million equity investment to leverage a \$6.3 million QEI to stabilize the commercial components of an 84-unit mixed-income, mixed-use project, which converted an under-utilized parcel on Harrison Avenue in Boston's South End neighborhood into a productive, vibrant use, revitalizing this neighborhood. This project includes important community resources, in addition to quality housing, including a much-desired community urban garden, parking for a large employer (Boston Medical Center), a new Spanish restaurant and complementary Spanish gourmet prepared food market, all of which has brought vibrancy to the streetscape and nightlife in a previously desolate portion of the South End. The project also includes a bi-lingual preschool that provides high quality, culturally appropriate child care service to this underserved neighborhood. Proceeds from the NMTC transaction provided acquisition financing for 110 spaces of parking and 6,089 square feet of commercial space, currently configured as four separate ground level retail spaces, which provides financial stability and adds to the long term sustainability of the project. The Low Income Investment Fund was the Allocatee for this transaction.

JPNDC INVESTMENT FUND LLC

BCC provided a \$2.5 million leverage loan to JPNDC Investment Fund LLC, which was combined with a \$2.9 million equity investment to bring in a \$7.4 million QEI to develop two separate commercial spaces in two nearby redevelopment projects in the Jamaica Plain neighborhood of Boston, MA. The projects, known as Blessed Sacrament Retail and 270 Centre Street Retail, will stabilize the Jackson Square and Hyde Square commercial districts along the Centre Street corridor of this community. Both projects will be ground floor commercial space under three floors of affordable rental units. Blessed Sacrament will contain 7,200 square feet of commercial retail and 270 Centre will contain 6,069 square feet of retail (200 sf of which will be designated nonprofit office space). In addition to our leveraged loan, BCLF is also the senior construction lender on the residential portion of these two deals. The projects are currently under construction and the retail spaces are in the early stages of the lease-up process. The Allocatee for this transaction was Local Initiatives Support Corporation.

QEIs 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	



A-Investor Strategy

42: Complete Investor Strategy Tables

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 Tables C1 as appropriate:

BCC has been raising capital from profit-motivated, nonprofit and government investors for more than 25 years. From 2005-2009, we raised \$201 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. Since the beginning of 2010, we have raised an additional \$112 million in investments and grants.

BCC has received four prior NMTC awards totaling \$300 million; we have fully invested the first three (totaling \$215 million), and expect to complete the investment of our 2009 allocation in 2010. We raised equity capital for our first three awards from private sector, profit-motivated investors that had not previously invested in BCC, including General Electric Commercial Finance (GECF), Nationwide, ConAgra Foods Lamb Weston. GECF has issued a commitment for the full value of our proposed award. JPMorgan Chase, which issued a commitment for the full value of our \$85 million 2008 NMTC award but was ultimately not selected as the investor, has also issued a letter of interest in working with us on our proposed allocation.

In addition to NMTC funds, BCC attracted more than \$41.5 million in market-rate loans from profit-motivated investors from 2005-2009. These loans - including \$33 million in 2007 alone - include lines of credit from Wainwright Bank & Trust and Bank of America to support our regular lending and a second line of credit from HSBC totaling \$15 million to support leverage loans in NMTC transactions using other alloctees' NMTC allocations.

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. Nationally, we are involved with Wall Street Without Walls' efforts to create an investment vehicle for mutual funds and the CDFI Assessment and Rating System (CARS).

43: 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

44: Investment Strategy

- a Has the *Applicant* provided investor *Commitments* or *Letters or 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*.

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.

General Electric Commercial Finance (GECF) is now back in the NMTC market and has expressed strong interest in resuming its relationship with BCC. We've also expanded our historic relationship with JPMorgan Chase, and it, too, has 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 #43(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

45: Affiliated investors

a Will the *Applicant* receive any *QEIs* from *Affiliates*?

No

b If the answer to (a) above 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.

N/A

46: Economic benefit of NMTC Allocation

Quantify as best you can, for each of your planned investment types, how the economic benefits of the NMTC Allocation will be apportioned amongst: (a) the investors, through economic returns; (b) the QALICB investees/borrowers, through lower costs of capital; and (c) the *Applicant*, 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.

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 QLICIs—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 QEIs. Please note that since none of our QLICIs 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 QLICI 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 QEIs (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 QLICIs and other community development finance activities that benefit LICs through the Leverage and New Business strategies. (Please see Question 48 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 \$50 million in loan capital, resulting in over \$280 million in increased lending for the Loan Fund over the NMTC term; 2) increase loan loss reserves for our SUN foreclosure prevention mortgage lending, leveraging an additional \$70 million, which will revolve and finance approximately \$280 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 \$25 million in financing and resulting in \$100 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 structure in each of its prior allocations (with the exception of the Boston Collegiate Charter School QLICI) 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 \$150 million in QEIs from the proposed allocation using this fee structure. As described in more detail in Question 48a, BCC is able to attract QEI investors with this fee structure because our Direct Investment Strategy for the QEIs and QLICIs significantly reduces the costs and risks to investors for participating in the NMTC program.

BCC has a 25-year history of effectively working with LIC borrowers. Our ability to maintain underwriting integrity, while offering borrowers the flexibility they need, has been key to our long history of successfully maintaining virtually every one of our loans and projects

for its intended mission-driven purpose while suffering minimal losses (less than 1/20th of one percent) to the loan portfolio. Our track record and, even more importantly, our ability to expand the number and size of our product offerings in order to meet LIC needs requires that we maintain a strong balance sheet and that we raise sufficient dollars to provide appropriate levels of loan loss reserves. Organizational equity and loan loss reserves, however, are among the most difficult dollars to raise. By persuading NMTC investors to allocate to BCC a substantial portion of the fees the investors would ordinarily collect, we have been able to maximize our ability to use the value of the NMTC program as an effective source of loan loss reserves and organizational equity while still maintaining the highest level of benefit to the QLICB. Now that we are in a difficult economic period, which is straining the resources of our borrowers, we must maintain our own financial strength in order to work with our existing borrowers and to fill the void left by traditional financial institutions who move up-market in bad times. Fees from the NMTC program are, therefore, a critical component in our ongoing effort to service LIC residents.

The economic benefits created by the NMTC QLICIs benefit the LIC end users in a number of ways. For example, our QLICI to the Boston Collegiate Charter School sufficiently reduced the financing cost of expanding the school by 50% to serve an additional 250 students by enough to allow the expansion to happen. The school had a fixed amount of revenue available to support debt service to cover the cost of its facility. Even under favorable conventional loan terms—a 6.5% 30-year mortgage—the school could have carried only approximately \$4.4 million in debt. BCC's QLICI covered the school's full \$11.2 million capital need, which is the equivalent of nearly a \$7 million grant to the school. Also, since BCC's QLICI is structured to have no payments during the first seven years of the 30-year transaction, the financial benefit for the school is even greater. Without the NMTC QLICI from BCC, it is unlikely the school could have proceeded with its expansion.

In the Olympic Peninsula project, our NMTC QLICIs reduced the long-term costs for acquiring the timberland, creating sufficient economic savings to allow the participation of Ecotrust and the Makah Tribe. Without their participation, the sale of the timberland, which was in bankruptcy, would not have attracted a sustainable forestry company like GMO Renewable Resources, nor would the sale have had strong local support; the likely result would be that the environmentally and economically ravaged land would have remained damaged and unproductive. Finally, as noted throughout this application, for many of the projects we finance through both the Direct Investment and Leverage Strategies, the access to financing in the first place and the flexible terms we can offer are often just as critical to the borrowers as the interest rate on the funds.

CDFI Application	IV-Capitalization Strategy B-Sources and Uses of Capital	10NMA000478
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47: 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%

48: 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 F-1 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.

BCC uses NMTC fees to expand our overall activities and leverage the value of the NMTC program. We collect fees upfront and throughout the NMTC compliance period equal to 33% of the value of the credit (or 36% calculated on a present value basis.) 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, over 80% of the credit's value benefits LICs; less than one fifth of the NMTC value accrues to investors or is required for transaction expenses.

BCC has used the same fee structure proposed here in prior allocations (with the exception of our Boston Collegiate Charter School transaction). GECF, our primary investor in our first two allocations, has committed to purchase up to \$150 million in QEIs using this structure. JPMorgan Chase and Boston Community Capital began collaborating a year ago with respect to BCC's third allocation. While BCC and the borrower ultimately went with another investor, the bank has expressed interest in working with us on both our fourth allocation and the allocation proposed here. Final pricing may be adjusted based on credit market conditions at the time of closing. In our first two allocations, back end fees of approximately 500 basis point were also included in the fee structure. With the collapse of the tax equity and credit markets, we did not require those fees in more recent transactions. To the extent that tax equity markets rebound sufficiently after the allocations are awarded, we will seek to maintain back end fees in our fee structure.

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** 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 nine 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 2010, BCC has adopted a \$17.6 million budget with a projected operating surplus of \$6.4 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 2010.

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 46 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 all of our QEIs in all three of our prior NMTC allocations, with General Electric Commercial Finance (GECF) as the investor for the first two awards, and a group of private investors for our third allocation. GECF has committed to purchase up to \$150 million in QEIs from BCC under the proposed NMTC award using the same fee structure; JP Morgan Chase has also expressed interest in working with us on our proposed allocation.

- c To the extent that proceeds discussed in (a) are not used for operations, provide a brief description of how such proceeds will be utilized by the *Applicant* and/or its Affiliates (e.g. to fund reserves; to support additional investments in low-income communities; as a source of profit sharing for the *Applicant* or its *Affiliates*; etc.)

First, NMTC fees give BCC the ability to be a self-sustainable organization by reducing our operating reliance on grant dollars and making those dollars available to other undertakings. Our historic efforts to raise below-market capital not only stretch the resources of our bank, foundation and corporate partners, they also require a substantial commitment of our staff time and expense. By securing a sustainable source of low cost funds, we can devote management and staff time to the development of our New Business Strategy, geographic expansion, and social impact measurement.

Second, self-sufficiency and an enhanced balance sheet give us the ability to substantially expand our lending into LICs. Because we manage, audit and present the financial statements of our non-profit affiliates on a consolidated basis, we are able to use NMTC fees to fund additional loan loss reserves and organizational equity for our Loan Fund (BCLF), allowing us to raise additional loan capital. Proceeds from our initial two allocations have already more than doubled BCLF's loan capital and annual lending capacity. Based on our experience with our prior allocations, we anticipate using the fees we earn with the proposed allocation will build the equity base of our Loan Fund, leveraging at least an additional \$50 million in loan capital, resulting in over \$280 million in increased lending for the Loan Fund over the NMTC term.

The additional reserves, organizational equity and loan capital have allowed us to: expand lending volume and geographic reach; originate substantially larger loans in LICs; serve as a leveraged lender in NMTC transactions using other allocatees' NMTCs; and offer substantially more aggressive loan terms including financing projects with higher risks due to the deteriorating economic conditions.

BCC has also used the proceeds from its NMTC transactions to develop new financial businesses and products that will help bring new capital into rural and urban LICs. For example, with fees from our initial NMTC allocations, we capitalized two new initiatives: 1) one that develops strategies to address the effects of the foreclosure crisis on LICs, and 2) one that funds energy conservation and renewable energy improvements in affordable housing. Proceeds from our proposed NMTC award would allow us to expand these neighborhood stabilization efforts. For this proposed allocation, we anticipate using NMTC fees to 1) increase loan loss reserves for our SUN foreclosure prevention mortgage lending, leveraging an additional \$70 million, which will revolve and finance approximately \$280 million in new mortgages for low income families; and 2) invest in the development of our energy conservation and efficiency financing business for multifamily affordable housing developments, leveraging \$25 million in financing and resulting in \$100 million in new lending.

49: Minimum Request Amounts

- a 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



Exhibit A - Track Record of Activities

10NMA000478

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)		2005	2006	2007	2008	2009	Totals (2005-2009)	Totals to Disadvantaged Businesses and Communities (2005-2009)	Totals to Non-metropolitan Counties (2005-2009)
1	Total # businesses financed	13	14	8	11	20	66	65	12
2	Total \$ amount of financing provided by the Applicant	\$64,483,075	\$21,337,761	\$43,079,701	\$41,591,898	\$13,241,158	\$183,733,593	\$182,327,155	\$103,384,691
2a	\$ Amount of debt financing provided by Applicant	\$62,807,085	\$18,319,269	\$42,353,947	\$40,323,826	\$13,058,108	\$176,862,235	\$175,455,797	\$102,104,647
2b	\$ Amount of equity financing provided by Applicant	\$1,675,990	\$3,018,492	\$725,754	\$1,268,072	\$183,050	\$6,871,358	\$6,871,358	\$1,280,044
3	\$ Amount of financing provided by other sources (including QALICB owner equity)	\$364,554,425	\$275,061,523	\$5,285,996	\$42,152,196	\$5,000,000	\$692,054,140	\$690,909,945	\$499,004,231
4	Total \$ amount of financing from all sources	\$429,037,500	\$296,399,284	\$48,365,697	\$83,744,094	\$18,241,158	\$875,787,733	\$873,237,100	\$602,388,922

Table is Complete in all aspects.

The Tables in Exhibit A reflect the activities of (check one):	Applicant
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Table A2: Track Record of Loans/Investments to Real Estate Businesses									
Calendar Year (s)		2005	2006	2007	2008	2009	Totals (2005-2009)	Totals to Disadvantaged Businesses and Communities (2005-2009)	Totals to Non-metropolitan Counties (2005-2009)
1	Total # businesses financed	19	27	19	12	21	98	98	4
2	Total \$ amount of financing provided by the Applicant	\$27,536,643	\$30,295,584	\$23,450,812	\$14,790,074	\$26,540,699	\$122,613,812	\$122,613,812	\$2,729,465
2a	\$ Amount of debt financing provided by Applicant	\$27,536,643	\$30,295,584	\$23,450,812	\$14,790,074	\$25,543,099	\$121,616,212	\$121,616,212	\$2,729,465
2b	\$ Amount of equity financing provided by Applicant	\$0	\$0	\$0	\$0	\$997,600	\$997,600	\$997,600	\$0

	\$ Amount of financing provided by other sources (including QALICB owner equity)	\$231,685,282	\$286,794,099	\$119,582,573	\$171,145,708	\$69,626,540	\$878,834,202	\$878,834,202	\$14,530,478
4	Total \$ amount of financing from all sources	\$259,221,925	\$317,089,683	\$143,033,385	\$185,935,782	\$96,167,239	\$1,001,448,014	\$1,001,448,014	\$17,259,943

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)		2005	2006	2007	2008	2009	Totals (2005-2009)	Totals to Disadvantaged Businesses and Communities (2005-2009)	Totals to Non-metropolitan Counties (2005-2009)
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 Complete in all aspects.

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)		2005	2006	2007	2008	2009	Totals (2005-2009)	Totals to Disadvantaged Businesses and Communities (2005-2009)	Totals to Non-metropolitan Counties (2005-2009)
1	Total # of loans purchased	-	-	-	-	-	0	-	-
2	Total \$ amount of loans purchased	\$ -	\$ -	\$ -	\$ -	\$ -	\$0	\$ -	\$ -

Table is Complete in all aspects.



Exhibit B - Projected Activities

10NMA000478

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

Calendar Year(s)	2011	2012	2013	2014	2015	Total
1 Total # transactions to be financed	5	-	-	-	-	5
2 Total \$ amt of financing	\$121,125,000	\$0	\$0	\$0	\$0	\$121,125,000
3 \$ Amt of financing (Debt)	\$121,125,000	\$ -	\$ -	\$ -	\$ -	\$121,125,000
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)	2011	2012	2013	2014	2015	Total
1 Total # transactions to be financed	5	-	-	-	-	5
2 Total \$ amt of financing	\$21,375,000	\$0	\$0	\$0	\$0	\$21,375,000
3 \$ Amt of financing (Debt)	\$21,375,000	\$ -	\$ -	\$ -	\$ -	\$21,375,000
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

10NMA000478

Table C1: Management Capacity**Table is Complete in all aspects.****1 -**

Name	Elyse D. Cherry	Years with (or years providing services to) the Applicant	25	
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 \$530 million in LICs, over 80% of it in the last five years. She has overseen the deployment of BCC's first three NMTC awards, which made nine QLICIs totaling \$200 million; and is currently overseeing the deployment of our 2009 award.

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, Alston 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 chairs the board of the Massachusetts Cultural Council and is past Chair of the board of 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 and Rebecca Regan, 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 Rebecca Regan 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	25	
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 NMTC Program compliance Community Outreach		GB member on loan/investment committee Other key management		

Description of Individual's Qualifications

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 \$500 million under management today. 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.

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 Rebecca Regan 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, 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.

In addition to his NMTC-related responsibilities, Jones leads and oversees BCC's Solar Energy Advantage Program and the Green Building Production Network, two programs aimed at financing energy conservation and renewable energy investments in affordable housing and other community projects. He is responsible for all aspects of deployment of capital and services for these two programs.

Mr. Jones has been integrally involved in BCC's capitalization efforts since the organization's inception 25 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 four NMTC allocations, and is in full compliance with each of its awards. 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.

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 the 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.

3 - Rebecca Regan			
Name	Rebecca Regan	Years with (or years providing services to) the Applicant	5
Firm	Boston Community Capital		
Title at Firm	Chief Operating Officer and 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	GB member on loan/investment committee Dir. of lending/investing or equivalent		

Description of Individual's Qualifications

Rebecca Regan has 20 years of experience deploying capital and providing FCOS in LICs. Under her leadership, BCC has invested or committed three NMTC awards totaling \$215 million, and the Loan Fund has deployed over \$165 million to LICs. Regan joined BCC in 2005 as COO of the Loan Fund and a member of the BCC senior management. In 2006, she became Loan Fund President and an ex-officio member of our Board of Directors. In 2007, she became BCC's COO.

Prior to BCC, Ms. Regan was an SVP at Bank of America (formerly Fleet). While at Fleet and Bank Boston, she worked in the First Community Bank and the Community Banking Group. Regan also created a strategy to penetrate new markets while maintaining portfolio integrity and meeting new business goals. She structured and closed complex real estate transactions involving layers of debt and equity, including tax-exempt bonds, taxable funds, Historic Tax Credits, City of Boston Section 108 debt, EDI grant funds, UDAG funds, Qualified Zone Academy Bond (QZAB) funds, and participations. Accomplishments include • Spearheading a project to analyze the viability of a \$100 million portfolio securitization. Regan worked with key representatives of AMRESCO, Cantor Fitzgerald, Cargill, GE Capital, JE Roberts, Kenneth Leventhal and Morgan Stanley to develop a recommendation, which she presented to the bank chairman and a committee of senior execs, and which was accepted. • Restructuring \$38 million in non-performing commercial real estate loans, including achieving equity positions for the bank in recovering assets. • Creating and closing a participation agreement with Fannie Mae providing for \$10 million in aggregate financing for multifamily and commercial real estate projects in Hartford, CT (the first Fannie Mae agreement to include mezzanine debt products). • In 1999, she was selected as Fleet's Lender of the Year.

Ms. Regan is a graduate of Boston University and has an MBA from Babson College.

Rebecca Regan is COO of BCC and President of our Loan Fund. Together with Elyse Cherry and DeWitt Jones, she 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 Loan Committee. Regan 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.

As BCC's COO, Regan is responsible for all aspects of BCC's operations, as well financial and fiscal management operations. She provides leadership and coordination in BCC's administrative, business planning, accounting and budgeting efforts; oversees MIS; and ensures compliance

with local, state, and federal reporting requirements.

As President of the Loan Fund, Ms. Regan 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.

4 -

Name	Andrew Chen	Years with (or years providing services to) the Applicant	12	
Firm	Boston Community Capital			
Title at Firm	CFO; Managing Director, Venture Fund			
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

Description of Individual's Qualifications

As CFO for Boston Community Capital and affiliates, Andrew Chen oversees a portfolio of over 150 loans and investments totaling over \$300 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. 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.

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 cost/benefit 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%.

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.

5 -

Name	E. Matthew Gautieri	Years with (or years providing services to) the Applicant	9	
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.

E. Matthew Gautieri has provided leadership and oversight of BCC's finance department for seven years, 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, he 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.

6 -

Name	Luis Matienzo	Years with (or years providing services to) the Applicant	
Firm	Boston Community Capital		5
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 four 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 QLICIs 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.

7 -

Name	Jessica Brooks	Years with (or years providing services to) the Applicant	
Firm	Boston Community Capital		9
Title at Firm	Director of Development and Investor Relations		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Application Preparation/Review Capital raising NMTC Program compliance		Other finance staff	

Description of Individual's Qualifications

Since 2001, Jessica Brooks has assisted senior management in BCC's capitalization efforts, raising equity, loan and grant capital from profit-minded and philanthropic organizations. From 2005-May 2010, she has helped BCC secure over \$300 million in grant, loan and equity capital, including \$215 in QEIs associated with BCC's first three NMTC allocations. (Note: Only the first two allocations are included in Table E2 -- BCC closed on \$85 million in QEIs associated with its third NMTC allocation in April 2010 (less than 13 months after closing its allocation agreement with the CDFI Fund).

As Director of Development and Investor Relations, Brooks supports senior management 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.

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 chairs 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.

8 -

Name	Michelle Volpe	Years with (or years providing services to) the Applicant	
Firm	Boston Community Capital		15
Title at Firm	Team Leader/Senior Loan Officer		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital deployment Sourcing or loan underwriting Asset management Loan servicing		Dir. of lending/investing or equivalent	

Description of Individual's Qualifications

As Team Leader and Senior Loan Officer, Michelle Volpe 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 a Senior Loan Officer, Ms. Volpe is responsible for 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. The 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. Senior Loan Officers actively pursue opportunities for expanding the breadth of BCC's reach.

Michelle has worked for BCC's Loan Fund since 1995, and has more than 14 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 Team Leader and Senior Loan Officer, 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.

9 -

Name	Charles Clark (Board Chair)	Years with (or years providing services to) the Applicant	
Firm	YouthBuild USA		23
Title at Firm	VP of 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

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. 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. 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.

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. Prior to joining YouthBuild USA, he 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. 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.

10 -

Name	Sarah Lincoln (Board Treasurer)	Years with (or years providing services to) the Applicant	
Firm	Citizens Bank		9
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

As a member of the board, Ms. 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.

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 advise to the bank's clients and prospects working closely with key partners within the bank and in the community. 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.

11 -

Name	Victor Rivera (Loan Committee Chair)	Years with (or years providing services to) the Applicant	
Firm	Bank of America		9
Title at Firm	Senior Vice President, 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

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).

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.

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.

12 -

Name	Julie Gould	Years with (or years providing services to) the Applicant	
Firm	Mercy Housing		1
Title at Firm	President of National Lending and Development Consulting; Senior Vice President of Capital Markets (Interim)		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital deployment		Other GB member	

Sourcing or loan underwriting
Asset management

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 (Interim) and President of National Lending and Development Consulting at Mercy Housing, a 27-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 25 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 non-profit 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.

13 -

Name	Edward Dugger III	Years with (or years providing services to) the Applicant	
Firm	UNC Partners		12
Title at Firm	President		
Type of activity with Applicant in each Capacity		Position with Applicant	
Capital raising Capital deployment Sourcing or loan underwriting		GB member on loan/investment committee	

Description of Individual's Qualifications

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. 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). 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.

14 -

Name	Meg Bennett	Years with (or years providing services to) the Applicant	
Firm	Deutsche Bank Private Wealth Management		13

Title at Firm	Director and Private Banker	Applicant
Type of activity with Applicant in each Capacity		Position with Applicant
Description of Individual's Qualifications		
As a member of the Loan Committee, Ms. 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. 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 learning to the Board and to external constituencies, including funders, borrowers and lenders.		
Meg 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.		
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.		
She joined the Loan Committee in 1997.		

15 -		
Name	Jennifer Pinck	Years with (or years providing services to) the Applicant
Firm	Pinck and Company	12
Title at Firm	President	
Type of activity with Applicant in each Capacity		Position with Applicant
Asset management Other activity: Construction Management		Other position: Loan Committee
Description of Individual's Qualifications		
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. 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.		
Jennifer Pinck has over 24 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). 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. From 1992 to 1996 she 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. 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. 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 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.		
She is currently 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.		

16 -

Name	Sara Schnorr	Years with (or years providing services to) the Applicant	17
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. She 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.

17 -

Name	Thomas Washburn	Years with (or years providing services to) the Applicant	14
Firm	Alexander, Aronson, Finning and Co., PC		
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, and BCLF Ventures II LLC. 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.

18 -

Name	Joel Aronson	Years with (or years providing services to) the Applicant	14
Firm	Alexander, Aronson, Finning and Co., 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 Fanning 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.

19 -

Name	Gary Perlow	Years with (or years providing services to) the Applicant	
Firm	Reznick Group		8
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 flow-through 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 sixteen 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.

20 -

Name	Ira Weinstein	Years with (or years providing services to) the Applicant	
Firm	Reznick Group		8
Title at Firm	Director of Community Development		
Type of activity with Applicant in each Capacity		Position with Applicant	
NMTC Program compliance		Contracted consultant	

Description of Individual's Qualifications

Mr. 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 flow-through taxable entity and the establishment of BCC NMTC LLCs.

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 nine years 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. 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. Mr. Weinstein is a graduate of the University of Delaware.

21 -

Name	Gail D. Berlinger	Years with (or	
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Firm	Boston Community Capital	years providing services to the Applicant	3		
Title at Firm	Portfolio Manager				
Type of activity with Applicant in each Capacity		Position with Applicant			
Asset management Loan servicing NMTC Program compliance		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 QLIC's associated with BCC's two 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 is a volunteer with Transition House, the oldest domestic violence shelter in New England, and is currently serving on their Fund Development Committee. 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.					

Table C2: Low Income Community Accountability

Table is Complete in all aspects.

Name	Charles Clark	Years on Board	23
Firm	YouthBuild USA	Title at Firm	VP of 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.			
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.			

Name	Julie Gould	Years on Board	1
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 27-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. 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 BCC Board of Directors in 2009.

Name	Mercedes Tompkins	Years on Board	18
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	James Walsh	Years on Board	25
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

10NMA000478

The information in Table D1 reflect the activities of:	Controlling Entity
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Table D1: Investment Portfolio

Fiscal Year(s)	2007	2008	2009
1. Non Real Estate Business Loans & Equity Investments Delinquent or written-off			
2. # of loans & equity investments outstanding	51	49	65
3. Total \$ Amount of loans & equity investments outstanding	\$138,157,149	\$151,972,473	\$153,191,940
4. Total \$ amount of delinquent loans to non-real estate businesses	\$0	\$0	\$0
5. Total \$ amount of write-offs of loans & equity investments to non-real estate businesses	\$743,604	\$1,465,703	\$329,378
6. Real Estate Business Loans & Equity Investments Delinquent or written-off			
7. # of loans & equity investments outstanding	81	80	90
8. Total \$ Amount of loans & equity investments outstanding	\$48,125,487	\$19,298,670	\$49,123,087
9. Total \$ amount of delinquent loans to real estate businesses	\$0	\$0	\$63,884
10. Total \$ amount of write-offs of loans & equity investments to real estate businesses	\$0	\$0	\$0



Exhibit E - Investor Strategy

10NMA000478

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 2005-2009 (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	\$114,210,526	\$150,000,000	Investor provided Commitment	12/31/2010
JPMorgan Chase	Equity	No	Yes	Yes	\$1,000,000	\$150,000,000	Letter of Interest/Intent	12/31/2010
Totals					\$115,210,526	\$300,000,000		

Table is Complete 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)	2005	2006	2007	2008	2009	Total
1. Total # of investments	196	166	166	111	176	815
2. Total \$ amount of investments	\$71,924,954	\$17,622,588	\$89,155,681	\$20,120,674	\$2,501,855	\$201,325,752
3. Total # of grants ¹	142	123	120	76	143	604
4. Total \$ amount of grants ²	\$1,809,916	\$277,962	\$5,549,068	\$551,762	\$1,199,071	\$9,387,779
5. Total # of below market rate loans ¹	50	40	41	34	33	198
6. Total \$ amount of below market rate loans ²	\$6,050,791	\$2,908,873	\$6,396,087	\$3,779,438	\$1,302,784	\$20,437,973
7. Total # of market rate loans ¹	1	0	4	0	0	5
8. Total \$ amount of market rate loans ²	\$8,500,000	\$0	\$33,000,000	\$0	\$0	\$41,500,000
9. Total # of Equity Investments ¹	3	3	1	1	0	8
10. Total \$ amount of Equity Investments ²	\$55,564,247	\$14,435,753	\$44,210,526	\$15,789,474	\$0	\$130,000,000

Table is Complete in all aspects.¹ Values should be a subset of Line 1.² Values should be a subset of Line 2.



Exhibit F - Fees and Flow of Allocations

10NMA000478

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	0	0	0	0	0	0	0	0	0	0	0	0
3 Ongoing sources of compensation and profits ³	800	800	800	800	800	800	0	0	0	0	0	0
4 Back-End sources of compensation and profits ⁴	0	0	400	0	0	400	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	1300	1300	1700	1300	1300	1700	0	0	0	0	0	0

¹ The "Total Amount" is the inverse of the figure provided in Question 47 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.).

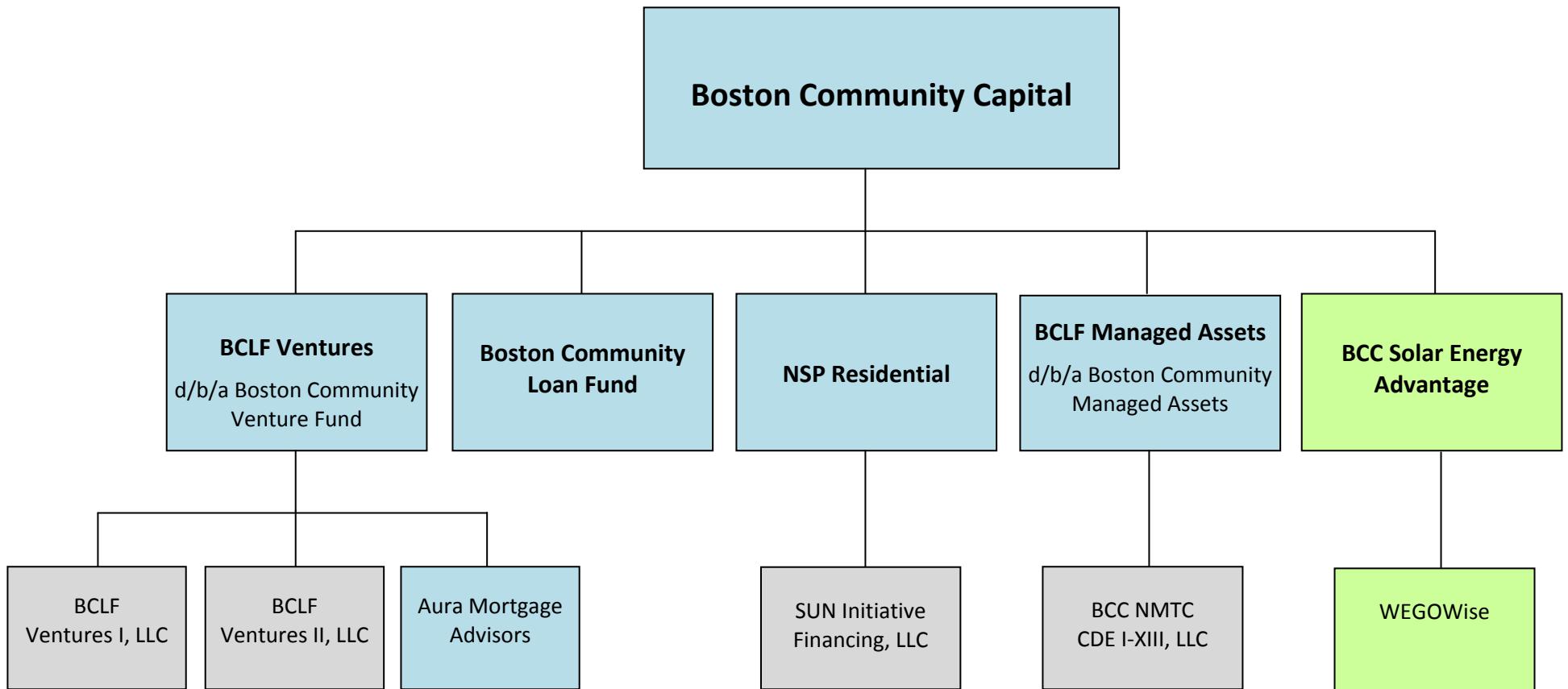
⁵ Indicate any other additional sources of revenue charged to investors, borrowers, or other entities.

Table F2: Schedule for Issuing QEIs (Estimated)

NMTC Allocation Amount Requested	\$150,000,000					
Calendar Year(s)	2011	2012	2013	2014	2015	Total
1 Total \$ amount of QEIs to be issued	\$150,000,000	\$0	\$0	\$0	\$0	\$150,000,000
2 Percent of total NMTC Allocation	100%	0%	0%	0%	0%	100%

End of Application

Boston Community Capital
Entities and Affiliates Organizational Chart
April 2010



Blue = Nonprofit

Green = For Profit

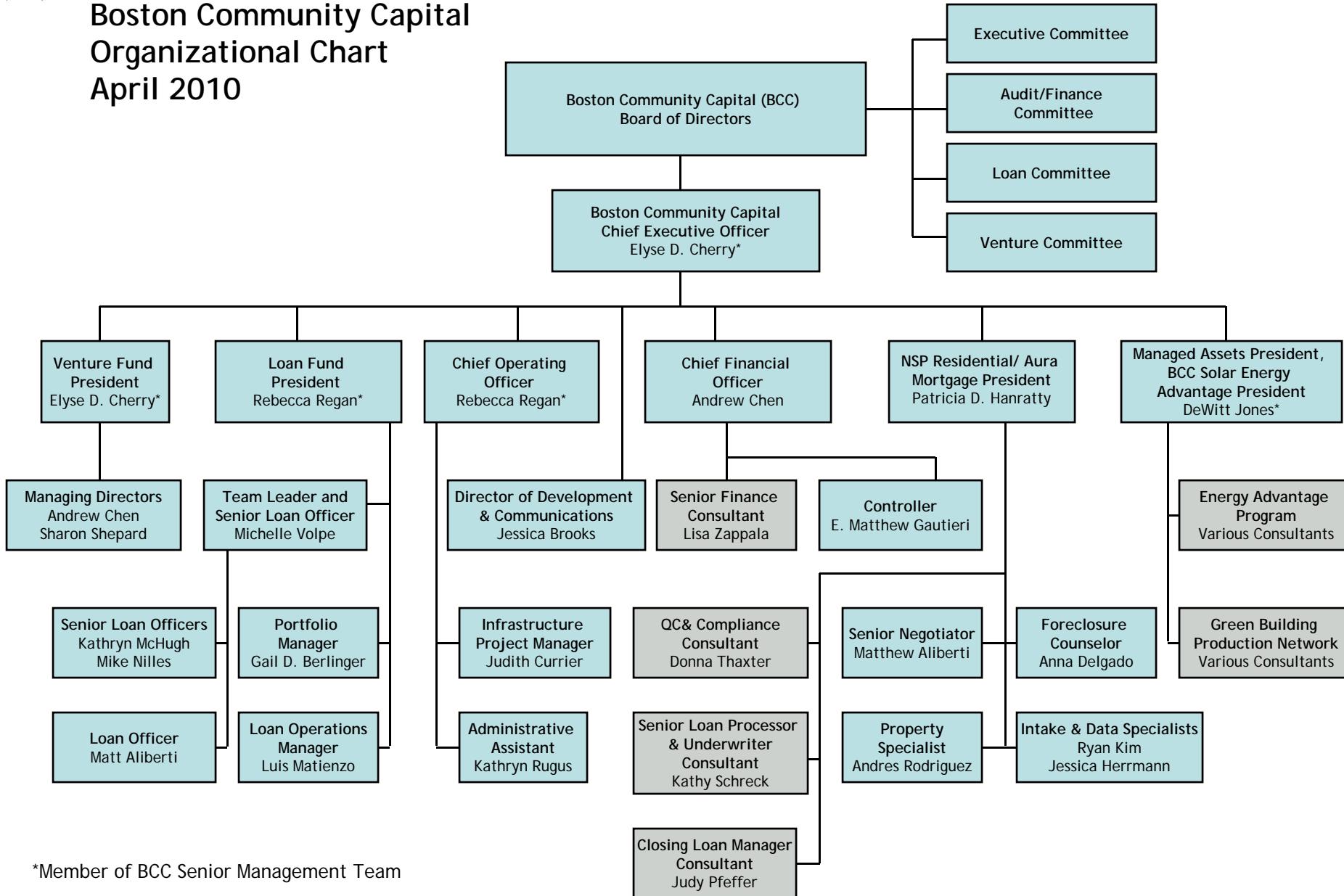
Gray = LLCs

Solid Lines = Ownership or Control



Boston Community Capital Organizational Chart

April 2010





GE Commercial Finance

10 Riverview Drive
Danbury, CT 06810
USA

T 800 876 2033

May 24, 2010

Ms. Elyse Cherry
Chief Executive Officer
Boston Community Capital, Inc.
56 Warren Street, Suite 300
Boston, MA 02119-3236

RE: Letter of Interest

Dear Ms. Cherry:

GE Commercial Finance ("GECF") and its affiliated entities (collectively "GE Capital"), have worked closely with Boston Community Capital ("BCC") over five years on the new Market Tax Credit ("NMTC") program. Most recently we have collaborated with BCC to understand the intent, scope and content of the major investment initiatives in BCC's Round VIII (2010) application for additional NMTC program authorization.

At this point, GE Capital has considerable experience with the NMTC program and BCC, having collaborated successfully with BCC to provide over \$110 million in Qualified Equity investment ("QEI") for six high-impact non-real estate Qualified Low-Income community Investments ("QLICI") closed in 2005, 2006 and 2007. All six are in particularly economically distressed areas, so we know the challenges of applying the NMTC program in such areas. These NMTC financings are protecting jobs in rural natural resource-based businesses such as paper and saw mills while facilitating diversification of these rural economies for greater future wellbeing of its residents, and in urban areas.

Based on this experience and further evaluation of the NMTC program, GE Capital is interested in participating more fully in the NMTC program by providing capital to a limited number of certified community development entities ("CDE's"), including BCC. After reviewing BCC's investment strategy, we can confirm our strong interest in its investment strategy and current pipeline.

Based on the foregoing and other considerations, including discussions and review of the potential investment opportunities for GE Capital and its vast capital resource capacity, GE Capital has an interest in continuing to be a major provider of capital for BCC's NMTC program initiatives. GE Capital will consider funding projects and funds consistent with BCC's major investment categories in an aggregate amount of approximately \$150 million or more on the same or similar terms as our prior QEIs with BCC, subject to opportunities being presented to GE Capital, fee levels responsive to market conditions, a positive conclusion to

GE Capital's due diligence and underwriting process, and receipt of all necessary internal approvals.

We are pleased to have BCC as our "working partner." We plan to continue working cooperatively with BCC to find and bring good projects, consistent with the objectives of the NMTC program, BCC's NMTC initiatives, and GE Capital's underwriting standard to fruition.

Best regards,

A handwritten signature in black ink, appearing to read "Allan Wieman".

Allan Wieman
Senior Vice President



Matthew R. Reilein
Senior Vice President
New Markets Tax Credit Group

May 27, 2010

Ms. Elyse D. Cherry
President & CEO
Boston Community Capital
56 Warren Street
Boston, MA 02119

Dear Ms. Cherry,

JPMorgan Chase Bank, N.A. and its affiliates ("Chase") truly value their relationship with Boston Community Capital. Based upon your organization's demonstrated leadership in the field of community development finance, we look forward to continuing the development of new and exciting ways of providing financial services to low-income communities and individuals nationally.

We are pleased to inform you that based upon preliminary discussions with your organization, Chase would commit, subject to the conditions in the following paragraph, an investment of up to \$150 million in a combination of debt and equity either through an upper-tier investment partnership or directly to Boston Community Capital, or a subsidiary, under the New Markets Tax Credit (NMTC) program, should Boston Community Capital submit an application for a 2010 NMTC allocation and win subsequent approval. The capital would be provided to the NMTC structure as approximately 30% equity and 70% debt.

This letter is intended to serve as a basis for further discussion and negotiation in the event your organization should subsequently be awarded a 2010 NMTC allocation by the Community Development Financial Institutions Fund. Chase's preliminary interest is subject to change as its due diligence with respect to Boston Community Capital's or its affiliates' financial condition, operations, management and business prospects and other discussions with you continue and, accordingly, all material terms of any potential transaction have not yet been determined. Moreover, any commitment or offer to commit by Chase cannot occur prior to the satisfactory completion of internal investment and/or credit approval process, which has not as yet been requested, and the fulfillment of other terms and conditions precedent to any equity investment in any entity supported by an NMTC program allocation. Requests for equity investments and debt financing are evaluated independently and approval of one does not assure approval of the other.

Please know that Chase has a long track record of successfully lending and investing in low-income communities. From January 2007 through February 2010, JPMC made more than \$22.7 billion in loans and over \$5.7 billion in investments for affordable housing and economic development projects, and in support of financial intermediaries and other nonprofit organizations. The potential opportunity to work with Boston Community Capital and the NMTC program will allow Chase to increase its financing activity in low-income communities. We look forward to the opportunity to work with you.

Sincerely,

Matthew R. Reilein

JPMorgan Chase Bank, N.A. • 10 S. Dearborn, Chicago, IL 60603

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matthew.r.reilein@jpmchase.com