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CDFI <i>Application</i>	2003 NMTCA Application	03NMA000478
Applicant:	Boston Community Capital Inc.	
Control Number:	03NMA000478	

Applicant Information	03NMA000478
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Question 1
NMTC Allocation Request - continued

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


\$100,000,000

Question 2 <i>Applicant Information¹</i>	
<i>Applicant Name:</i>	Boston Community Capital Inc.
<i>Applicant Employer Identification Number:</i>	043246555
Is the <i>Applicant</i> a domestic corporation or partnership for federal tax purposes?	<input checked="" type="radio"/> Domestic Corporation <input type="radio"/> Domestic Partnership <input type="radio"/> Neither (Applicant is not eligible to apply for a NMTC Allocation)
Structure of the <i>Applicant</i> (check all that apply):	<input type="checkbox"/> For-profit <input checked="" type="checkbox"/> Non-profit <input type="checkbox"/> <i>Small Business Investment Company</i> <input type="checkbox"/> <i>Specialized Small Business Investment Company</i> <input type="checkbox"/> <i>New Market Venture Capital Company</i> <input checked="" type="checkbox"/> <i>Certified Community Development Financial Institution</i> <input type="checkbox"/> Credit union <input type="checkbox"/> Publicly traded company <input type="checkbox"/> Government- <i>Controlled</i> entity <input type="checkbox"/> Faith-Based Institution <input type="checkbox"/> Tribal Entity <input type="checkbox"/> Thrift bank or bank holding company
Does the <i>Applicant</i> have any <i>Affiliates</i> that are applying for a <i>NMTC Allocation</i> in the 2003 round? (check one):	<input type="radio"/> Yes <input checked="" type="radio"/> No

Question 3
Controlling Entity Information
Controlling Entity Designation

Is the *Applicant* designating a *Controlling Entity*


☐ Yes ☒ No

Question 4 <i>Applicant Mailing Information</i> <i>Applicant Mailing Address</i>	
Address Line 1:	<input type="text" value="56 Warren Street, Suite 300"/>
Address Line 2:	<input type="text"/>
City:	<input type="text" value="Boston"/>
State:	<input type="text" value="MA"/> 
Zip: (Help with Zip)	<input type="text" value="02119"/>


Question 4
Applicant Mailing Information
Overnight Same as Mailing


Is the *Applicant's* address for overnight deliveries same as it's mailing address?


☐ Yes ☒ No

Question 4 <i>Applicant Mailing Information</i> <i>Applicant Address for Overnight Deliveries</i>	
Address Line 1:	<input type="text" value="56 Warren Street, Suite 300"/>
Address Line 2:	<input type="text"/>
City:	<input type="text" value="Boston"/>
State:	<input type="text" value="MA"/> 
Zip: (Help with Zip)	<input type="text" value="02119-3236"/>

Question 5 <i>Authorized Representative Information</i>	
Honorific:	Ms.
First Name:	Elyse
Middle Initial:	D
Last Name:	Cherry
Title:	CEO
Telephone number:	617-427-8600
Telephone extension:	208
Fax number:	617-427-9300
E-mail address:	echerry@bostoncommunitycapital.org
Is <i>Authorized Representative's</i> mailing address same as the <i>Applicant's</i> mailing address?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Is the Contact Person same as the <i>Authorized Representative</i> ?	<input checked="" type="radio"/> Yes <input type="radio"/> No

Question 5 <i>Authorized Representative Information</i> <i>Authorized Representative Mailing Address</i>	
Address Line 1:	<input type="text" value="56 Warren Street, Suite 300"/>
Address Line 2:	<input type="text"/>
City:	<input type="text" value="Boston"/>
State:	<input type="text" value="MA"/> 
Zip: (Help with Zip)	<input type="text" value="02119"/>

Question 6 Contact Person Information	
Honorific:	Ms. 
First Name:	Elyse
Middle Initial:	D
Last Name:	Cherry
Title:	CEO
Telephone number:	617-427-8600
Telephone extension:	208
Fax number:	617-427-9300
E-mail Address	echerry@bostoncommunitycapital.org
Is the Contact Person's mailing address same as the Applicant's mailing address?	<input checked="" type="radio"/> Yes <input type="radio"/> No

Question 6 Contact Person Information Contact Person Mailing Address	
Address Line 1:	<input type="text" value="56 Warren Street, Suite 300"/>
Address Line 2:	<input type="text"/>
City:	<input type="text" value="Boston"/>
State:	<input type="text" value="MA"/> 
Zip: (Help with Zip)	<input type="text" value="02119"/>

Question 7***Applicant Duly Organized*****Is *Applicant* Duly Organized**

Is the *Applicant* duly organized and validly existing under the laws of the jurisdiction in which it is incorporated or otherwise established?

☒ Yes ☐ No

Question 7 <i>Applicant Duly Organized - continued</i>	
<i>Applicant's</i> state of incorporation or formation	MA
<i>Applicant's</i> date of incorporation or formation (month/day/year):	11/30/1984
<i>Applicant's</i> total assets as of the date of this <i>Allocation Application</i> :	\$36,690,215
<i>Applicant's</i> fiscal year end (month/day/year)	12/31/2003

Question 8 <i>Applicant CDE Certification</i> <i>Applicant Certification</i>	
Has the <i>Applicant</i> already been certified as a <i>CDE</i> by the Fund?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Has it submitted a <i>CDE Certification Application</i> ?	<input type="radio"/> Yes <input checked="" type="radio"/> No
<i>CDE Certification Control Number:</i>	<input type="text" value="02NMC000478"/>

Question 9**Transfer of Allocation to *Subsidiaries*
Subsidiary Transfer**

Does the *Applicant* intend to transfer all or part of its *NMTC Allocation* to *Subsidiary* entities?

☒ Yes ☐ No

If yes, have these *Subsidiary* entities been certified as *CDEs* or submitted a *CDE Certification Application*?

☐ Yes ☒ No ☐ NA

Question 10**Proposed *Subsidiaries*
Subsidiary Formation**

At a later date, does the *Applicant* intend to form and certify additional *Subsidiary* entities to which it will transfer all or part of its *NMTC Allocation*?

☒ Yes ☐ No

If yes, how many additional *Subsidiary* entities does the *Applicant* anticipate forming and certifying as *CDEs*?

3

Question 11**Descriptive Information for *Allocatee* Profiles**

11a - Briefly describe the *Applicant's* business strategy (including geographic markets; products and services).

Boston Community Capital's mission is to build healthy communities where low-income people live and work. We accomplish this mission by serving as a financial intermediary that connects low-income people and communities to the mainstream economy. We provide a range of existing financial vehicles, products and services and strive to create new ones; we also act as an investment banker for low-income communities. The organization has invested over \$100 million in low-income communities in Massachusetts and across the Northeast; these investments have created more than 4300 units of affordable housing, helped strengthen more than 200 community businesses and nonprofit organizations, supported daycare and educational programs serving more than 1100 low-income children and their families, renovated nearly 440,000 square feet of commercial space in low-income neighborhoods, and created or preserved more than 1300 jobs. Founded with \$3500 from socially responsible investors in 1985, BCC and its affiliates have more than \$70 million under management today. BCC grew out of Boston Community Loan Fund (BCLF), established in 1985 to make loans to nonprofit and community organizations developing affordable housing and delivering social and community services to low-income people, and to provide a vehicle for investors to put their capital to work in low-income communities. In 1994, the Loan Fund established BCC, a new nonprofit holding company, to respond to new credit and capital needs in low-income communities. BCLF became a subsidiary of BCC; we also established two new nonprofit subsidiaries: Boston Community Venture Fund (BCVF) and Boston Community Managed Assets (BCMA). Together, these organizations and two community development venture capital funds managed by BCVF, all of which are certified CDEs, comprise the BCC organization. BCC intends to form one or more LLC subsidiaries to which BCC intends to transfer its NMTC allocation. BCC will serve as the managing member of the new LLC(s), which will share BCC's mission of providing capital to low-income communities, and which will apply for CDE certification once formed. BCLF, BCVF and BCVF's two CDVC funds are certified as community development financial institutions (CDFIs) by the US Department of the Treasury's CDFI Fund. BCLF was selected as one of the awardees in the CDFI Fund's initial round of awards in 1996. We have subsequently received five additional awards totaling \$8 million.

Boston Community Capital is applying for a \$100 million allocation of New Markets Tax Credits that it intends to use, in coordination with partner banks and investors to • Generate \$450 million in new lending in low-income communities through two funds, the "New

11b - Briefly describe how the Applicant will utilize its NMTC Allocation to enhance or improve its current activities.

Markets Fund" and the "BCLF Fund," • Create a system for expanding the origination of loans to businesses and non-profits in low-income communities, effectively providing a secondary market for such loans, • Generate attractive debt and equity returns for all investors and, additionally, CRA benefit for participating banks, • Create a low-cost, sustainable source of loan capital and income that will allow BCC (and other CDFIs across the country) to achieve full self-sufficiency, and • Provide a new, nationally replicable, collaborative model for self-sustainable financing for community development financial institutions (CDFIs). One of the major barriers to the CDFI industry's ability to expand its lending to low-income communities is its reliance on below market rate loans and public funding. Our NMTC strategy creates a model to overcome that barrier. Boston Community Capital intends to 1. use approximately \$100 million (the "New Markets Fund") to originate \$100 million in NMTC eligible loans ("QLICs"), and such additional loans (currently projected to be another \$100 million) as are necessary to recharge the qualified loan pool and maintain a safe harbor for investors over the course of the seven-year NMTC allocation period. We anticipate that the New Markets Fund will originate roughly 158 loans that can - generate 1100 jobs, - renovate over 1 million square feet of office, retail, industrial and community facility space, - build 480 units of for-sale housing, and - create nearly 2000 day care and education slots for students. 2. obtain an up to \$50 million line of credit or loan purchase agreement (the "BCLF Fund"), at an advantageous rate, that will allow BCC to generate an additional \$250 million in loans serving low-income communities and people over the next seven years, including approximately - \$187.5 million to support creation of 2500 units of affordable housing, - \$25 million to community organizations, arts programs and community facilities, - \$18.25 million in childcare lending to support 2500 childcare slots, and - \$18.25 million in inner-city commercial real estate.

Question 12
Service Area

Identify the type of service area that the *Applicant* will serve (check one). The service area identified here must be consistent with the service area identified by the *Applicant* in its *CDE Certification Application*:

- ☐ National service area (7 or more states or territories not concentrated within an identifiable region)
- ☐ Regional service area (multiple states that form an identifiable region)
- ☐ Multi-state service area (2-6 states or territories)
- ☐ Statewide (or territory-wide) service area
- ☐ Local service area (e.g., neighborhoods, cities, a county or contiguous counties, or *Primary Metropolitan Service Area*) within a state or territory

Question 13
Geographical Areas

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

<input type="checkbox"/> AK	<input type="checkbox"/> AL	<input type="checkbox"/> AR	<input type="checkbox"/> AZ	<input type="checkbox"/> CA	<input type="checkbox"/> CO
<input checked="" type="checkbox"/> CT	<input type="checkbox"/> DC	<input type="checkbox"/> DE	<input type="checkbox"/> FL	<input type="checkbox"/> GA	
<input type="checkbox"/> HI	<input type="checkbox"/> IA	<input type="checkbox"/> ID	<input type="checkbox"/> IL	<input type="checkbox"/> IN	
<input type="checkbox"/> KS	<input type="checkbox"/> KY	<input type="checkbox"/> LA	<input checked="" type="checkbox"/> MA	<input type="checkbox"/> MD	
<input type="checkbox"/> ME	<input type="checkbox"/> MI	<input type="checkbox"/> MN	<input type="checkbox"/> MO	<input type="checkbox"/> MS	
<input type="checkbox"/> MT	<input type="checkbox"/> NC	<input type="checkbox"/> ND	<input type="checkbox"/> NE	<input checked="" type="checkbox"/> NH	
<input checked="" type="checkbox"/> NJ	<input type="checkbox"/> NM	<input type="checkbox"/> NV	<input checked="" type="checkbox"/> NY	<input type="checkbox"/> OH	
<input type="checkbox"/> OK	<input type="checkbox"/> OR	<input checked="" type="checkbox"/> PA	<input checked="" type="checkbox"/> RI	<input type="checkbox"/> SC	
<input type="checkbox"/> SD	<input type="checkbox"/> TN	<input type="checkbox"/> TX	<input type="checkbox"/> UT	<input type="checkbox"/> VA	
<input type="checkbox"/> VT	<input type="checkbox"/> WA	<input type="checkbox"/> WI	<input type="checkbox"/> WV	<input type="checkbox"/> WY	
<input type="checkbox"/> American Samoa	<input type="checkbox"/> Guam	<input type="checkbox"/> Northern Mariana Isl.	<input type="checkbox"/> Puerto Rico	<input type="checkbox"/> Virgin Islands	

Question 14 Service Area Percentage	
Major urban areas (<i>Metropolitan Area</i> with a population equal to or greater than 1 million, including both central city and surrounding suburbs)	<input type="text" value="85%"/>
Minor urban areas (<i>Metropolitan Area</i> with a population less than 1 million, including both central city and surrounding suburbs)	<input type="text" value="10%"/>
Rural areas	<input type="text" value="5%"/>

Question 15**Predominant Financing Activity**

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

Business financing

Question 16
Time to Complete

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

Part I - Business Strategy

03NMA000478

A. Products, Services and Investment Criteria**Question: 17**

Please indicate the types of *Qualified Low-Income Community Investments (QLICs)* 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 should add up to 100%:

- a** 30 % Investments in, or loans to, non-real estate *QALICBs*
checked Origination of loans (check, if applicable)
 Investment of capital or equity (check, if applicable)
- b** 69 % Investments in, or loans to, *QALICBs* whose principal activities involve the development or rehabilitation of real estate.
checked Origination of loans (check, if applicable)
 Investment of capital or equity (check, if applicable)
- c** 0 % Investments in, or loans to, other *CDEs*
 Origination of loans (check, if applicable)
 Investment of capital or equity (check, if applicable)
- Please indicate the percentage of each activity (by dollar amount) in which the recipient *CDEs* intend to engage, using the proceeds of the NMTC investments provided by the Applicant. Percentages should add up to 100%:
- % Origination of loans, investment of capital, or equity to non-real estate *QALICBs*.
- % Origination of loans, investment of capital, or equity to *QALICBs* whose principal activities involve the development or rehabilitation of real estate.
- % *Financial Counseling and Other Services*.
- d** 0 % Purchases of loans from other *CDEs*
- e** 1 % *Financial Counseling and Other Services*
checked In conjunction with financing (check, if applicable).
 As a discrete line of business (check, if applicable)

Question: 18

Describe the Applicant's overall business strategy for use of its NMTC Allocation. For each *QLIC* activity checked in Question #17, provide separate descriptions of:

- What the *Applicant's* proposed activities or products will be;
- How the proposed products or services respond to demand in the markets to which the products and services will be directed;
- How the *Applicant's* strategy is designed to attract new or additional private sector investment capital to underserved markets;
- What technical assistance may be offered in conjunction with each of the *Applicant's* products; and
- For Applicants providing loans or investments to other *CDEs*, how the Applicant's role as an intermediary will be efficient and beneficial to the recipient *CDEs* and their clients.

The fundamental issue that the NMTC program seeks to address is how to bring private capital into low-income communities. The economic isolation of low-income communities and residents is one of the primary barriers to overcoming poverty. To allow low-income communities and residents to build wealth and achieve economic independence, CDFIs and CDEs must link those communities with the

conventional capital markets. The importance of the NMTC program is that it can generate both specific, project-related impacts and broad systemic connections between low-income communities and the mainstream sources of capital. For the reasons outlined below, we believe that BCC's NMTC strategy is unique in its ability to leverage sustainable and efficient private sector investment in low-income communities at a scale sufficient to connect those communities to the economic mainstream.

PART I: SUMMARY DESCRIPTION OF TRANSACTION AND PRODUCTS

Boston Community Capital is applying for a \$100 million allocation of New Markets Tax Credits that it intends to use, in coordination with partner banks and investors, to

- Generate \$450 million in new lending in low-income communities through two funds, the "New Markets Fund" and the "BCLF Fund,"
- Create a system for expanding the origination of loans to businesses and nonprofits in low-income communities, effectively providing a secondary market for such loans,
- Generate attractive debt and equity returns for all investors and, additionally, CRA benefit for participating banks,
- Create a low-cost, sustainable source of loan capital and income that will allow BCC (and other CDFIs across the country) to achieve full self-sufficiency, and
- Provide a new, nationally replicable, collaborative model for self-sustainable financing for community development financial institutions (CDFIs). One of the major barriers to the CDFI industry's ability to expand its lending to low-income communities is its reliance on below market rate loans and public funding. Our NMTC strategy creates a model to overcome that barrier.

Boston Community Capital intends to

1. Use approximately \$100 million (the "New Markets Fund") to originate \$100 million in NMTC eligible loans ("QLICs"), and such additional loans (currently projected to be another \$100 million) as are necessary to recharge the qualified loan pool and maintain a safe harbor for investors over the course of the seven-year NMTC allocation period. We anticipate that the New Markets Fund will originate roughly 158 loans that can

- generate 1100 jobs,
- renovate over 1 million square feet of office, retail, industrial and community facility space,
- build 480 units of for-sale housing , and
- create nearly 2000 day care and education slots for students.

2. Obtain an up to \$50 million line of credit or loan purchase agreement (the "BCLF Fund"), at an advantageous rate, that will allow BCC to generate an additional \$250 million in loans serving low-income communities and people over the next seven years, including approximately

- \$187.5 million to support creation of 2500 units of affordable housing,
- \$25 million to community organizations, arts programs and community facilities,
- \$18.25 million in childcare lending to support 2500 childcare slots, and
- \$18.25 million in inner-city commercial real estate.

Specifically, BCC, in partnership with Wainwright Bank, JP Morgan Chase, Sovereign Bank, Citizens Bank and/or CRIC Capital (and, potentially, other banks and investors, as well), will form a community development entity (BCC CDE) that, through the New Markets Fund, will originate \$100 million in QLICs with the assistance of its bank partners' existing sales, distribution and servicing capabilities, (at which point, subject to any subsequent recapture events, the New Markets Tax Credit would be earned). To the extent that those QLICs are repaid over the course of the NMTC seven-year period, BCC CDE will use those same capabilities to generate roughly \$100 million in additional QLICs, for a total of \$200 million, so that the pool of qualified loans is always sufficient to avoid recapture of the tax credit.

Application of the tax credit through our proposed structure accomplishes two goals. First, because it contributes substantially to BCC's operational self-sufficiency, it strengthens our ability to borrow at more advantageous rates. Second, because it enhances yield to investors and reduces investor risk, it helps to create a more sustainable source of capital over the long term, which can be made available to low-income borrowers and communities.

To accomplish these goals in a manner consistent with the enabling legislation and regulations, Boston Community Capital proposes to:

- 1) Obtain a New Markets Tax Credit allocation of \$100 million.
- 2) Establish one or more LLCs, which will also be certified Community Development Entities

(CDEs), the managing member of which will be BCC.

3) Transfer BCC's tax credit allocation to the CDE(s).

4) Establish one or more LLCs as investment vehicles for banks and other investors (referred to as the "Investment Funds"), the managing member of which will be BCC.

5) Seek investments sufficient to capitalize the Investment Funds with an aggregate total of \$107 million, consisting of \$32 million in equity and \$75 million in debt.

6) Cause the Investment Funds to make an equity investment totaling \$107 million into the CDE(s) in return for a 99% interest in the CDE(s) and the consequent tax, income, and cash flow benefits generated by the CDE(s). (This equity investment will be a qualified equity investment (QEI).)

7) Cause the CDE(s) to use the proceeds of the equity investment to fund the New Markets Fund, which will originate no less than \$100 million in Qualified Low-income Community Investments (QLICs), thereby creating a qualified NMTC transaction, plus such additional lending as is necessary to recharge the pool of QLICs (currently projected to be another \$100 million).

8) Establish contractual arrangements with our banking partners which will include agreed-upon underwriting criteria, and which will provide for additional revenue to our bank partners through commitment and other up-front fees on New Markets Fund loans, in return for assistance with loan identification, underwriting and servicing.

9) Establish the \$50 million BCLF Fund, with loan loss and interest rate reserves supported by NMTC fees, secured by an assignment of notes and mortgages, and credit enhanced by \$10 million in future NMTC proceeds, with risk and servicing to remain with BCC.

This advantageous financing instrument will enable BCC to lend an additional \$250 million over the same 7-year NMTC period, thereby expanding its long history of lending into low-income communities. (Because funds would be disbursed and repaid on a revolving basis, implementation of the credit facility will support an average of \$35 million of new lending in each of the next seven years, for a total of approximately \$250 million in loans serving low-income communities and people.)

Thus, BCC anticipates using the allocation of a \$100 million New Markets Tax Credit to generate at least \$450 million in new lending into low-income areas.

HOW OUR PROPOSED STRUCTURE BENEFITS BORROWERS AND MEETS BORROWER DEMAND

Many businesses and nonprofits in low-income communities have difficulty in obtaining loans from traditional finance institutions because (1) they are undercapitalized, (2) they cannot support a commercial rate of interest, (3) they can only manage the risk of a variable rate of interest on a portion of the required loan, and/or (4) they cannot afford the very high transaction costs generated by the need to engage multiple lenders. These factors often drive the cost of borrowing to an unsustainable level.

BCC's two-fund structure will help borrowers to overcome all of these structural barriers and will create additional access to capital in low-income communities. For many of our loans we will create a bifurcated loan structure that will provide borrowers with increased flexibility and affordability by allowing them to access both the New Markets Fund and the BCLF Fund. We recognize that our investors may require that the New Markets Fund have somewhat more stringent lending criteria than the BCLF Fund. However, we will use the BCLF Fund to provide borrowers with lower monthly payments, fixed interest rates, higher loan-to-value ratios or other more advantageous terms, as well as technical assistance, so that low-income community borrowers can leverage larger dollars from a parallel loan through the New Markets Fund. In addition, because BCC entities will be the lender in both Funds, we will be able to reduce the added transaction costs that borrowers always incur when forced to deal with multiple lenders on the same transaction. Increased affordability and increased efficiency in the loan process translates into reduced subsidy and greater access to capital for low-income communities.

LOAN EXAMPLES AND ANTICIPATED OUTCOMES

The following actual loans are examples of loans that required the participation of a CDFI, similar to the BCLF Fund, in order to support the participation of a more traditional lender. In our proposed structure, these loans would likely require a loan commitment from both the New Markets Fund and the BCLF Fund:

- a \$500,000 working capital loan to a "garage condo" in a NMTC-eligible census tract in Roxbury. The facility provides affordable, licensed, and modern repair bays to its seven independent entrepreneur-mechanic owners and assists them in running their businesses in an environmentally

sensitive manner.

- a \$500,000 working capital line of credit to a minority family-owned fuel delivery business in a NMTC-eligible census tract in Dorchester. The company has five delivery trucks and ten employees.

- a \$2.5 million loan to a minority- and woman-owned ethnic foods manufacturer to expand its production capacity and facility. The company employs 45 low-income community residents.

- a \$500,000 loan to a CDC to finance the acquisition and renovation of a commercial block located in a NMTC-eligible census tract in Dorchester. The block, which had been partially vacant and in poor condition, had been seized and sold by federal marshals after the previous owner was convicted of drug dealing out one of the storefronts. Today the block, which has been attractively renovated and is fully tenanted, has helped revive this inner-city business district.

- a \$4 million loan to a CDC to renovate a long-time commercial eyesore in Roxbury's Dudley Square, located in Boston's Empowerment Zone, another NMTC-eligible census tract. The upper stories of the building, which had been vacant and dilapidated for a generation, are now fully occupied and have a waiting list.

- a \$1 million loan to allow a large African-American church in Jamaica Plain to purchase a building to house its social service programs. The building, which is located in a NMTC-eligible census tract, houses 18 programs for neighborhood and community residents, including programs for community re-entry for convicts, programs for teen parents, and youth anti-violence programs.

- a \$1.5 million construction and permanent loan to a CDC in Dorchester to construct a 77,000 square foot manufacturing facility. The facility, which is located on a formerly vacant brownfields site in a NMTC-eligible census tract, is leased to a high-tech printing company, allowing the company to expand and retain 135 jobs in the city of Boston.

In addition to leveraging dollars lent by the New Markets Fund, we also anticipate that the BCLF Fund's lending into low-income communities over the 7-year NMTC period as a result of the \$50 million credit facility or loan purchase agreement would result, additionally, in loans of approximately:

- \$18.25 million to redevelop inner-city commercial real estate;
- \$25 million to community organizations, arts programs and community facilities;
- \$18.25 million in childcare lending to support 2500 childcare slots; and
- \$187.5 million to QALICBs' development efforts sufficient to generate 2500 units of affordable housing.

ADDITIONAL LOAN EXAMPLES

Examples of loans that BCC has made to date that are similar to the loans it would make through the BCLF Fund include the following:

- four loans for a total of \$1.4 million to Urban Edge, a CDC in Roxbury, to acquire and renovate vacant or distressed commercial property as part of its Egleston-Jackson revitalization project. This project is located in a NMTC-eligible census tract with a poverty rate of over 30% that is part of Boston's Empowerment Zone. BCC's loans provided acquisition, bridge, construction, working capital and gap financing that no other lenders could provide, and created a permanent home for a pilot school for high school dropouts, developed space for a community theater facility, and renovated commercial and office space.

- a \$472,500 loan to NOAH, an East Boston CDC, to acquire a long-vacant industrial building near Central Square in East Boston. This NMTC-eligible neighborhood, which has a poverty rate of greater than 30%, has been threatened by fires and illegal activity. NOAH is creating office space for nonprofit and commercial tenants and has already attracted Project Bread, a large and respected anti-hunger organization in Boston, as the anchor tenant. BCC underwrote and structured the loan based on its long-standing relationship with NOAH and was therefore able to make the loan on a property that had uncertain market value before tenants and permanent financing were lined up. This loan has been fully repaid.

- an \$800,000 acquisition and construction loan to New Atlantic Development, a for-profit development company, to purchase and renovate the former Uphams Corner Market. This long-vacant building had been the first supermarket in the country. BCC's loan triggered additional construction and permanent financing. This historic building, located in Uphams Corner, a NMTC-eligible neighborhood with a poverty rate of more than 30%, is now nearing completion. It is the new home for The City School, an experiential enrichment program for inner-city students. This loan has been fully repaid.

- a \$250,000 loan to SMILE Day Care, to help it purchase its building, restructure its existing debt,

and expand its programming to include night-time care for children. SMILE, a very highly respected center serving 192 low-income children, is located in the Dudley Square neighborhood of Roxbury, a NMTC-eligible census tract with a greater than 55% poverty rate and a part of Boston's Empowerment Zone.

PART II: MEETING THE DEMAND FOR CAPITAL IN LOW-INCOME, DISTRESSED AND UNDERSERVED MARKETS: SUPPORT FOR BOSTON COMMUNITY CAPITAL'S MISSION

BCC's proposed strategy (and indeed everything we do) responds directly to the demand for capital in the low-income communities we serve. A sustainable source of debt capital such as we are proposing will substantially aid the low-income communities Boston Community Capital serves in four ways.

First, and most apparently, our strategy will generate an estimated \$200 million in lending from the New Markets Fund to qualified borrowers ("QALICBs") over the 7-year NMTC period.

Second, because the BCLF Fund would be disbursed and repaid on a revolving basis, implementation of the up to \$50 million credit facility or loan purchase agreement for Boston Community Capital will support an average of \$35 million of new lending in each of the next seven years, for a total of approximately \$250 million in new loans in low-income communities. These loans will have significant impact on low-income neighborhoods and their inhabitants.

Today, one of BCC's great challenges is to find sufficient capital to meet our ever-increasing loan demand. In 2002 alone, we committed loans in excess of \$32 million which were similar to loans to be made by the BCLF Fund. Even in the very weakened economy of 2003, we are currently evaluating over \$40 million dollars of new BCLF Fund-type loans. Demand has grown steadily over our entire 18-year history, and everything we know about our market suggests that it will continue to grow. As noted above, the additional capital generated by our NMTC transaction will increase our ability to take on a lead role in larger transactions, thereby substantially reducing the cost of those transactions for our nonprofit borrowers and the communities they serve. Reduced transaction costs contribute to increased affordability in our loan products.

Third, our participation in the NMTC transaction will bring Boston Community Capital to full self-sufficiency, thus reducing our reliance on grant dollars and making those grant dollars available to other, newer and less proven undertakings. Since 1999, Boston Community Capital has increased its self-sufficiency ratio from 51% to 76%, and believes that full self-sufficiency is attainable through the NMTC strategy.

Raising below-market capital not only stretches the resources of our banking, foundation and corporate partners, but also requires that a substantial portion of staff resources be spent on raising those dollars. By securing a sustainable source of low-cost funds, we gain substantial management and staff time that can be devoted to the development of new initiatives, geographic expansion, and measuring the social impact of our investments.

Finally, the facility we propose will also generate sufficient funds internally to support the research and development dollars needed to effectively develop and execute Boston Community Capital's new initiatives. These initiatives – development of a closer connection between the work of the CDFI industry and the venture philanthropy community, the creation of an exit strategy for community development venture capital investments, and the creation of new financing tools that connect capital markets more closely to CDFIs and to low-income communities – all have the potential to provide substantial benefits for the low-income communities we serve.

GEOGRAPHIC EXPANSION

When Boston Community Loan Fund first began in 1985, we limited our lending to Boston. In the intervening years, we have steadily increased our geographic footprint. Our second venture fund now covers the Northeast, has made investments in companies located in Connecticut, Maine and Vermont as well as Massachusetts and is currently looking at companies located in New York. Boston Community Loan Fund first expanded to cover all of Massachusetts and, more recently, has begun to lend in Rhode Island. Several of our CDEs are national in scope, and we anticipate using the NMTC to assist us as we continue our geographic expansion.

PART III: ATTRACTING PRIVATE SECTOR CAPITAL FOR UNDERSERVED MARKETS: BENEFITS TO BANK PARTNERS AND MITIGATION OF RISK

As a result of various conversations with potential bank partners, we have concluded that industry concerns regarding this type of investment fall into three categories:

- Investment Opportunity and Return to Investors;
- Identification of risks and risk mitigation strategies; and
- Favorable Community Reinvestment Act treatment.

We have designed our approach to account for all of these concerns.

INVESTMENT OPPORTUNITY AND RETURN TO INVESTORS

The investors' ability to take advantage of the New Markets Tax Credit program represents, perhaps, the most significant financial benefit to our investor partners. Our proposal provides a total New Markets Fund investment opportunity of approximately \$107 million. Of that amount, we project

- a total equity investment of approximately \$32 million, which is currently projected to return a pre-tax yield of about 17.4% to investors, and
- a total debt investment of approximately \$75 million, which is currently projected to return a pre-tax yield of about 10.1% to investors.

In addition, we anticipate that our bank partners will achieve additional revenue through commitment and other up-front fees from all loans generated through the New Markets Fund. We also project a market-rate debt return on the BCLF Fund credit facility.

Investor returns are net of fees to BCC sufficient to support our operations and to provide reserves to mitigate credit, interest rate and operating expense risk.

IDENTIFICATION OF RISKS AND RISK MITIGATION STRATEGIES

We have structured the New Markets Tax Credit transaction so that it generates sufficient proceeds for Boston Community Capital to establish the level of interest rate and loan loss reserves necessary to support both the New Markets Fund and the BCLF Fund.

The primary risks that BCC has identified, and which require a mitigation strategy, are:

- Interest rate and operating expense risk, and
- Credit risk and resultant risk of loss of principal.

Interest Rate and Operating Expense Risk, and Mitigation Strategies

With respect to the BCLF Fund, interest rate risk and operating expense risk are entirely borne by BCC. The structure of the \$50 million credit facility will allow us to borrow at a floating rate but lend at a fixed rate. Right now, we believe that means that we would "borrow short" and "lend long," that is, we would borrow funds at a short-term interest rate that floats daily, and lend those same funds at a fixed rate of interest. However, if the yield curve were to flatten or invert before we actually close the transaction, we could choose to change the index against which we borrow to take advantage of lower mid-term or long-term rates.

Notwithstanding the eventual choice of rate index, the ability to borrow at more cost-effective rate and the practice of borrowing at a floating rate and lending at a fixed rate is extremely useful to our borrowers whose projects often cannot support the risk of higher-cost, variable interest rate. However, that practice carries the risk of negative arbitrage (i.e. the risk that the rate at which we borrow, plus our cost of operations, could exceed the rate at which we lend). We have ameliorated this risk by calculating our exposure and corresponding reserves on the most conservative possible assumption: namely, that we would use the floating 30-day LIBOR rate as our index and that the rate would rise twice as fast as it has during any eighteen-month period over the last twenty years. (Eighteen months represents the average anticipated term of loans made by BCC through this facility.)

To mitigate both interest rate risk and operating expense risk, BCC will establish an interest rate reserve (or, if it were financially advantageous, purchase an interest rate cap or otherwise mitigate the risk), which we can draw on to cover interest and operating expenses in periods of high interest rates. We will fund this reserve using fees generated by the NMTC transaction. In periods when our variable borrowing rate remains low, BCC will rebuild reserves, if necessary, and will have the ability to reduce its lending rate.

If our borrowing rate were to rise quickly and remain high for an extended period, BCC would slow the use of the credit facility, raise its lending rates where possible, and/or seek other lower cost sources of capital. In addition, since loans financed by the credit facility would be disbursed over time, it is unlikely that the full \$50 million would be disbursed over the full term of the loans. Older loans would continue to be drawn down and repaid throughout the period, while new lending activity could be halted should rates become unfavorable.

The New Markets Fund does not require the same risk mitigation strategies since it is funded by equity which is, effectively, a fixed-rate source of capital, and our operating expenses would be senior to its returns.

Credit Risk and Mitigation Strategy

With respect to the BCLF Fund, credit risk and the resulting risk of loss of loan principal to our lenders are mitigated by BCC in several ways.

First, BCC will keep recourse and servicing responsibility on all of our lending.

Second, although our underwriting criteria do not mirror a bank's underwriting criteria, we do rigorously underwrite all of our loans and, when economic conditions dictate, we provide technical assistance to our borrowers by working closely with them to restructure and refinance debt so that loans are repaid and community benefits are maintained. Our loan losses over an 18-year period, through both good and bad markets, equal less than one tenth of one percent of funds loaned. Equally important is that this financial integrity has not come at the expense of the community. Virtually all of the projects we have financed over almost two decades still maintain their original community purpose and remain in good condition and repair, notwithstanding organizational challenges among our borrowers.

In spite of our track record, loan losses are a factor in any portfolio. Accordingly, a third mitigation strategy enhances the credit of our loans by using fees generated by application of the tax credit to fund up-front a loan loss reserve at 5% of our anticipated average outstanding balance. Although our low loss history would suggest smaller reserves, we continue to maintain a minimum 5% reserve, on par with best practices in the CDFI industry.

Finally, to further reduce the credit risk to BCC's investor partners, we would assign all loans made under this facility, including underlying collateral, to our investor partners as security. BCC expects to keep recourse on all loans, whether purchased or not, so that we would be in a position to work with our borrowers to minimize potential harm to our borrower or to the community in the event the loan has trouble, needs to be restructured or goes into default.

With respect to the New Markets Fund, we would mitigate risk by using more conservative underwriting criteria and by funding reserves out of the initial equity investment. In addition, application of the tax credit offers sufficient return to investors even in the event of a loss of principal greater than the funded reserves.

COMMUNITY REINVESTMENT ACT (CRA) BENEFIT

We anticipate that our bank partners will receive credit under the CRA for investing in the New Markets Fund. In addition, the banks will receive credit for their lending to the BCLF Fund.

PART IV: FINANCIAL COUNSELING AND OTHER SERVICES TO BORROWERS

For the last eighteen years, Boston Community Capital has provided financial counseling and other services (FCOS) to borrowers. We structure transactions that are consistent with a borrower's ability to pay. We assist borrowers in the often complex negotiations necessary to close loans with multiple lenders. We restructure loans when necessary, and we work with borrowers and other lenders to help preserve important community projects and the economic health of our non-profit borrowers even in times of economic downturn.

We anticipate applying our long history and the knowledge we have developed over almost two decades of single-minded focus on community finance to the loans we generate from both the New Markets Fund and the BCLF Fund. The financial counseling and other services we offer are an integral part of BCC's lending program and are critical to understanding our success over time. As we noted in Question 17E, these services are provided in conjunction with our financing activities and not as a discrete line of business.

PART V: CREATION OF GROWTH MODEL FOR CDFI INDUSTRY: THE NEED FOR A COST-EFFICIENT, MARKET-BASED SUSTAINABLE SOURCE OF FUNDS SO THAT CDFIS CAN SATISFY MARKET DEMAND FOR THEIR PRODUCTS

BCC's New Markets Tax Credit proposal provides a model for community development finance that can be replicated by CDFIs and their bank partners around the country at a scale sufficient to provide ongoing, sustainable support to the CDFI industry. It accounts for the needs of CDFIs; it accounts for the needs of banks; and it reduces the hurdle of innovation for subsequent participants.

The CDFI industry grew dramatically during the last decade as a result of several factors, including the creation of the CDFI Fund; the revised Community Reinvestment Act (CRA) regulations in 1995, which recognize loans and investments in CDFIs as qualified CRA activity; and the successful track record of CDFIs in bringing mainstream capital to low-income communities. As a result of these efforts, the industry has grown from 300 CDFIs managing \$2 billion in 1993 to nearly 800 CDFIs managing more than \$10 billion in 2002.

Today, CDFIs are increasingly struggling to develop a strategy for tapping into mainstream sources of capital at the lowest available cost. However, although many CDFIs now operate at sufficient scale to take advantage of the instrument we propose, most do not possess the research and development dollars necessary to fund the cost of innovation. Accordingly, an approach that creates a sustainable approach to low-cost capital but reduces the cost of innovation for future participants would be extremely useful to the CDFI industry. Like Boston Community Capital, our sister CDFIs around the country maintain strong relationships with their bank partners. Thus, they too are in a position to leverage those banking relationships with a funding vehicle that pairs access to capital with mutual benefits to all parties.

As noted above, we now operate at a scale that adds real value to low-income communities. Despite our accomplishments – among them, effective pricing, structuring and underwriting; sophisticated loan monitoring and reporting systems; and the creation of effective partnerships with traditional banking institutions – we have not yet been able to develop a source of funding that is cost-effective, market-based and sustainable. Indeed, perhaps the single most significant impediment to the continued growth of the CDFI industry is its ongoing reliance on below-market rate loans to finance and support its community economic development undertakings. Our ability to finance our borrowers' projects still depends on our ability to persuade individuals, banks, foundations and others to provide an ever increasing supply of below-market loans in an ever more difficult economy. Moreover, our experience is repeated across the CDFI industry, in both urban and rural low-income communities across the nation.

ADDITIONAL FACTORS LIKELY TO CONTRIBUTE TO SUCCESS

We believe that several factors make now the right time for Boston Community Capital to launch this project.

First, Boston Community Capital has substantial expertise operating in both good and bad markets, as reflected in its track record of extremely low losses. We have lent more than \$100 million over 18 years with losses of less than one tenth of one percent. Those losses were fully covered by reserves, and all investors were repaid in full and on time. This strong performance not only reflects Boston Community Capital's expertise and experience, but also makes us an attractive financial partner for banks and other institutions.

Second, Boston Community Capital is an attractive partner to banks because we are now operating at a scale sufficiently large to support the transaction costs for bank investors and to add real value to community development finance transactions. We understand our market and can price our capital in a way that causes us to be the lender of choice for many community development entities. We have learned to structure transactions and underwrite loans to meet borrower needs while at the same time protecting our investors. We have developed sophisticated loan monitoring and reporting systems, and we have extended our reach by creating effective partnerships with traditional banking institutions.

Third, the introduction of the New Markets Tax Credit program offers the potential for significant new capital for CDFIs to invest in low-income communities. Because growth in the CDFI industry as a whole has been so substantial, the need for access to a low-cost sustainable market-based source of capital has become more acute. Moreover, the size of the industry is now sufficient for the solution we have proposed to be highly scaleable.

In a weakened economy, the need for a cost effective, market-based and sustainable source of funds becomes ever greater. Without systematic and sustainable links between the capital needs of low-income communities and the conventional capital markets, low-income communities will remain economically isolated and dependent on government or philanthropic funds – funds that are not sustainable over the long term.

We believe that our proposal enables banks and CDFIs to work together to provide a sustainable and replicable source of debt capital for community development entities and their projects. Our approach is designed to meet both broad and specific financing needs for CDFIs and the low-income markets we serve and to help create the systematic and sustainable links between the capital needs of low-income communities and conventional capital markets. Those links are needed to free those communities from economic isolation and dependence upon unsustainable sources of finance.

We also believe that the timing for this collaboration is right, as our proposal will leverage \$100 million in New Markets Tax Credits to create \$450 million of additional capital available for investment into low-income communities. In addition, it will offer incentives to our bank partners to provide new sources of private capital both for direct investment and for investment through CDFIs; and it will help fund the risks associated with the development of this new financing arrangement so that it can be made available to all CDFIs that serve New Markets areas. Finally, our performance history and our experience providing leadership in this arena establish Boston Community Capital as the best candidate to create and implement such a landmark tool.

Question: 19

Indicate the percentage of total *QLIC* activities (based on the total dollar amount of transactions) that will be used to provide products that are flexible or non-traditional in form, in accordance with the list below: **95 %**

For each of the following flexible or non-traditional rates or terms that the *Applicant* intends to offer, provide a description of the rates and/or terms that will be offered. Be sure to quantify, to the extent practicable, rates and terms on a product-by-product basis for each *QLIC* activity checked in Question #17 above. If the *Applicant* is financing other *CDEs*, it should indicate the extent to which those *CDEs* will pass along favorable rates or terms to their borrowers.

Applicable?	Option
No	Equity products
No	<i>Equity Equivalent</i> products
No	Debt with equity features (e.g., debt with royalties; debt with warrants; convertible debt)
Yes	Subordinated debt
Yes	Below market interest rates
Yes	Lower than standard origination fees
Yes	Longer than standard period of interest-only loan payments
Yes	Higher than standard loan to value ratio
Yes	Longer than standard amortization period
Yes	More flexible borrower credit standards
Yes	Nontraditional forms of collateral
Yes	Lower than standard debt service coverage ratio
No	Loan loss reserve requirements that are less than standard

Narrative for: Subordinated debt

Virtually all of BCC's lending since 1985 has been to underserved borrowers and distressed areas, and has featured flexible or non-traditional terms. It is important to note that many businesses and nonprofits in low-income communities have difficulty in obtaining loans from traditional finance institutions because (1) they are undercapitalized; (2) they cannot support a commercial rate of interest; (3) they can only manage the risk of a variable rate of interest on a portion of the required loan; and/or (4) they cannot afford the very high transaction costs generated by the need to engage multiple lenders. These factors often drive the cost of borrowing to an unsustainable level. Over the past 18 years, BCC has developed an alternative underwriting strategy in order to meet the loan demand from QALICBs and similar borrowers. In mitigating the risk of these loans—BCC has made over \$100 million of loans with losses of less than one tenth of one percent—we find that while conventional lending criteria – debt coverage ratios, collateral, net worth, credit history - have utility in assessing risk, they are not the only drivers of repayment or project success. We therefore also focus on these questions:

- What is the social return of the project, including the role of borrower/project as a catalyst for development in underserved areas?
- Are the drivers for project success and loan repayment clear to both borrower and lender?
- Are the barriers for other lenders real or imposed by regulatory or artificial constraints?
- Do we have/can we find appropriate funding sources and reserves?
- What is the strength of our relationship with the borrower?
- Can we be patient regarding repayment and project outcomes? Does the borrower have the

capacity/will to be patient to achieve them?

- Will the project be attractive to the funders/partners necessary to complete it?
- What other activities in the neighborhood are present/necessary for the project's success?
- Does the borrower have political and community support?
- Has the borrower had prior success with this type of project?
- Does the borrower recognize our loan as a loan even if the project ultimately needs equity or grants?
- Are the other necessary sources of financing available? Is the project eligible?
- Does the project have momentum that the borrower can build/sustain until its completion?
- Are there appropriate fall-back strategies or substitute developers?

If the borrower can provide satisfactory answers to these questions, staff will work to create a loan structure that conforms to the borrower's needs and restrictions. To this degree, only a fraction of BCC's lending conforms to traditional rate and term requirements as practiced by other community development lenders or available from commercial lenders in our lending area. However, the particulars of each individual loan, as well as external issues such as interest rates and real estate market trends, determine which non-traditional terms may be appropriate and needed for that loan. Since many of the terms and rates are inter-related—for example, if a borrower needs a reduced debt service, one loan may be at market interest rates but with an extended amortization while another may have a lower interest rate for a shorter period—it is premature to quantify the rates and terms. Indeed, setting specific quantifiable rates and terms today for the next seven years undercuts the very flexibility we can offer to our borrowers.

Our ability to underwrite non-conforming loans in a rigorous but non-standard manner and our successful track record has frequently meant that other lenders (who cannot undertake our level of underwriting) will extend loans to our borrowers based on our underwriting and loan approval. As described in Question 18, BCC's strategy is to expand this activity through our NMTC strategy and we will use its two-fund structure to provide loans at non-traditional rates and terms for both QLICI activities, loans to non-real estate QALICBs and loans to real estate QALICBs.

BCC's two-fund structure will help borrowers to overcome each of the structural barriers described above and will create additional access to capital in low-income communities. For many of our loans we will create a bifurcated loan structure that will provide borrowers with increased flexibility and affordability by allowing them to access both the New Markets Fund and the BCLF Fund. We recognize that our investors may require that the New Markets Fund have somewhat more stringent lending criteria than the BCLF Fund. However, we will use the BCLF Fund to provide borrowers with lower monthly payments, fixed interest rates, higher loan-to-value ratios or other more advantageous terms, as well as technical assistance, so that low-income community borrowers can leverage larger dollars from a parallel loan through the New Markets Fund. In addition, because BCC entities will be the lender in both Funds, we will be able to reduce the added transaction costs that borrowers always incur when forced to deal with multiple lenders on the same transaction. Increased affordability and increased efficiency in the loan process translates into reduced subsidy and greater access to capital for low-income communities.

It is premature to determine the specific terms of our subordinated loans and when we would make them. For example, real estate values often limit the amount a bank will lend to a QALICB, such as a social service agency, independent of the borrowers ability to carry more debt. In periods of weak real estate values, subordinated debt may be a necessary and important tool for our borrowers, while in strong periods subordinate lenders are not needed. Our terms and conditions of subordinate loans will be determined by our judgment about the best way to meet borrower needs under then current market conditions, not by a fixed policy.

Throughout our history, our ability to make subordinated loans has leveraged senior debt and financed projects that otherwise might not have happened. For example, BCC provided a \$500,000 subordinate loan to the Madison Park CDC, in Boston's distressed Dudley Square, to renovate a long-abandoned commercial block. Since this neighborhood has seen so little investment in the past several decades, no "comparables" existed, which reduced the appraised value and consequently the amount Madison Park could borrow from a bank, despite a fully pre-leased building and cash flow projections supporting much higher debt. BCC's loan allowed the bank financing to close.

Narrative for: Below market interest rates

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible and non-traditional rates and terms.

As described in Question 18, BCC's strategy through the BCLF Fund will allow us to borrow at cost-effective, often very short-term, floating rates and pass on those rates to our borrowers on a fixed rate basis. With BCC absorbing the interest rate risk, this will allow BCC's borrowers to have the advantages of low cost funds without the risks of a floating rate.

Narrative for: Lower than standard origination fees

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible

and non-traditional rates and terms.

BCC's NMTC strategy will increase our ability to take on a lead role in larger transactions, thereby substantially reducing the cost of those transactions for our nonprofit borrowers and the communities they serve. Reduced transaction costs contribute to increased affordability in our loan products.

In addition, because BCC will be able to fund loans from both the New Markets Fund and BCLF Fund, we will be able to reduce the added transaction costs that borrowers always incur when forced to deal with multiple lenders on the same transaction. Increased affordability and increased efficiency in the loan process translates into reduced subsidy and greater access to capital for low-income communities.

Narrative for: Longer than standard period of interest-only loan payments

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible and non-traditional rates and terms.

As noted above and in Question 18, due to its two-fund strategy BCC will be able to structure flexible interest-only payment periods. As an example, BCC made a construction and permanent loan to Paige Academy, an established multicultural-based school and day care center in Boston's Roxbury neighborhood, to enable it to renovate its historic facilities into a modern and expanded campus. BCC structured the loan for an interest-only period to include both the construction period and the first full school year in the expanded facility. As construction was completed in mid-school-year, this provided Paige with a financial cushion as its increased enrollment to fill the expanded facility.

Narrative for: Higher than standard loan to value ratio

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible and non-traditional rates and terms.

In times of strong real estate values, as are currently seen in many places in the Northeast, appraised values exceed many borrowers' ability to carry debt. In Boston, for example, this is true even in the most distressed neighborhoods. However, in the mid 1990s, BCC launched the "One to Four Family" program, which financed the renovation of abandoned buildings into "for-sale" housing for low-income homebuyers. These properties were located in neighborhoods with very low property values and little market activity. By financing the renovation of these troubled buildings, BCC was able to help trigger the economic rebirth of these neighborhoods. To accomplish this, BCC structured acquisition loans at 100% of purchase price of the abandoned building (often far above the assessed price) and provided construction financing at 95% of "as completed" appraisals. 280 units of housing were renovated under this program, with over \$11 million in loans from BCC.

Narrative for: Longer than standard amortization period

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible and non-traditional rates and terms.

BCC frequently structures amortization schedules to meet the requirements of our borrowers. For example, in Massachusetts, charter schools are granted charters for five-year periods. As a result, many lenders will only offer loans amortizing over the charter period. For facility financing, which is the primary debt need of the charter schools, these terms severely constrain the schools' ability to carry debt. In working with its charter school borrowers, BCC has developed an underwriting analysis—the likelihood of a charter renewal, the political landscape for continued charter school support, and alternative uses of the facility—that allow us to structure these facility loans on a 20- or 30-year amortization period, which significantly increases the schools' ability to carry debt and reduces the need to raise grants and gifts.

Narrative for: More flexible borrower credit standards

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible and non-traditional rates and terms.

BCC has been increasingly asked to provide predevelopment and early acquisition financing. In many of these cases, there is little or very weak collateral and the only source of repayment is the successful completion of the project. BCC has developed experience in assessing the likelihood of a project's success—does it have political and community support? are subsidy sources available and likely to be awarded to this project? does the borrower have experience with similar projects?—that has allowed us to provide loans at critical early times in a project. In each case, BCC needs to assess these and other questions on an individual basis and standard credit criteria are often not useful in the assessment of the likelihood of repayment.

Narrative for: Nontraditional forms of collateral

and non-traditional rates and terms.

In BCC's lending to community facilities, we often take non-traditional forms of collateral, such as assignment of committed or identified pledges. Our lending to Urban Edge for the development of "3134 Washington Street" into a pilot school, community theater and YMCA branch location provides a good example. This project will be able to carry debt for approximately half the total development costs, which Urban Edge has secured through a nonprofit bond. However, a condition of the bond was that the balance of the capital costs be in-hand. BCC committed a series of loans to meet this requirement. Our collateral included assignments of committed grant disbursements, pledges of proceeds of likely and potential grants, and anticipated proceeds and development fees from other projects.

Narrative for: Lower than standard debt service coverage ratio

Please see text under "Subordinated Debt" above for a description of BCC's strategy in providing flexible and non-traditional rates and terms.

BCC regularly uses flexible debt service coverage (DSC) ratios in underwriting and structuring loans. While the ability to carry debt is a primary focus of our underwriting, and debt service coverage is one key factor in that assessment, our flexibility comes from our analysis of what makes up the revenue and expenses required to determine how much debt a borrower can carry. For example, many of our non-profit borrowers require some regular grant or donation income to cover operating costs, or depend on substantial but irregular income sources like development fees. Many lenders ignore or discount these revenue sources from DSC ratio requirements, whereas BCC assesses the likelihood and trends of these sources in its DSC ratio analysis. This, in effect, allows us to make loans with lower DSC ratios.

Question: 20

Describe the *Applicant's* proposed investment parameters on a product-by-product basis for each *QLIC* activity checked in Question #17 above. Be sure to address:

- The minimum and maximum dollar size of each transaction to be financed;
- The rates and/or terms of the products, to the extent not already described in Question #19 above;
- The material conditions (e.g., guarantees, reserve requirements, performance measures) of the product offerings, to the extent determined; and
- The expected exit strategies, including information about the anticipated holding period of the investment, whether assets are to be sold or refinanced at the conclusion, and whether the original borrower or investee is expected to retain control of the asset upon exit.

For *Applicants* planning to engage in *FCOS* as a discrete line of business, include for each major product offering:

- The types of clients it will serve (e.g., size of businesses; location of businesses; types of activities in which the business will engage; length of time in operation);
- The types of services it will offer (e.g., business plan development, financing/accounting, marketing);
- Its plan for marketing its services to clients; and
- The fees or rates that clients will be charged for such services

As described in Question 18, BCC will establish two funds with its tax credit allocation, the New Markets Fund and the BCLF Fund. As more fully set forth in Question 19, because our ability to customize the structure, rate, and other terms and conditions of our loans is not only critical to our borrowers but also one of the most important benefits we can offer as a non-traditional lender, we will determine loan size, rate, and any conditions based on the individual requirements of each loan. Further, since we anticipate funding a pipeline of projects over seven years, interest rates and terms are likely to change over that period. However, for both funds, the proceeds from the allocation will allow us to offer advantageous pricing to our borrowers as has been our steady practice for the last eighteen years.

With our two-fund strategy, we will be able to offer a bifurcated loan to many borrowers so that the overall debt structure will be below market and more flexible than other loans available in the market. Because we are establishing an interest rate reserve to cover the BCLF Fund's interest rate exposure,

we anticipate that many loans made by this Fund will be at or below short-term commercial rates. Since most of the loans made by the BCLF Fund will be medium term or longer and since many of these loans will be subordinate, non-conforming or otherwise difficult to finance, the rates we will be able to offer will be substantially lower than any other rates available for these types of loans. We anticipate the New Markets Fund will price its loans at or just below market interest rates. Combined, the two funds will be able to offer competitive or lower rates than other alternative financing sources for our borrowers.

The New Market Fund loans will range from \$100,000 to \$10,000,000 with an average size of approximately \$1.2 million. We anticipate that most loans made by the New Markets Fund will be for shorter than seven years. To the extent that below-market loans remain in this Fund at the end of the allocation period, they can be refinanced or bought by the BCLF Fund, which is an ongoing, permanent fund, or -- to the extent they are more broadly marketable -- refinanced or sold to commercial lenders.

The BCLF Fund will primarily expand BCC's short-term and construction lending activities, resulting in approximately \$35 million in new lending per year in low-income areas, or \$250 million in new lending over the 7-year allocation period. These loans will range from \$25,000 to \$3 million with an average size of approximately \$1 million.

The BCLF Fund is structured as a permanent fund and can operate beyond the 7-year allocation period. Therefore, payment at term will be the primary exit strategy. In addition, many loans made by the BCLF Fund will be short term and will be repaid within 12-18 months. While many of these loans are ones that banks cannot or will not make because borrowers lack collateral, financial history, experienced financial or project development staff, etc., BCC has demonstrated that if BCC makes, seasons, and services these loans, banks and other lenders are then willing to purchase them. For longer term loans made by the BCLF Fund, this will be an additional exit strategy.

As noted in Questions 17 and 18, BCC does not intend to engage in FCOS as a discrete line of business but incorporates financial counseling and technical assistance into our investment activities.

Question: 21

Are you expecting the *Applicant's* borrowers or investees to be able to leverage additional capital due to the *Applicant's* NMTC related loan/investments or through its provision of *FCOS*?

Yes

If yes, briefly describe why, and quantify the average amount of capital the *Applicant* anticipates borrowers and investees will be able to raise above and beyond the *Applicant's* NMTC investment (e.g., \$5 for every \$1 of NMTC investment). If the *Applicant* is providing *FCOS*, indicate the extent to which the *FCOS* will assist clients in securing capital from other non-NMTC sources.

Historically, every \$1 that Boston Community Loan Fund has lent has leveraged over \$5 in additional funding. We would anticipate similar results from the lending we propose to accomplish as a result of our NMTC allocation. Additionally, Boston Community Loan Fund often underwrites and originates the whole of a borrower's loan but then sells portions of that loan to other commercial lenders who are not able to originate the loan themselves, but who can purchase portions of the loan through master participation agreements with Boston Community Loan Fund. Those participation arrangements add additional access to capital for borrowers.

In addition to the leverage described immediately above, the structure of our proposal anticipates leveraging \$4.50 for every \$1 in NMTC proceeds.

For the last eighteen years, Boston Community Capital has provided financial counseling and other services (FCOS) to borrowers. We structure transactions that are consistent with a borrower's ability to pay. We assist borrowers in the often complex negotiations necessary to close loans with multiple lenders. We restructure loans when necessary, and we work with borrowers and other lenders to help preserve important community projects and the economic health of our non-profit borrowers even in times of economic downturn.

We anticipate applying our long history and the knowledge we have developed over almost two decades of single-minded focus on community finance to the loans we generate from both the New Markets Fund and the BCLF Fund. The financial counseling and other services we offer are an integral part of BCC's lending program and are critical to understanding our success over time. As we noted in Question 17E, these services are provided in conjunction with our financing activities and not as a discrete line of business.

Question: 22

For an *Applicant* that indicated under Question #17d above that it plans to purchase qualifying loans from other *CDEs*:

- | | | |
|----------|--|-----|
| a | Will the <i>Applicant</i> , directly or through contract with another entity, service the loans that it purchases? | N/A |
| | If yes, <u>briefly</u> describe the capacity of the entity to service loans. | N/A |
| b | Will the <i>Applicant</i> require the <i>CDE</i> from which it purchases loans to reinvest all or a portion of the proceeds from the loan sales in <i>QLICs</i> ? | N/A |
| | If yes, identify the percentage: | N/A |
| | and <u>briefly</u> describe the <i>Applicant's</i> mechanisms for enforcing this requirement | N/A |
| c | Quantify the extent to which the <i>Applicant</i> intends to: a) purchase loans at terms and/or with conditions that would not be possible without the benefit of a <i>NMTC Allocation</i> ; and/or b) offer better rates or terms to the selling <i>CDEs</i> than would otherwise be possible without the benefit of a <i>NMTC Allocation</i> . | N/A |

B. Prior Performance

Question: 23

Does the *Applicant*, or its *Controlling Entity*, have a track record of successfully providing the types of *QLICI* activities checked in Question #17?

Yes

- a If yes, complete [Tables 1-4 in Exhibit A](#), as applicable for the types of *QLICI* activities in which the *Applicant* or its *Controlling Entity* has engaged.
- b If yes, provide a narrative discussion of the organization's track record for each type of *QLICI* activity identified (including *FCOS*), referencing data included in Tables 1-4 in Exhibit A as appropriate. This narrative must include a discussion of the delinquency/default rates for each major product line over the past five years, with explanations as appropriate.

As shown in Tables A1 and A2, BCC has lent or invested over \$67 million in *QLICI* activity over the past five years. These investments, including both loans from Boston Community Loan Fund (BCLF) and equity investments through Boston Community Venture Fund (BCVF), have supported 207 non-profits and businesses serving low-income and disadvantaged communities. Approximately 70% of that activity has been in real estate businesses, with the balance in non-real estate businesses.

BCLF manages investments from more than 300 investors -- banks, foundations, religious institutions and individuals. Since 1985, BCLF has committed more than \$100 million to low-income communities through more than 300 loans and equity investments. We accelerated our pace of lending to \$17.9 million in 2001; in 2002 we closed over \$20 million in new loans. We continue to have active demand for our loans (our pipeline currently exceeds \$40 million) and expect to exceed that amount in 2003.

Our annual lending has increased more than ten-fold over the past decade, and has enabled us to fund 1100 day care and education slots for low-income children, strengthen more than 200 community organizations, and develop 4300 units of affordable housing in low-income communities. We have made loans to or invested in more than 200 community-based businesses or nonprofits organizations in low-income communities, and have purchased \$4.1 million in loans from CDEs and other lenders serving low-income communities. BCC also leverages relationships with lending partners: since 2001, we have generated over \$20 million in third-party participations. Since 1985, the fund has experienced loan losses of less than one tenth of one percent. Our loan fund has not experienced any loan losses over the past five years. As of the end of August 2003, the loan fund had two delinquent loans (our two smallest loans, totaling in the aggregate less than \$25,000). Both borrowers are working closely with us to repay the loans in full, and we are confident that they will be successful; nonetheless, we have fully reserved both of these loans.

Our Venture Fund has also demonstrated a capacity to spur and manage growth, tripling the size of capital commitment for its second venture fund. Investing in businesses that achieve a "double bottom line" of social and financial returns, it provides an additional way for investors to work through BCC to serve our targeted low-income communities. BCC's first venture fund, capitalized at \$5 million and closed in 1995, is fully invested in 10 Massachusetts companies -- 17% of which are minority-owned and 35% of which are women-owned -- which create jobs, needed services and opportunities in low-income communities. The second fund is capitalized in excess of \$16 million and holds 6 investments in its emerging portfolio. Despite an industry-wide downturn in both investment and spending within the venture capital industry, BCC's venture capital program continues to attract qualified investors and quality investments at a record pace. The Venture Fund has invested \$13.4 million in companies across the Northeast, creating jobs and services for low-income people and communities. As shown in Table A1, BCVF has written off two investments, totaling \$300,000, over the past five years. As an equity fund, these losses are in line with our projections and industry averages.

While BCC does not track or offer financial counseling or technical assistance on a stand-alone basis, BCC regularly provides financial counseling and other services, including technical assistance, to the disadvantaged businesses and communities it serves as an integral part of its lending and equity investing. BCC's staff advises borrowers and assists them in preparing detailed budgets, expenses, cash flows and projections, assisting with arranging payments and payment plans, and with structuring the lending arrangement itself. BCC is able to leverage its experience structuring investments to guide its borrowers in putting together loan packages that best fit their needs. 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, through its eighteen year history of successful lending within the community, has developed an extensive network of contacts. Perhaps most important is BCC's ability to introduce borrowers to other sources of capital. We help

borrowers identify knowledgeable and experienced contacts within various project-related fields, including construction planning and oversight, contracting and business operations. (We estimate that for each dollar we have lent, BCC's lending has leveraged an average of at least \$5 of private and public investment.)

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

- c** If yes, provide a narrative discussion of the organization's track record in serving *Disadvantaged Businesses or Communities* over the past five years. Be sure to indicate, for each type of *QLICI* identified (including *FCOS*) the percentage of total activities that have been directed to *Disadvantaged Businesses or Communities* over the past five years.

Boston Community Capital's mission is to help build healthy communities where low-income people live and work by providing capital for businesses and nonprofit organizations that serve those communities. Virtually all of BCC's lending and investing activities have been targeted to serve disadvantaged businesses or communities.

Over 97% of BCC's lending has been to areas defined by the State of Massachusetts as "Economically Distressed Areas." Nearly half of BCC's loans are to organizations serving communities with median incomes of less than 60% of the Boston area's median. Over half of BCC's loans are to areas defined as "HUBZones" 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 loans have gone to areas with poverty rates above 20%.

These investments have helped strengthen more than 200 community organizations, created more than 1300 jobs in low-income communities, and created or preserved 4300 units of affordable housing. BCC has made loans to or invested in more than 200 community-based businesses or nonprofit organizations, and purchased \$4.1 million in loans from other existing lenders and CDEs. The Loan Fund has financed health care centers, community facilities, and training programs in these low-income communities. For example, BCC recently provided an \$800,000 acquisition and construction loan to New Atlantic Development, a for-profit development company, to purchase and renovate the former Uphams Corner Market, a long-vacant building that once housed the first supermarket in the country. BCC's loan triggered additional construction and permanent financing. Located in Uphams Corner, a neighborhood with a poverty rate of more than 30%, the near-completed building is the new home for The City School, an experiential enrichment program for inner-city students.

BCC's venture fund has invested or committed more than \$13.4 million in companies across the Northeast that are creating jobs or opportunities in neighborhoods where low-income people live and work, including WorkSource, a job training program for former welfare recipients, and City Fresh Foods, a Dorchester, MA-based minority-owned catering company that provides meals-on-wheels to African American and Latino senior citizens.

Finally, we have played an active role in the development of the community development finance industry, creating national standards, models, and tools that can be applied by our peers across the nation, and that attract mainstream capital to disadvantaged markets.

Question: 24

Does the *Applicant*, or its *Controlling Entity*, have a track record of successfully providing activities and/or products that would not qualify as *QLICI* activities (e.g., financing for residential rental housing; loan guarantees; loan packaging services)?

Yes

- a** If yes, briefly describe this track record and how it relates to your proposed *QLICI* activities:

All of BCC's lending and investment activities are targeted to low-income and disadvantaged communities, some of which technically qualify as *QLICIs* and some of which do not. For example, BCC

made a loan to Center, Inc., a non-profit agency in Cambridge, MA providing early intervention (EI) and childcare services. Our loan allowed Center, Inc. to establish a permanent facility in Cambridge. While Center, Inc. is one of the only EI services in Cambridge and 100% of its clients are low-income families, it had difficulty obtaining financing for the project because the facility is not located in a NMTC-eligible census tract. Similarly, we have made several loans to the Jamaica Plain Neighborhood Development Corporation, which is located in an inner-city industrial incubator facility it owns and manages. As part of its expansion, the JPNDNC moved its offices across the parking lot into newly renovated space in the same complex. However, census tract lines ran through the parking lot and the new space was located in a different, and non-NMTC-eligible census tract. Finally, although much of our lending to community-based nonprofit developers would qualify as QLICIs, some of these loans, particularly for low-income rental properties, would not.

- b** If yes, provide a brief narrative discussion of the organization's track record of providing such products and services to *Disadvantaged Businesses or Communities* over the past five years. Be sure to indicate, to the extent practicable, the percentage of total activities that have been directed to *Disadvantaged Businesses or Communities* over the past five years.

As noted in Question 24(a), there is often only a technical distinction between our activity that qualifies as a QLICI and our other lending that serves low-income and disadvantaged communities. Please refer to Question 23(c) for more information on our relevant track record.

C. Projected Business Strategy

Question: 25

Indicate whether the *Applicant* will use the proceeds of its *QEI*s to (check one):

- ☐ Support a single project, business or portfolio purchase that has already been identified (must be listed in Question #26 below)
- ☐ Support a discrete number of *QLIC*s that have already been identified (must be listed in Question #26 below)
- ☒ **Support a general pipeline of *QLIC*s that may or may not have been identified at the time of this application (identified transactions should be listed in Question #26 below).**

Question: 26

Identify specific *QLIC*s (including execution of contracts to deliver *FCOS*) that the *Applicant* intends to make with its *QEI* proceeds.

[Detail Below](#)

Provider=SQLOLEDB.1;Password=\$0!extraStrong;User ID=esNetworkApps;Initial Catalog=2003NM;Extended Properties="Server=cdfi-sql.cdfi.treas.gov";Network Library=DBMSSOCN;Use Procedure for Prepare=1;Auto Translate=True;Packet Size=4096;Workstation ID=CDFPRWS1;Use Encryption for Data=False;Tag with column collation when possible=False

Saved Transactions

Name of Transaction	Projected \$ Amount	Projected Closing Date	Address	Census Tract
Jackson Square	\$5,000,000	09/30/2004	1542 Columbus Avenue Roxbury, MA 021191026	25-025-081300
Greater Egleston Community High School	\$2,500,000	06/30/2004	3134 Washington Street Jamaica Plain, MA 021193115	25-025-120300
SMILE Day Care	\$1,500,000	06/30/2004	185 Dudley Street Roxbury, MA 021192571	25-025-080300
Footlocker Building	\$7,000,000	12/31/2004	2201 Washington Street Roxbury, MA 021193212	25-025-080500
Casa Myrna Vazquez	\$1,000,000	06/30/2004	425 Shawmut Avenue Boston, MA 021183828	25-025-070500
Smith Leadership Academy Charter School	\$1,000,000	09/30/2004	112 Shawmut Ave Boston, MA 021182227	25-025-070400
MATCH Charter School	\$9,000,000	06/30/2004	1001 Commonwealth Avenue Brighton, MA 022151308	25-025-000801
Uphams Station Development	\$5,000,000	09/30/2004	5 Humphries Ave Dorchester, MA 021252222	25-025-091300

Question: 27

Complete [Tables 1-7 in Exhibit B](#), as applicable, according to the types of *QLIC* activities in which the *Applicant* intends to engage. Provide narrative below to describe:

- The information or data used to develop the activity projections in Exhibit B (e.g., historical levels of activity; letters of interest from borrowers; current referrals).
- 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 deals.

- The likelihood of closing the transactions identified in Question #26, and the impact on the *Applicant's* business strategy should some or all of the transactions not materialize. If the *Applicant's* business strategy is limited solely to financing a single project or discrete set of projects that have already been identified and listed in Question #26, describe the feasibility and current status of each transaction (e.g., fully negotiated and committed, in preliminary discussions, etc.), and the risks that may preclude the *Applicant* from closing the transaction within the timeframe identified.
- The extent to which the *Applicant* intends to invest interest, dividends or other profits received from *QEI* proceeds into additional *QLICs*, and the timeline for doing so.

As described in detail in Question 18, BCCs proposes to use its NMTC allocation to implement a two-fund strategy to make loans to QALICBs and other borrowers serving low-income and disadvantaged communities. BCC's New Markets Fund will originate \$100 million in QLICs within 12 months of closing an allocation agreement. The New Markets Fund will also make additional QLICs (currently projected to be another \$100 million) as those initial loans are repaid and as necessary to recharge the qualified loan pool and maintain a safe harbor for investors over the course of the seven-year NMTC allocation period. The BCLF Fund, using a \$50 million line of credit or loan purchase agreement, will generate an additional \$250 million in QLICs and other loans serving low-income communities and people over the next seven years. In many cases, BCC will use both funds to structure flexible and non-conforming loans to QALICBs.

We recognize that, at first glance, the level of lending and the level of impact proposed in this NMTC application may seem larger than the level of lending and impact that BCC has achieved in its history. However, as noted in Exhibit A our lending levels for the last three years and, more specifically, our year-over-year rate of growth over the last three years, which is really the basis for our work going forward, form a rational basis for the scale and scope of what we propose.

As shown in Question 17 and Exhibit B, BCC intends to make loans to both Non-Real Estate and Real Estate QALICBs. Tables B1 and B2 show the projected loan volume for the initial \$100 million in QLICs on lines 1-3. The reinvested \$100 million in QLICs made by the New Markets Fund (projected to be originated in 2008 and 2009) and the \$250 million in loans made by the BCLF Fund are shown on lines 5-7. Table B3 includes projected distribution of loans for the combined lending activity.

While BCC is applying to support a general pipeline of loans and because an allocation of tax credits will significantly expand the scale and products BCC can offer, it is hard to predict exactly what the loan demand will look like over the 7-year allocation period. Projections for the initial years of the allocation period are based primarily on the current loan pipeline and specific projects currently seeking QLIC funding. Distribution of the lending and future projections are based on extrapolation of our current loan pipeline, knowledge of projects that are in the planning or feasibility phase, BCC's historical lending trends and patterns, and on our deep connections with borrowers, banks and other lenders, community organizations and public agencies.

Even prior to receiving an NMTC allocation and at least six to ten months before any funding would be available, BCC has identified eight projects, totaling over \$32 million, that need and are eligible for financing from its NMTC Fund (these projects are listed in Question 26). Since the status of these projects range from the "ready to proceed" to initial site assembly, the actual time and likelihood of closing each of these projects will depend upon market conditions at the time the New Markets Fund receives its allocation. In addition, BCC currently has a loan pipeline of over \$40 million.

An allocation of tax credits will significantly expand BCC's capital available for lending as well as improve the terms and conditions of its financing. Throughout its history, each time BCC has increased its lending capacity or improved its lending terms, it has seen a corresponding increase in loan demand. As noted above, businesses and nonprofits in low-income communities have difficulty in obtaining loans from traditional finance institutions because (1) they are undercapitalized, (2) they cannot support a commercial rate of interest, (3) they can only manage the risk of a variable rate of interest on a portion of the required loan, and/or (4) they cannot afford the very high transaction costs generated by the need to engage multiple lenders. These factors often drive the cost of borrowing to an unsustainable level.

BCC's two-fund structure will help borrowers to overcome all of these structural barriers and will create additional access to capital in low-income communities. For many of our loans we will create a bifurcated loan structure that will provide borrowers with increased flexibility and affordability by allowing them to access both the New Markets Fund and the BCLF Fund. We recognize that our investors may require that the New Markets Fund have somewhat more stringent lending criteria than the BCLF Fund. However, we will use the BCLF Fund to provide borrowers with lower monthly payments, fixed interest rates, higher loan-to-value ratios or other more advantageous terms, as well as technical assistance, so that low-income community borrowers can leverage larger dollars from a parallel loan through the New

Markets Fund. In addition, because BCC entities will be the lender in both funds, we will be able to reduce the added transaction costs that borrowers always incur when forced to deal with multiple lenders on the same transaction. Increased affordability and increased efficiency in the loan process translates into reduced subsidy and greater access to capital for low-income communities.

Finally, as further described in Question 36, BCC will work closely with its banking partners to identify QALICBs that need the type of financing generated by the NMTC allocation.

Question: 28

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

Expand 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:

As described in Question 18, the NMTC allocation will generate over \$450 million in new lending to low-income and disadvantaged communities. Over the last decade, BCC has not only increased its annual lending to low-income communities more than 10-fold but also has built the staff and infrastructure to manage that growth. Our loans continue to perform; our losses remain miniscule; our borrowers are well-served; and our investors receive their reports on time. The NMTC will allow us to continue that pace of growth by, again, more than doubling our annual lending volume.

Over the seven-year allocation period, the New Markets Fund will originate \$200 million in QLICs in roughly 158 loans. We project that those loans will

- generate 1100 jobs,
- renovate over 1 million square feet of office, retail, industrial and community facility space,
- build 480 units of for-sale housing , and
- create nearly 2000 day care and education slots for students.

The BCLF Fund will allow BCC to generate an additional \$250 million in loans serving low-income communities and people over the next seven years, including approximately

- \$187.5 million to support creation of 2500 units of affordable housing,
- \$25 million to community organizations, arts programs and community facilities,
- \$18.25 million in childcare lending to support 2500 childcare and education slots, and
- \$18.25 million in inner-city commercial real estate.

Expand the types of products and services offered.

Yes

Describe the product differences in comparison to what the *Applicant* (or its *Controlling Entity*) has provided over the past five years:

The NMTC allocation will allow us to expand our services and products in three primary ways.

First, we will be able to offer flexible and better terms, rates and loan structures to our borrowers. Many businesses and nonprofits in low-income communities have difficulty in obtaining loans from traditional finance institutions because (1) they are undercapitalized, (2) they cannot support a commercial rate of interest, (3) they can only manage the risk of a variable rate of interest on a portion of the required loan, and/or (4) they cannot afford the very high transaction costs generated by the need to engage multiple lenders. These factors often drive the cost of borrowing to an unsustainable level.

BCC's two-fund structure will help borrowers to overcome all of these structural barriers and will create additional access to capital in low-income communities. For many of our loans we will create a bifurcated loan structure that will provide borrowers with increased flexibility and affordability by allowing them to access both the New Markets Fund and the BCLF Fund. We recognize that our investors may require that the New Markets Fund have somewhat more stringent lending criteria than the BCLF Fund. However, we will use the BCLF Fund to provide borrowers with lower monthly payments, fixed interest rates, higher loan-to-value ratios or other more advantageous terms, as well as technical assistance, so that low-income community borrowers can leverage larger dollars from a parallel loan through the New

Markets Fund. In addition, because BCC entities will be the lender in both Funds, we will be able to reduce the added transaction costs that borrowers always incur when forced to deal with multiple lenders on the same transaction. Increased affordability and increased efficiency in the loan process translates into reduced subsidy and greater access to capital for low-income communities. For more detail on the specific types of products and terms, please see Question 19.

Second, in our proposed structure, the NMTC allocation will generate capital that will allow us to invest in and develop new initiatives, products, and financial services for low-income communities. Our focus on capitalization has not just been on traditional sources of capital for community development finance but has also included substantial effort in attracting more traditional capital markets funds to low-income communities. BCC is currently working on a business and capitalization plan for a publicly traded holding company that can serve as a secondary market for community development venture capital investments; the development of a collateralized debt instrument that would offer investors the first ratable, investment-grade investment in a CDFI; and an investment vehicle that resolves pricing, credit risk and liquidity issues so that socially responsible mutual funds and pension funds can make direct investments into CDFIs.

Third, BCC's NMTC strategy will allow us to create a national model for partnership between banks and CDFIs to create a low-cost sustainable source of funding for community development. Many CDFIs around the country now operate at a sufficient scale to take advantage of this instrument; however, most do not possess the research and development dollars to fund the cost of innovation. By creating a model our sister CDFIs can emulate, BCC's strategy offers the potential for significant new capital for CDFIs to support community development finance.

Target activities to areas of greater economic distress.

Yes

Describe the distress indicators in comparison to areas that have been typically served by the *Applicant* (or its *Controlling Entity*) over the past five years:

An allocation of NMTCs will allow BCC to target areas of greater economic distress in two ways.

First, as described in Question 19, BCC will be able to offer larger loans with increased flexibility and lower pricing than we can currently offer. While BCC has made virtually all of its loans to low-income or disadvantaged communities, the new products will allow BCC to make loans in areas of even greater economic distress than we have traditionally served. For example, an area of greater economic distress, in many ways, is defined by low levels of market activity, limited economic value in its real estate, and scarce public and private investment. Consequently, financing for site assembly is highly risky since it is hard to assess whether a project will move forward, or whether it will create sufficient economic value to be viable. Yet, to create a viable project in these severely distressed communities requires the assembly and site preparation of a large enough site to have the sufficient scale to overcome the disadvantages, history or prejudice of development associated with these areas. The NMTC allocation will allow us to finance larger loans, absorb a higher risk on individual loans, and offer flexible loans terms that increase our ability to provide this type of early stage financing for severely distressed communities.

Second, by expanding the scale of our lending, we will be able to expand the geographic reach of our lending, including operating in distressed communities throughout our target area. As noted in Question 18, BCC has recently expanded its lending into Rhode Island while its second Venture Fund operates throughout the Northeast. The NMTC allocation will allow us to operate in distressed communities not currently served by BCC or other CDFIs and CDEs.

If the *Applicant* did not check any of the above items, explain why the *Applicant* is seeking a *NMTC Allocation* (e.g., to sustain current levels of operations that would otherwise be eliminated or reduced):

N/A

D. Investments in Unrelated Entities**Question: 29**

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

Yes

Part II - Capitalization Strategy

03NMA000478

A. Investor Strategy**Question: 30**[Complete Tables 1-3 in Exhibit C.](#)**Question: 31**

Describe the track record of the *Applicant* (or its *Controlling Entity*) in raising capital, particularly equity capital at market or near-market rates. Reference information provided in [Table 3 in Exhibit C](#) as appropriate:

BCC has been raising capital from profit-motivated, nonprofit and government investors for more than 18 years. In recent years, we have raised more than \$40 million, attracting investment from 22 banks, including every major bank in New England; from foundations and nonprofits including The Ford Foundation, The Rockefeller Foundation, F.B. Heron Foundation, The MacArthur Foundation, The Boston Foundation, the Hyams Foundation and Harvard University; from the CDFI Fund (BCC and its subsidiaries have received 6 previous awards); and from more than 200 individual investors.

The organization has attracted more than \$21 million from profit-motivated investors for its two venture capital funds. In addition, as described above, the Venture Fund has leveraged its investment in portfolio companies to attract other venture funds, included more mainstream strictly profit-motivated funds. The Loan Fund works with profit-motivated investors including Fidelity, Parnassus Funds, F.L. Putnam, and other investment firms whose clients are seeking a balanced portfolio that includes community development investment.

Our focus on capitalization has not just been on traditional sources of capital for community development finance but has also included substantial effort in attracting more traditional capital markets funds to low-income communities.

BCC is currently working on a business and capitalization plan for a publicly traded holding company that can serve as a secondary market for community development venture capital investments, the development of a collateralized debt instrument that would offer investors the first ratable, investment-grade investment in a CDFI, and an investment vehicle that resolves pricing, credit risk and liquidity issues so that socially responsible mutual funds and pension funds can make direct investments into CDFIs. We also, of course have attracted more traditional forms of capital including debt and equity investments, program related investments, grants, equity equivalents, and master participation agreements. In addition, both management and the board of directors, as set forth in Exhibit E, Table E2, also have significant experience in raising all forms of traditional and non-traditional capital.

Question: 32

Discuss the *Applicant's* strategy for securing NMTC investor *Commitments*, referencing information provided in [Tables 1-2 in Exhibit C](#) as appropriate. Be sure to address:

- The *Applicant's* timeline for securing investments from investors that have signed *Letters of Interest/Intent*, any risks that may preclude the *Applicant* from closing such investments, and how the *Applicant* is mitigating such risks.
- The *Applicant's* strategy for identifying additional investors, including the extent to which the *Applicant* will be utilizing community alliances or strategic partners to raise investment capital. If the *Applicant* is using a third-party investment broker 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 broker has made in securing *Commitments* from investors.
- The extent to which the *Applicant's* investors/potential investors are new to community development investing or are increasing their community development related investments.

Boston Community Capital is currently in negotiation with JP Morgan Chase, Sovereign Bank, Citizens Bank, Wainwright Bank and CRIC Capital, all of whom have expressed interest in participating in our proposed New Markets Tax Credit investment and all of whom are interested in deepening their

long history with Boston Community Capital. As shown in Exhibit C, letters of interest are in hand. The investor partners we currently have are capable of providing all of the financing required by our proposed transaction and we anticipate that we will close on the first investment draw early in 2004. However, because we recognize that the passage of time and the vagaries of the market can adversely impact investor strength, we also have the option to pursue an NMTC investment from almost twenty other bank partners who are also historic BCC investors (see Exhibit C, Table C2). BCC will target banks with a strong track record of lending to low-income community businesses and who recognize a partnership with BCC through our proposed structure as a way to increase access to capital for such businesses. In addition, although letters of interest are not yet in hand, we have received strong indications that large corporate investors are also interested in our proposed transaction.

As described in Question 18, in addition to our New Markets loans, which we anticipate will total about \$200 million in the aggregate, we also anticipate that the BCLF Fund -- the \$50 million low-cost sustainable source of capital that BCC is negotiating with its bank partners -- will not only generate an additional \$250 million in lending to low-income community businesses over the next seven years but also will serve as a model that CDFIs can use to attract a sustainable source of low-cost capital from banks. The replicable nature of our proposed structure increases the interest of our banking partners, all of whom are trying to develop more effective, efficient methods of deploying capital through CDFIs and into low-income communities.

Question: 33

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?

Yes

If yes, describe for each such investor partnership the extent to which the tax-credit investors have been identified, and the extent to which the outside source(s) of funds has been committed.

The entities that will leverage our equity investments will be a subset of the same partners as noted in Question 32 and shown in Tables C1 and C2.

Question: 34

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

Yes

Question: 35

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

No

Question: 36

If the answer to either Question #34 or #35 above is yes, provide narrative detailing:

- The name of each such investor;
- The role of each investor with respect to locating, underwriting, and approving each investment;
- Whether each investor 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 investor and/or will target its activities to areas of greater economic distress than those currently targeted by the investor.

Over our 18-year history, Boston Community Capital has routinely shared responsibility with our banking partners for identifying and underwriting investments. Sometimes our bank partners send us loans or investments for which we become the primary financing entity; at other times, we originate 100% of a loan or investment and then participate out portions to commercial institutions whose carrying capacity is greater than our own; in still other circumstances we hold loans for a seasoning period and then sell them to more traditional institutions. Accordingly, we and our banking partners have had the opportunity to develop efficient, effective mechanisms for sharing these various responsibilities.

For our New Markets lending we anticipate originating all loans and investments but sharing identification and underwriting, specifically, with the investors listed on Exhibit C, Table 1 and also with the many other banks with whom we have developed strong multi-year partnerships. Building on those relationships, we expect those banks, none of which is affiliated with BCC, to help identify potential loans and borrowers for BCC's New Markets and BCLF Funds. However, as noted above, these investors will not approve or originate loans on behalf of either fund.

As noted in Questions 18 and 19, virtually all of BCC's lending since 1985 has been to underserved borrowers and distressed areas, and has featured flexible or non-traditional terms. It is important to note that many businesses and nonprofits in low-income communities have difficulty in obtaining loans from traditional finance institutions because (1) they are undercapitalized; (2) they cannot support a commercial rate of interest; (3) they can only manage the risk of a variable rate of interest on a portion of the required loan; and/or (4) they cannot afford the very high transaction costs generated by the need to engage multiple lenders. These factors often drive the cost of borrowing to an unsustainable level.

Thus, although the investors listed in Exhibit C, Table 1 may have products and services that are similar to those that Boston Community Capital offers, they often, nonetheless, cannot serve the same borrowers. Over the past 18 years, BCC has developed an alternative underwriting strategy in order to meet the loan demand from QALICBs and similar borrowers. In mitigating risk of these loans—BCC has made over \$100 million of loans with losses of less than one tenth of one percent—we find that while conventional lending criteria – debt coverage ratios, collateral, net worth, credit history - have utility in assessing risk, they are not the only drivers of repayment or project success.

Our ability to underwrite non-conforming loans in a rigorous but non-standard manner and our successful track record has frequently meant that other lenders who cannot undertake our level of underwriting or otherwise originate these loans refer borrowers to BCC. In many cases, BCC is able to make these loans while allowing the bank to maintain relationships with the borrower. In some cases, as those loans are seasoned, banks are later able to take out the BCC loan based on the payment history with BCC. In other cases, banks have signed master participation agreements with BCC agreeing to purchase a participation in certain loans BCC originates. The value of the bank's distribution network and BCC's ability to make non-conforming loans in low-income and disadvantaged communities will be even further enhanced by our NMTC strategy.

BCC's two-fund structure will help borrowers to overcome each of the structural barriers described above and will create additional access to capital in low-income communities. For many of our loans we will create a bifurcated loan structure that will provide borrowers with increased flexibility and

affordability by allowing them to access both the New Markets Fund and the BCLF Fund. We recognize that our investors may require that the New Markets Fund have somewhat more stringent lending criteria than the BCLF Fund. However, we will use the BCLF Fund to provide borrowers with lower monthly payments, fixed interest rates, higher loan-to-value ratios or other more advantageous terms, as well as technical assistance, so that low-income community borrowers can leverage larger dollars from a parallel loan through the New Markets Fund. In addition, because BCC entities will be the lender in both funds, we will be able to reduce the added transaction costs that borrowers always incur when forced to deal with multiple lenders on the same transaction. Increased affordability and increased efficiency in the loan process translates into reduced subsidy and greater access to capital for low-income communities.

B. Sources and Uses of Capital

Question: 37

Describe the *Applicant's* plan to use *QEI* proceeds in conjunction with other resources (e.g., capital or in-kind contributions) in support of its activities. Be sure to:

- Identify the sources and amounts of non-*QEI* resources (e.g., bank debt; government funding; philanthropic grants; sponsor contribution);
- Indicate the strategy and timeline for securing such resources; and
- Identify how the *Applicant* will use those resources (e.g., for operational expenses, reserves, additional investments) in support of its *QLICI* activities.

If the *Applicant* does not intend to secure other resources outside of its *QEI* investments, describe the *Applicant's* strategy for financing its costs of operation.

As described in detail in Question 18, BCC's entire strategy is aimed at using the New Markets Tax Credit to leverage additional resources. With respect to specific lending activity, we project using \$100 million in QEI proceeds, in conjunction with other sources of capital, to finance at least \$450 million in additional lending to QALICBS and in low-income communities.

In addition to using the QEI proceeds to originate loans through the New Markets Fund -- a \$100 million portfolio of QLICs (and an estimated additional \$100 million over the course of the seven year NMTC period) -- BCC's NMTC strategy will also allow BCC, through the BCLF Fund, to lend an additional \$250 million in low-income communities over that same 7-year period.

Again, as more fully set forth in Question 18, the source of this additional \$250 million in loan capital is a \$50 million revolving credit facility from one or more of our banking partners. BCC projections assume a \$35 million annual draw against the facility, the cost of which has been factored into our investor return projections.

In addition, BCC's projections include approximately \$7 million of up-front fees to be used to support start-up costs, operating expenses, loan loss reserves and interest rate reserves.

BCC's strategy, however, is not limited to funding specific loans. As more fully described in Question 18, we also intend to use the NMTC to:

- 1) create a low-cost, sustainable source of loan capital and income that will allow BCC (and other CDFIs across the country) to achieve full self-sufficiency, and
- 2) provide a new, nationally replicable, collaborative model for self-sustainable financing for community development financial institutions (CDFIs).

One of the major barriers to the CDFI industry's ability to expand its lending to low-income communities is its reliance on below market rate loans and public funding. Our NMTC strategy creates a model to overcome that barrier.

While, as noted above, we believe the direct impacts of our NMTC application will be substantial for the low-income communities we serve, the systemic impact resulting from our application—the development of a national model for low-cost, sustainable source of capital for CDFIs—has the possibility of creating even greater impacts in low-income communities and leveraging substantial additional dollars.

The fundamental issue that the NMTC program seeks to address is how to bring private capital into low-income communities. The economic isolation of low-income communities and residents is one of the primary barriers to overcoming poverty. To allow low-income communities and residents to build wealth and achieve economic independence, CDFIs and CDEs must link those communities with the conventional capital markets. The importance of the NMTC program is that it can generate both specific, project-related impacts and broad systemic connections between low-income communities and the mainstream sources of capital. For the reasons outlined above, we believe that BCC's NMTC strategy is unique in its ability to leverage sustainable and efficient private sector investment in low-income communities at a scale sufficient to connect those communities to the economic mainstream.

A New Markets Tax Credit allocation is a condition precedent to accomplishing these goals.

Although our projections do not suggest that we will need additional grant dollars to support our

New Markets activity, we note that we do start from a well-established base of fee and loan income and that we have a long history of successful grant applications. Our mission, and virtually all of the work that we have done over the last eighteen years, supports our QLICI activities. We are currently self-sustaining for roughly three quarters of our work and have grant income sufficient to not only support the remainder of our day-to-day operating expenses but also to support those aspects of our work intended to develop capital markets strategies that can improve capital access for low-income communities. The fees that we have built into our NMTC projections are sufficient to cover all additional costs associated with our NMTC proposal and will provide enough additional income to BCC to allow us to become fully self-sustaining.

Question: 38Will more than 85 percent of the *QEI* proceeds be invested in *QLICs*?**Yes****a** If yes, what percentage:**93%**

Briefly describe how this figure was determined:

Yes. As described in Question 18, we anticipate raising \$107 million, \$100 million of which will be used to originate loans through the New Markets Fund (projected to total about \$200 million over the next seven years) and \$7 million of which will be used to fund interest reserves, loan loss reserves, start-up expenses, operating expenses, and the cost of retaining an external auditor to review BCC's QLICI portfolio to determine eligibility and compliance with NMTC guidelines for QLICs.

C. Flow of Allocations

Question: 39

[Complete Table 1 in Exhibit D.](#)

Question: 40

If the *Applicant* intends to transfer any portion of its *NMTC Allocation* to one or more *Subsidiary* entities:

- a Complete [Table 2 in Exhibit D](#); and
- b Briefly describe the *Applicant's* strategy for transferring its *NMTC Allocation* and the timeline for making such transfer(s):

As described in Question 18, because BCC is a nonprofit, we will transfer \$100 million of the NMTC allocation to LLC(s) specifically established for this purpose; we will do this immediately upon receiving the allocation from the CDFI Fund.

Question: 41

Indicate the impact on the *Applicant's* business strategy if the *Applicant* were not to receive a *NMTC Allocation*, or if it were to receive an allocation for an amount significantly lower than that requested (e.g., deals would not occur at all; fewer deals would occur; the same number of deals would occur, but with less favorable rates or terms; community impacts would be diminished, etc.).

The NMTC program is unique in catalyzing private sector capital for low-income communities, in generating significant community impacts for those communities and their residents, and for doing so at a lower cost than any other federal, state or private programs that we know about.

First, it will allow us to originate approximately \$200 million in QLICs over the next seven years.

Second, by using the proceeds of the NMTC allocation to create a low-cost revolving source of capital, BCC will be able to originate an additional \$250 million in new loans for low-income communities and residents over the 7-year allocation period. We project that this additional lending will finance approximately:

- 25 community organizations and facilities such as community arts programs and social service providers;
- 25 inner-city commercial revitalization projects;
- day care and school facilities for 2,500 low-income students; and
- 2500 units of affordable housing, including homeownership units, special needs and supportive housing facilities, mixed use developments, and rental housing.

All this lending will be targeted to projects and organizations that serve low-income communities, organizations, and residents. By leveraging the NMTC allocation to create this additional source of capital, we are able to provide substantial new investments directly to QALICBs and to other projects and borrowers that serve low-income people and communities. Since the loans made by BCC leverage additional loans and investments in the projects we finance (historically, for each dollar we have lent, BCC's lending has leveraged at least an additional \$5 of private and public investment) we anticipate that our \$250 million in BCLF Fund loans will catalyze new investment in excess of \$1 billion over the next seven years.

Our proposed strategy does not require any additional government or philanthropic support to cover operating expenses. It could not be achieved without the New Markets Tax Credits. Moreover, as we have shown in Questions 18, the size and structure of our NMTC strategy allow us to achieve self-sufficiency as well as fund the reserves required to support this expanded lending and the creation of the new low-cost source of capital.

While we believe the direct impacts of our NMTC application will be substantial for the low-income communities we serve, the systemic impact resulting from our application—the development of a national model for low-cost, sustainable source of capital for CDFIs—has the possibility of creating even greater impacts in low-income communities.

The fundamental issue that the NMTC program seeks to address is how to bring private capital into low-income communities. The economic isolation of low-income communities and residents is one of the primary barriers to overcoming poverty. To allow low-income communities and residents to build wealth and achieve economic independence, CDFIs and CDEs must link those communities with the conventional capital markets. The importance of the NMTC program is that it can generate both specific, project-related impacts and broad systemic connections between low-income communities and the mainstream sources of capital. For the reasons outlined in Question 18 and throughout this application, we believe that BCC's NMTC strategy is unique in its ability to leverage sustainable and efficient private sector investment in low-income communities at a scale sufficient to connect those communities to the economic mainstream. An NMTC allocation is a condition precedent to accomplishing these goals.

Question: 42

Is there an absolute minimum amount below which the *Applicant* would be unwilling to accept a *NMTC Allocation*?

Yes

If yes, provide the amount:

\$50,000,000

Part III - Management Capacity	03NMA000478
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Overview

Question: 43

Attach organizational chart(s) that depict the following:

- a The *Applicant's* relationship to its *Controlling Entity* and any *Affiliate* or *Subsidiary* entities; and
- b The *Applicant's* staffing structure, including key board committees.

Question: 44

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

- a Complete [Table 1 in Exhibit E](#). Be sure to identify only those personnel, board members, or consultants that will have a key role in locating, underwriting, and approving investments, and/or in providing *Financial Counseling and Other Services*.
- b To the extent that it is not clear from Table 1 in Exhibit E, please describe:
 - The roles, responsibilities, and experience of key personnel, board members, and consultants in providing capital or *Financial Counseling and Other Services*, and relate these skills to the *Applicant's* track record of making successful investments in *Low-Income Communities*; and
 - Whether the communities in which these individuals have previously provided such assistance are the same *Low-Income Communities* that the *Applicant* intends to serve with its *NMTC Allocation*.

BCC's process for locating, underwriting and approving investments is as follows: Loan and investment staff are responsible for identifying potential investments, performing due diligence and working with senior management to make investment and loan recommendations and structure potential transactions. Upon staff recommendations, BCC's Loan and Venture Committees approve loans and investments; these committees also adopt overall investing policies, and review portfolio performance. As described in Table E1, committee members also play an invaluable role providing individual expertise and advocacy for BCC. Members of those committees have extensive experience in community development, banking, venture capital, real estate, and the law. For a list of committee members and their qualifications, please see Exhibit E Table E1.

Elyse Cherry and DeWitt Jones, as CEO of Boston Community Capital and President of Boston Community Loan Fund respectively, have responsibility for overseeing all aspects of BCC's investing and lending activity. Both have been affiliated with BCC since its founding. Cherry was a founding board member and long-time Board president prior to joining BCC in 1997 as CEO. She also serves as President of Boston Community Venture Fund. Jones was BCC's founding staff member and has led its Loan Fund since 1985. He also serves as COO of Boston Community Capital. Jones and Cherry have been recognized as innovators in the field of community development finance for their development of a secondary market for community development loans and for their creation of an exit strategy for community development venture capital funds. Outside of their BCC work, both Cherry and Jones have extensive local and national community development finance experience and are well-respected as pioneers in the industry.

Lending and investing staff Rachelle Taquu, Kathryn McHugh, Michelle Volpe Kluchman, Andrew Chen and Sharon Shepard have primary responsibility for locating and underwriting investments, and each one comes to BCC with substantial and successful experience in underwriting investments and managing portfolios. For a full description of BCC's staff experience deploying capital and providing financial counseling and other services, please see below and Table E1.

In its 18-year history, BCC has originated more than 300 loans for over \$100 million to low-income community businesses and nonprofit organizations providing services to low-income communities and people. Over 85% of our lending has directly benefited low-income people. BCC has experienced loan losses of less than one tenth of one percent of its lending. More importantly, virtually all of the projects financed by BCC are still in good shape. BCC's lending expertise and policies have emerged from its experience in both booming and depressed economic conditions. BCC's venture fund has invested more than \$13.4 million in businesses across the Northeast, creating jobs, products and services in

communities where low-income people live and work.

We recognize that, at first glance, the level of lending and the level of impact proposed in this NMTCA application may seem larger than the level of lending and impact that BCC has achieved in its history. However, as noted in Exhibit A, our lending levels for the last three years and, more specifically, our year-over-year rate of growth over the last three years, which is really the basis for our work going forward, form a rational basis for the scale and scope of what we propose.

Boston Community Capital is a nationally recognized leader in the CDFI industry. As a result of BCC's extensive lending and investing experience in low-income communities, BCC is frequently asked to provide originating, underwriting and monitoring services to other lenders, including local and national banks, insurance companies, and national CDFIs and intermediaries, and currently has 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 its materials and policies have been used in developing CDFI industry best practices.

SPECIFIC EXPERIENCE OF KEY PERSONNEL, BOARD AND CONSULTANTS

Elyse Cherry, CEO of Boston Community Capital and president of the organization's Venture Fund, began her career as a VISTA volunteer at the East Tennessee Community Design Center. She is an attorney and a former partner of the Boston law firm of Hale and Dorr, where her practice included the development of affordable housing and the preservation of open space. She has worked with Boston Community Capital since it was founded, first as a member of the Board of Directors and later as Chair of its Loan Committee and President of its Board, among other responsibilities. She joined the organization full-time in 1997. As president of Boston Community Venture Fund, she makes investments in businesses that achieve a "double bottom line" of financial and social returns, including

- CityFresh Foods, a minority-owned catering company in the Uphams Corner section of Dorchester that provides Meals-On-Wheels to low-income seniors;
- Worksource Staffing Partnership, a company that provides training and job placement services to former welfare recipients; and
- Springboard Technologies, a minority-owned computer repair and contract manufacturing company that employs recent immigrants and residents low-income neighborhoods in Springfield, MA.

Under Cherry's leadership, BCC's Venture Funds have committed more than \$13.4 million to companies that provide jobs, goods and services in communities where low-income people live and work; Cherry holds board seats and provides financial counseling and services to several of the funds' portfolio companies. Cherry is a leader in the community development finance industry. She serves as a member of the Boards of Directors of the National Community Capital Association (NCCA) and the Community Development Venture Capital Alliance (CDVCA), and she is a former member of the Board of Directors of Investors Circle. Among other engagements, she also serves on the Economic Development Grant Advisory Board for the Massachusetts Cultural Council, as an advisor to Northeastern University's urban-focused School of Education, and on the executive council of the YWCA of Boston.

DeWitt Jones, COO of Boston Community Capital and President of its Loan Fund, was the organization's first employee; he has led the Loan Fund since 1985. Under his leadership, the Loan Fund has lent more than \$100 million to create affordable housing, daycare and social services in low-income communities. Jones was a founding member of the National Association of Community Development Loan Funds, now National Community Capital Association and also has chaired its Financial Services and Public Affairs committees. From 1991-1998, Jones was co-owner and treasurer of Maria and Ricardo's Tortilla Factory, a national industry leader located in Boston's inner-city. He is treasurer of the Center for Women and Enterprise, an organization that empowers women in Massachusetts and Rhode Island to become economically self-sufficient and prosperous through entrepreneurship; a founder of the Falmouth, MA Housing Trust; and board chair of the Penikese Island School, a nonprofit school for boys from troubled homes. Jones was appointed by Boston Mayor Thomas Menino to serve on the City of Boston's Housing Finance Blue Ribbon Panel. Prior to joining Boston Community Capital, Jones served as a VISTA volunteer in Boston.

BCC's staff also has a strong record of providing capital, financial counseling and other services in low-income communities:

- Director of Lending Rachelle Taquu, who joined BCC earlier this year in the newly created role, brings to BCC more than 20 years of experience in lending, asset management and workouts. As a vice president at Bank of Tokyo Mitsubishi Capital Corporation, she managed the company's \$100-\$200 million project finance portfolio for maximum yield, anticipating and preventing performance shortfalls;

headed workout teams on two non-performing loans resulting in above-market investment recovery rates; and led syndication of transactions to other financial institutions, enhancing underwriting returns and mitigating exposure. At Bank of New England (now part of Fleet Bank), she led transaction teams, developing and managing middle market client relationships leading to over \$100 million in new loans per year. Immediately prior to joining BCC, she was president of Vista Capital, LLC, a financial consulting practice whose clients included Fortune 1000 companies, start-ups and nonprofits. Taquu has extensive experience in nonprofit finance through her work with nonprofits and through her experience on the Board of Directors, executive and finance committees of the YWCA.

- Senior Loan Officer Michelle Volpe Kluchman has worked for BCC's Loan Fund since 1995, and has more than 12 years of experience providing capital, financial counseling and services to low-income communities. Prior to joining Boston Community Capital, she worked as an assistant vice president at Bay Bank, where she was responsible for the healthcare, education and not-for-profit lending group. She managed a \$19 million loan portfolio with credit commitments ranging from \$200,000 to \$3.5 million comprised of human service providers, cultural organizations, and healthcare providers. Before joining Bay Bank, Michelle worked at Self-Help Credit Union in North Carolina.

- Senior Loan Officer Kathryn McHugh has more than 18 years of experience working with low-income and homeless residents of Massachusetts and Rhode Island. Prior to joining BCC's Loan Fund in 2001, Kathryn spent three years as a Program Officer at the Local Initiatives Support Corporation office in Providence. In that capacity she provided and underwrote grants, pre-development financing, loans, credit enhancements and equity investments to community-based organizations; structured and negotiated financial support for real estate development projects; and designed and implemented technical assistance programs for low-income people and organizations. She spent four years as a housing development specialist for the Massachusetts Department of Mental Health, managing programs including Chapter 689 housing, Homeless Special Initiative, DMH Rental Assistance Program, Facilities Consolidation Development Fund, Home of Your Own Homeownership Program, Alternative Housing Voucher Program, and Clubhouse services; providing technical assistance to community-based organizations seeking state or federal funding for housing development and/or the provision of supportive services; and working closely with relevant state and local agencies regarding housing and supportive service programs. Other relevant experience includes employment as a project manager at CASCAP, a Cambridge-based provider of housing and support services for low-income elderly and mentally disabled adults, where she worked with Section 8, Facilities Consolidation Fund, Community Development Block Grant and the Housing Innovations Fund projects; work at the Citizens' Housing and Planning Association (CHAPA) and the Fenway Community Development Corporation, and 5 years as a bilingual social worker and emergency service provider with the Department of Social Services and Department of Public Welfare. Kathryn serves as a board member on several organizations that serve low-income and homeless individuals in Massachusetts, including Inquilinos Boricuas en Acci3n (IBA), the Somerville Homeless Coalition, and the FEMA Middlesex County Emergency Food and Shelter Program.

Loan Program Manager Kimberly Epstein has extensive experience providing technical assistance to community developers, community service organizations and other non-profit organizations; managing relationships between public funding sources, developers, contractors, title insurance companies, and legal counsel; providing oversight of construction loans from pre-construction through finance closing, disbursement and project close-out; and serving as BCLF's in-house legal counsel. Prior to joining Boston Community Capital, she was an attorney at the New York law firm of Calotta Levine Samuel, LLP, specializing in residential real estate and, specifically, low-income housing development. She managed all phases of commercial litigation in areas of real estate property litigation including landlord/tenant disputes, specific performance, foreclosure and adverse possession. She was additionally responsible for managing low-income housing development projects. Kim is a member of the Bar in New York, New Jersey and Wisconsin; her admission in Massachusetts is pending. She holds a certificate in construction and production management from Neighborhood Reinvestment.

Epstein has been recognized nationally by her peers in the CDFI industry for her work and expertise in providing technical assistance to community development corporations and other low-income community organizations. For the last three years, she has led trainings on this topic at National Community Capital's national training conference. Kim also serves on the boards of two organizations that provide services to low-income communities: The Women's Lunch Place, a daytime shelter and meal provider for women, and Neighborhood of Affordable Housing (NOAH), a community development corporation serving low-income residents in East Boston.

BCC's Board of Directors and Loan Committee also have extensive financial, real estate, and community development experience, as well as experience providing capital and financial counseling and other services in low-income communities in across Massachusetts, the Northeast, and nationwide. Three members of the Loan Committee are bankers whose combined experience includes over 30 years of lending within the small business, nonprofit and community development areas of local banks. Two are currently active in real estate development in the Boston area; one develops research space for the Massachusetts General Hospital, and the other is a contractor and construction manager to

many nonprofit organizations including local CDCs, schools and daycare providers. One board and committee member serves as vice president at Recapitalization Advisors, a national firm that assists real estate owners and investors in increasing, preserving or realizing residual value for multi-family properties through recapitalizations, restructuring, refinancing, workout and other means. She is a former finance specialist for the City of Boston's department of Public Works, and has extensive experience structuring work-outs for troubled properties and investor participation in affordable housing developments using Low Income Housing Tax Credits and the Historic Tax Credit. Two members of the Loan Committee are former Boston Community Loan Fund employees who helped guide the organization's increased lending activity during the past five years; one is now vice president of small business lending at Fleet Bank; the other is executive director of the Mattapan CDC. Rounding out the experience of the Loan Committee is a former commercial loan officer who currently is COO of an internet consulting firm which has developed a number of web-sites for nonprofit organizations, including Boston Community Capital, and who currently serves as a development committee member of a local CDC; and a senior operations officer for nationally-recognized social investing money management firm, Trillium Asset Management.

In addition to the team members described above, BCC's other staff, legal and financial partners have a wealth of experience in providing capital, financial counseling and other services to low-income communities and organizations. (See Exhibit E, Table E1 for additional info on key personnel, board and consultants' qualifications and roles with respect to deployment of capital and services.)

Question: 45

Experience Raising Capital:

- a Complete [Table 2 in Exhibit E](#). Be sure to identify only those personnel, board members, or consultants that will have a key role in raising capital for the *Applicant*.
- b To the extent that it is not clear from Table 2 in Exhibit E, please describe:
 - The roles, responsibilities, and skills of key personnel, board members, and consultants in raising capital from third party sources. Be sure to distinguish between experience with raising capital from profit-motivated investors; from government or philanthropic sources of capital; or using tax credits as an incentive; and
 - The specific experiences and track record of key personnel, board members, or consultants in raising equity capital in particular.

BCC's key personnel are responsible for raising capital for the organization. Together with BCC's board, key advisors from the private and public investment sectors, and consultants, they have developed and implemented a capitalization strategy and timeline that supports our NMTC application. Cherry and Jones will work closely with BCC's staff (including E. Matthew Gautieri, Andrew Chen, Sharon Shepard and Jessica Brooks), board (especially Dr. Patricia Hanratty, Charles Clark, Ed Dugger, Evelyn Friedman, Maria Maffei and Sarah Lincoln), attorneys and consultants to close all NMTC-related equity capital investments.

Elyse Cherry and DeWitt Jones have been raising capital for BCC from profit-motivated, nonprofit and government investors for 18 years; in the past 5 years, they have raised close to \$60 million, attracting investment from 22 banks, including every major bank in New England and national banks including JP Morgan Chase, Washington Mutual (formerly Dime Savings) and Fleet Bank; foundations and nonprofits including The Ford Foundation, The Rockefeller Foundation, The F.B. Heron Foundation, The John D. and Catherine T. MacArthur Foundation, The Boston Foundation, The Hyams Foundation and Harvard University; the CDFI Fund (BCC and its subsidiaries have received 6 prior awards); and more than 200 individual investors.

Board members and advisors add depth and experience in raising money from profit-motivated investors. Peter Nessen, a key advisor to the organization's capitalization efforts with respect to New Markets Tax Credits, has raised more than \$750 million in investment from profit-motivated investors; and as the former Secretary for Administration and Finance for the Commonwealth of Massachusetts has been responsible for billions of dollars in bond issuance; he also has experience in structuring tax credit deals. Mr. Nessen is also a director of The Philanthropic Initiative, a not-for-profit organization that has helped hundreds of individuals, foundations, institutions and corporations have an impact on some of society's most complex challenges through strategic philanthropy.

Edward Dugger III, CEO of UNC Partners, has raised more than \$30 million in private equity capital from institutional investors committed to profitable investments that have a targeted impact. His venture

funds focus on emerging and acquired companies operating in such growth-oriented industries as communications and environmental services, and have been 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 has contributed to the creation of some of the nation's largest and most successful African American businesses. His perspective on business and its role in society has made him a prominent business and civic leader in his community of 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.

Staff members Jessica Brooks, Sharon Shepard and Andrew Chen have experience raising capital from profit-motivated investors. Before joining BCC, Brooks raised \$11 million in venture capital financing for Abuzz; Shepard raised more than \$60 million for Mass Ventures, Inc. and other companies; and Chen has raised substantial investments for The Fanda Investment & Development Corp, The Chimera Group and Jade Associates.

BCC staff and board have extensive experience in all aspects of using tax credits to attract capital. Elyse Cherry represented limited partnerships established by Fields Corner Community Development Corporation, Codman Square Community Development Corporation, and Allston-Brighton Community Development Corporation in Low-Income Housing Tax Credit transactions. BCC board member and clerk Evelyn Friedman, as executive director of Nuestra Comunidad, has raised capital using Historic Tax Credits to renovate Palladio Hall and the Dartmouth Hotel in Roxbury, MA and Low-Income Housing Tax Credits for, among other projects, the renovation of the Sargent Prince building and the development of the Stafford Heights Coop. As Vice President of Recapitalization Advisors, a firm that assists real estate owners and investors in increasing, preserving or realizing residual value for multi-family properties through recapitalizations, restructuring, refinancing, workout and other means, Maria Maffei has assisted in 75 recapitalization transactions of over \$125 million in owner's equity on behalf of owners and non-profit purchasers of expiring use properties, preserving more than 8000 units of affordable housing nationwide. She has extensive experience in the use of tax credits as incentive for investment, as well as working with profit-motivated, government and nonprofit entities to secure financing. BCC's legal counsel, Thomas Schnorr of Palmer and Dodge, and our accountant, Joel Aronson of Alexander, Aronson and Finning provide strong experience in nonprofit capitalization and tax credit-related capitalization efforts; both Schnorr and Aronson's firms have active nonprofit and tax credit-related practices. Finally, Gary Perlow and Ira Weinstein of Reznick Fedder & Silverman have extensive experience working with national clients to structure NMTC- and other tax credit-related investments. They have assisted BCC in the development of capitalization models, and will work with the organization to address the questions and concerns of potential investors.

Question: 46

Asset and Risk Management Experience:

- a Complete [Table 3 in Exhibit E](#). Be sure to identify only those personnel, board members, or consultants that will have a key role in managing the *Applicant's* assets and risk.
- b Discuss how the *Applicant's* systems and procedures will ensure sound asset and risk management. Specifically, describe:
 - The *Applicant's* written policies and procedures for managing and mitigating asset risk through identifying, tracking, and resolving problem or non-performing assets;
 - The *Applicant's* infrastructure (e.g., management information systems) to support the *Applicant's* asset and risk management procedures; and
 - The roles, responsibilities, and skills of key personnel, board members, or consultants in managing the *Applicant's* assets and risk, to the extent that it is not clear from [Table 3 in Exhibit E](#).

Boston Community Capital has 18 years of experience managing risk in lending to low-income communities. Since its inception in 1985, BCC has lent more than \$100 million to create child care facilities, assisted living units, charter schools, affordable housing, and business development loans. Although the majority of our loans are considered "unbankable," BCC's loan losses have totaled less than one tenth of one percent and BCC has not experienced a loan loss since 1995. Throughout our history, we have not lost a single asset that we have financed, and all of our investors have been repaid on time.

BCC has developed detailed policies and procedures re: Loan Monitoring and Investment and Cash

Management. These policies have been used as the basis for CDFI industry best practices. BCC staff and loan committee members - including Elyse Cherry, DeWitt Jones, Kim Epstein, Matthew Gautieri, Rachelle Taquu, Michelle Volpe Kluchman, Victor Rivera, Eva Clarke, and Jennifer Pinck - are frequently engaged to provide industry-wide training and consulting to others in the field.

BCC's Loan Policies and Procedures manual includes, among other things, a description of our application process, our underwriting process and risk analysis. For example, we have now developed a standardized template for credit memos, consistent with the requirements of our loan underwriting, loan servicing and finance departments. The credit memo includes an analysis of project and loan characteristics (including loan to value ratios, debt coverage ratios, social impact measurement, loan structure and terms, potential participations, loan sale or other exits, and reserve and rating assessment), an analysis of the borrower organization (including track record, relationship with BCLF and other lenders, capacity to undertake proposed projects, financial strength and trends), an analysis of the economic and community development environment and its potential impact on the borrower and the proposed project, and an analysis of how the risk, social impact, and other characteristics of the proposed loan fit with our current loan portfolio.

We have similarly detailed processes in place for developing loan pipeline, tracking changes during the approval process and prior to closing, linking to our social impact database, facilitating loan monitoring and servicing, and creating reports and forms. We have installed and customized loan management software to help us accomplish all of the above tasks and to assure that our system is scalable and meets the social, financial and regulatory tracking requirements of third party partners as well as our own internal needs and the needs of our community-based borrowers.

In addition, in 2002 we added a new position, Director of Lending, currently filled by Rachelle Taquu to respond to increased demand for BCC's loan products. In the Director of Lending role, Taquu brings her extensive experience to bear on the expansion of lending activities and participates in the growth and evolution of Boston Community Loan Fund. She oversees all lending activity of the \$30 million fund, directing credit policy appropriate for community development and non-conforming lending; structuring new loans to optimize value-added community development, overall portfolio risk and secondary market syndications; developing and maintaining underwriting standards; mentoring loan officers in each stage of the underwriting process; improving the Loan Fund's underwriting process to enhance efficiency while promoting quality and flexibility; and managing workouts and restructurings as required.

She also closely supervises the monitoring of loan portfolio including preservation of credit quality; manages reporting to key stakeholders, including Loan Committee and Board of Directors; oversees loan closings; negotiates with other lenders, public agencies, community organizations and inner-city private developers; develops and maintains new core documents to facilitate execution; and reviews and supervises review of documentation prior to closing.

Together with senior management team (including the CFO), the Director of Lending creates and tracks loan fund budgets and projected liquidity; sets new loan targets and generates cost projections; identifies potential new customers; leads and promotes origination of new loans by loan staff. She also initiates and leads the development of innovative financing structures and products to serve low income communities; develops referral networks for new loans; leads competitive bidding processes; and expands capacity through innovative accessing of secondary and capital markets. Finally, the Director of Lending assists senior management in representing the Loan Fund to lending partners, the nonprofit community, public agencies and loan participants and shares responsibility for effectively managing and developing relationships with key constituencies.

Both internal and external loan committees review each of our proposed transactions. Our external loan committee meets on a quarterly basis to review the entire portfolio and throughout the year as needed to approve new loans. Our internal loan staff committee meets weekly to discuss the portfolio enabling immediate intervention with borrowers as needed. Our lending staff monitors the portfolio with a loan management software system (described above) that tracks deal flow from application to complete payoff, monitoring loan covenants, obtaining borrower quarterly financials, annual audits, insurance information and other loan-related data. Each loan is reviewed at least quarterly to assign appropriate risk ratings and reserves. Our risk rating system is comprised of eight levels of risk, which staff members use to assess risk and allocate reserves. Although our low loss history would suggest smaller reserves, we maintain a minimum loan loss reserve of 5%, consistent with CDFI industry best practices.

Loan Fund staff maintains contact with each borrower throughout the life of the loan to anticipate and resolve problems before they jeopardize a borrower's ability to pay. We maintain an exception report, which is routinely reviewed by senior management, the loan committee and our board of directors, and which includes any loan that appears to be at risk. In the event a borrower does run into trouble, we immediately initiate a set of regular meetings and phone calls with the borrower and with our fellow lenders and funders in which we assess the cause of the difficulty, offer resources and ideas about, for example, consultants capable of construction oversight or stronger financial management,

organizational restructuring, expense reduction, strategies for raising grant dollars in a difficult economy, or capital campaigns. Because our borrowers know that we are committed not only to safeguarding our loan capital but also to assuring that the community purpose of our loans is fulfilled, our problem resolution discussions tend to be non-adversarial and have virtually always concluded with good results for both the project and for BCC.

Boston Community Capital -- including its staff, Board of Directors, Loan Fund and Venture Fund committees, and consultants -- has a wide range and depth of asset management experience spanning the CDFI, financial services, and development industries.

SPECIFIC EXPERIENCE OF KEY PERSONNEL, BOARD AND CONSULTANTS

Elyse Cherry, one of BCC's founders and its CEO, has extensive experience in fundraising, commercial finance and investment management. While with the Plymouth Rock Assurance Corporation, she coordinated the start-up of a \$200 million investment management department. Through her role as a partner with Hale & Dorr, a Boston-based law firm, her practice focused on commercial finance and development transactions valued from \$1 million - \$100 million, as well as the finance and development of affordable housing.

DeWitt Jones, the President of Boston Community Loan Fund, has been with the Fund since its inception in 1985, and has overseen the development of the fund and its lending activities, totalling over \$100 million in lending over its 18-year history. Table E3 provides additional detail regarding their backgrounds and depth of experience in the financial and development industries.

BCC exhibits strong asset management experience not only in its leadership, but throughout the organization.

E. Matthew Gautieri, the CFO/Controller for Boston Community Capital, has overseen financial operations for BCC's assets for three years and has held asset management positions in the banking sector for over twenty years. He came to BCC from Fleet Bank, where he managed the financial planning process for Fleet's Small Business Services and served as the financial analyst for five operating divisions of the Commercial Real Estate Lending Group. Matthew has additionally served as Financial Controller for Shawmut Bank's \$1.2 billion commercial real estate loan portfolio, including overseeing a \$900 million distressed commercial real estate and title-own property portfolio in liquidation throughout New England.

Rachelle Taqqu, who joined BCC earlier this year as Director of Lending, brings more than 20 years of experience in lending, asset management and workouts. As a vice president at Bank of Tokyo Mitsubishi Capital Corporation, she managed the company's \$100-\$200 million project finance portfolio for maximum yield, anticipating and preventing performance shortfalls; headed workout teams on two non-performing loans resulting in above-market investment recovery rates; and led syndication of transactions to other financial institutions, enhancing underwriting returns and mitigating exposure. At Bank of New England (now part of Fleet Bank), she led transaction teams, developing and managing middle market client relationships leading to over \$100 million in new loans per year. Immediately prior to joining BCC, she was president of Vista Capital, LLC, a financial consulting practice whose clients included Fortune 1000 companies, start-ups and nonprofits.

BCLF's Senior Loan Officers, Michelle Volpe Kluchman and Kathryn McHugh, have managed loan portfolios of approximately \$20 million, specifically targeting human service providers and cultural organizations. Kathryn has additional experience providing and underwriting grants, pre-development financing, loans, credit enhancements and equity investments for community-based organizations, structuring and negotiating financial support for real estate development projects with the Local Initiatives Support Corporation (LISC). Michelle is a member of the Loan Committee for Nonprofit Finance Fund, a national lender to nonprofits and community development groups. Taqqu, Kluchman and McHugh's backgrounds are further detailed in Table E3.

Boston Community Venture Fund's management team brings a total of more than 30 years of asset management experience to BCC. Andrew Chen, Managing Director, has seven years of asset management experience as President of The Fanda Investment & Development Corporation, and thirteen years' experience managing assets as a General Partner with The Chimera Group and Jade Associates, through which role he founded and managed a real estate development partnership and real estate investment syndicate. While with The Fanda Investment & Development Corporation, Andrew 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 industries. Andrew holds additional experience managing a portfolio for The Chimera Group, where he achieved returns on investment in excess of 35%.

Sharon Shepard has more than 18 years of experience in marketing, strategic planning, and technology development, and brings experience in venture development in both public and privately-held organizations to Boston Community Venture Fund. She most recently served as Senior Vice President and Managing Director of Mass Ventures, Inc., a venture development company and affiliated \$15 million venture capital fund providing management assistance and equity financing to high growth potential businesses, and focusing on early stage Internet and information technology companies. Through this role, she raised more than \$45 million of equity capital, assessed more than 250 businesses and advised more than 30 companies, and launched two technology companies, serving in key management roles in each. Sharon has extensive prior experience in both fundraising and operating early-stage companies, having raised and managed more than \$60 million total for companies she has worked with.

In addition to the wealth of experience among its staff, BCC's board and committee members contribute significant asset management experience, and half of BCC's twelve board members live or work in NMTC-eligible areas. Charles Clark, BCC's current Board chair, has served on BCC's Board of Directors for over sixteen years. He brings to BCC his leadership and experience as a former senior officer at Citizens Bank, where he headed small business lending, managing a portfolio of over \$600 million in assets, including loans to QLICs and small businesses. Patricia Hanratty, Treasurer of BCC's Board, has over a decade of experience managing assets as Executive Vice President with Fleet National Bank, including the management of Fleet's national networks for small business customers. Prior to joining Fleet, Dr. Hanratty was responsible for designing and implementing the Commonwealth of Massachusetts's displaced workers and job training programs in her roles as Executive Director of the Industrial Services Program and Assistant Secretary of Economic Affairs. Evelyn Friedman, Clerk of BCC's Board, is the Managing Director of Nuestra Comunidad and oversees all of the CDC's assets. Sarah Lincoln, Director of Community Banking with Fleet Bank and member of BCC's Board, oversees and debt and equity portfolio of over \$1.2 billion, including over \$400 million in small business and real estate loans, including QLICs, and \$700 million in low-income tax credit investments and private equity. She previously led Fleet Bank's Small Business Division, through which role she led the initiative to invest in low-to-moderate income areas. Maria Maffei (who also lends her talents to BCLF's loan committee) is a Vice President of Recapitalization Advisors, where she manages over \$175 million in assets relating to increasing, preserving or realizing value in multi-family properties through financial restructuring and recapitalization. She has additionally served as a Senior Finance Specialist with the City of Boston's Public Facilities Department, where she managed the city's affordable housing, homeless and special needs housing programs.

On BCC's Venture Committee (and Board of Directors), Edward Dugger brings over 25 years of asset management experience to his position as Chair. Ed's experience includes over 25 years of managing private venture capital funds committed to funding minority business enterprises. He additionally serves as director of the Federal Reserve Bank of Boston, and is the former chair of the Social Venture Network. Ed is joined by Charlie Clark in bringing asset management experience to BCC's Venture Committee.

The Loan Committee contains a wealth of asset management experience, as well:

- Maria Maffei's experience is noted above.
- Meg Bennett's role as Vice President with Boston Safe Deposit and Trust Company, part of Mellon Financial, includes the oversight of over 160 loans and \$760 million in assets. She has over a decade of previous experience managing over \$100 million in non-profit, education and healthcare assets for BayBank, where she also led and coordinated the response effort to numerous requests for proposals for credit and non-credit treasury services.
- Eva Clarke, Executive Director of the Mattapan Community Development Corporation, manages that organization's assets, and has prior experience as Chief Operating Officer of BCLF.
- Linnie McLean, a Senior Vice President with Trillium Asset Management, oversees operations for Trillium, whose portfolios total over \$600 million in assets. She is directly responsible for a community lending portfolio of approximately \$6 million, working with 30 community development organizations. Prior to joining Trillium, Linnie was a senior vice president at BayBank, where her career included community, national and international lending.
- Victor Rivera is Vice President of Small Business Lending at Fleet Bank, where he manages a portfolio of over \$70 million dollars and over 160 loans. 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, Victor was a bank examiner with the Office of Thrift Supervision. He is a graduate of the University of Puerto Rico.
- Steve Tromp is Senior Vice President and Senior Credit Officer at Wainwright Bank, a socially

responsible bank based in Boston. In that role, he manages almost 450 loans and assets of over \$200 million. Through prior roles with Sovereign Bank and BankBoston's First Community Bank, he has managed over \$600 million in assets and helped create and structure the Small Business Administration's new Community Express product, as well as several local community development loan programs.

Question: 47

Program Compliance Experience:

- a Complete [Table 4 in Exhibit E](#). Be sure to identify only those personnel, board members, or consultants that will have a key role in fulfilling the NMTC Program compliance requirements for the *Applicant*.
- 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 *QELs* are invested in *QLICs* in accordance with the *Temporary and Proposed 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 *Temporary and Proposed Income Tax Regulations*. If purchasing a portfolio of loans, how will the *Applicant* ensure that it purchases loans that are *QLICs*?
 - Payments of, or for, capital, equity, or principal by its borrowers or investees are re-invested into *QLICs* 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?
 - If the *Applicant* is providing *FCOS*, the nature of such services is consistent with activities permitted under the *Temporary and Proposed Income Tax Regulations*.

BCC will ensure ongoing compliance with NMTC program requirements by 1) developing NMTC-specific program compliance procedures; 2) hiring an independent external consultant to perform an annual audit of BCC's NMTC portfolio; 3) employing internal systems, procedures and technologies that provide detailed tracking of all of BCC's loans and investments; and 4) engaging auditors, attorneys, committee members and consultants with in depth experience and established track records in program compliance for tax credit-related programs.

First, as reflected in Table 4, BCC has hired the national accounting firm Reznick Fedder & Silverman (RF&S), 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 NMTC compliance program.

Our NMTC team has 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 RF&S will enable us to create and maintain a compliance program that will address all IRC Section 45(d) compliance requirements and conformance with our Allocation Agreement.

We further recognize the importance of establishing a compliance program that will accommodate the needs and concerns of the investor marketplace. Established and adhered to policies and procedures designed to mitigate NMTC recapture risk must be established up front to attract private capital in the form of Qualified Equity Investments (QEIs). Ongoing procedures, including checks and balances, must also be implemented over the entire tax credit compliance period to conform with all the requirements. Our program will be designed to address such items as follows:

- Initial qualification of all qualified low-income community business (QALICB) investments (e.g. identification of census tract, conformance with gross income, services provided and tangible property tests).
- Drafting of a "reasonable expectation" position paper at the time of the initial QALICB investment (for all "unrelated" party investments we will document why we expect the subject QALICB to remain a

qualified investment throughout the expiration date of the compliance period).

- Ongoing maintenance of our CDE status (we will perform annual and semi-annual testing of conformance with mission test and board accountability requirements).
- Conformance with the 12-month QEI investment criteria (we will 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 will be 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 will be in place to test 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 QALICBs for the subject compliance period. Funding of up to 5% in reserves will also be 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 will be 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 seven year QEI investment criteria (each QEI will be 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 will be in place to ensure timely and proper entry of all required submissions to the CDFI Fund under their Electronic Data Collection and Allocation Tracking System and completion of their Institutional-Level Report. Procedures will also be 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 will be established to address and cure in an expeditious manner any events that could potentially trigger tax credit recapture and/or other penalties.

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

Second, as also noted previously, RF&S will test our procedures twice a year on a six month cycle and will issue an independent attestation report at year-end opining on NMTC compliance. This report will be unrestricted in use and will be made available to our board and all of our CDE investors.

Third, we will continue to build on Boston Community Capital's strong and established track record of ensuring ongoing compliance with the standards and requirements of our funders (including CDFI Fund and Calvert Foundation, among others), the CDFI industry, as established by National Community Capital Association (NCCA), and our own internal policies and procedures through internal systems and procedures already in place to monitor our 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 investments qualifications and status as QALICBs and/ or QLICIs, both for invested and re-invested dollars.

Finally, our attorneys, Palmer and Dodge, and our auditors, Alexander, Aronson and Finning, have extensive government compliance practices (including extensive experience with low-income housing tax credits); BCC annual audit includes a review of government compliance requirements. As noted in Question 44, several members of our staff and members of the board and loan committees also bring experience in government compliance practices, especially with regards to Low Income Housing Tax Credits and Historic Tax Credits, and Boston Community Capital, as an organization, has extensive experience in satisfying the reporting and regulatory requirements imposed by municipal authorities and

the federal government.

Question: 48

Community Accountability:

- a** Complete [Table 5 in Exhibit E](#).
- b** Describe how and the extent to which the *Applicant* intends to involve *Low-Income Community* stakeholders in the design, implementation or monitoring of its business strategy. Provide narrative that addresses the following:
 - The extent to which *Low-Income Community* residents will be directly involved;
 - The extent to which *Low-Income Community* organizations will be utilized; and
 - The role that the *Applicant's Low-Income Community* representatives on its governing or advisory board(s) will have in the design, implementation, or monitoring of its business strategy.

Since Boston Community Capital's mission is to create or preserve healthy communities where low-income people live and work, all our investing and operations are aimed at meeting that mission.

EXTENT TO WHICH LOW-INCOME RESIDENTS WILL BE DIRECTLY INVOLVED

Low-income people were among the original founders of BCC in 1985, and low-income community residents 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 low-income communities.

BCC involves low-income community residents in three primary ways. First, low-income community residents are represented on our governing bodies, including our Board of Directors and our Loan Committee. Three of our ten outside board members -- Mercedes Tompkins, Michael Stella and Evelyn Friedman -- and as well as three of ten outside Loan Committee members -- Michael Stella, Linnie McLean, and Eva Clarke -- are low-income community residents. 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.

Second, BCC uses its active participation in low-income community groups—such as the Egleston Square Coalition or the Dudley Square Main Streets— to research and inform its business and outreach strategies. We regularly hold our own public meetings in low-income communities and annually attend hundreds of meetings, events, and forums in the low-income communities in which we work.

Third, 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 low-income communities and people, we also work closely with those borrowers to ensure that low-income community residents have a voice in shaping the projects we finance.

EXTENT TO WHICH LOW-INCOME COMMUNITY ORGANIZATIONS WILL BE UTILIZED

Serving low-income communities is BCC's mission. We have involved low-income community organizations in both our governance and strategy and in all aspects of our work since 1985. Fifty percent of our outside Board members represent low-income community organizations; similar organizations are represented on our Loan Committee. Our board includes representatives of low-income community development corporations, legal services for the homeless and mentally ill, and inner-city youth anti-violence programs.

We use participation in organizations serving low-income people—such as the Massachusetts Association of Community Development Corporations (MACDC), Citizens Housing and Planning Association, and Community Business Network—to develop policy and strategy. DeWitt Jones recently led the MACDC's market conditions initiative. This work led to changes to CDCs' strategies for working in a changing economy and helped us develop new products to help borrowers better serve their low-income constituents.

As most of our borrowers are non-profits serving low-income communities, BCC works closely with them to structure financing that meets their needs. In addition to ongoing outreach, BCC meets annually with major borrowers to review their needs and challenges.

Virtually all BCC board, committee and staff members volunteer in low-income community organizations. Those relationships, ranging from national organizations to block or building associations, create an extraordinary basis of knowledge, networks and feedback which we routinely draw in our work.

Finally, BCC has always explicitly located our offices in very low-income neighborhoods, generating rental income for local landlords, bringing back commerce to these areas, and assisting us in attracting low-income community residents as employees. For 10 years, BCC was located at "The Brewery" a small business incubator developed by the Jamaica Plain Neighborhood Development Corp. and located in a distressed area with a poverty rate of 26.7%. We were the first office tenant. In 1999, BCC outgrew its 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 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. As a result of our deep roots in the community and the physical location of our offices, staff members interact with and hear the concerns of low-income people on a daily basis. When we look out our office windows, we see the impact of our work on community residents, and we see how much remains to be done.

ROLE THAT THE APPLICANT'S LOW-INCOME COMMUNITY REPRESENTATIVES ON ITS GOVERNING OR ADVISORY BOARD(S) WILL HAVE IN THE DESIGN, IMPLEMENTATION, OR MONITORING OF ITS BUSINESS STRATEGY

As noted above, 50% of BCC's outside board members are Low-Income Community representatives, including two of our five officers. Both as active and respected board members and as part of the leadership of the board, those individuals are intimately involved in the design, implementation and monitoring of our business strategy. Board members review and participate in the development of all business plans, new business initiatives, including this application, budgets, goal setting, and evaluation. In addition, in our formal quarterly meetings and additionally 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 low-income people and communities is BCC's exclusive mission, we do not just depend on the low-income community 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 low-income communities. We also believe that our participation as staff and board members with other organizations that serve low-income communities provides us with important sources of information on the needs and desires of the low-income communities we serve.

- c** Describe the extent to which the *Applicant's* investments or activities will be coordinated with local community plans or planning efforts. Indicate whether the transactions in which the *Applicant* invests or the services which it delivers will be required to conform to any comprehensive neighborhood plan(s); and, if so, how such conformance will be documented (e.g., neighborhood plans, planning committee approvals, other government or elected body approvals).

BCC's investing is coordinated with local community plans and development activities in a number of ways. First, since BCC's lending is targeted to low-income communities and people, nearly all of the projects include some form of public financing which requires local approval. This approval involves coordination with public programs, such as Empowerment Zone initiatives, as well as neighborhood zoning or planning programs. BCC monitors, and where appropriate, participates in this review process. BCC works very closely with both local municipal and state financing authorities on many of its projects. For example, the City of Boston and the Commonwealth of Massachusetts contracted with Boston Community Capital to administer the One-to-Four Family Housing Program, a neighborhood stabilization and affordable homeownership program.

Second, BCC's borrowers are community based organizations with deep roots in their local communities and strong missions to serve those communities. Projects that we finance with these organizations often emerge from community planning and organizing efforts and are subject to community review and input outside any formal permitting or approval process. BCC is often asked to participate in the planning and financing of comprehensive community plans. For example, BCC has provided multiple loans to support implementing community-wide development strategies, including site acquisition financing to begin implementation of community planning strategies in the Egleston Square and Dudley Square neighborhoods.

- d 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 organization. Therefore it does not receive CRA ratings.

Question: 49

Are there any key vacancies (current or anticipated) in the roles and responsibilities identified in [Tables 1-5 in Exhibit E](#)?

No

If yes, please briefly describe the *Applicant's* strategy and timeline for filling these vacancies:

N/A**Question: 50**

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

☒ **For the *Applicant* (if it has been operating for more than 12 months).**

☐ *For the Controlling Entity (if the Applicant has not been operating for more than 12 months).*

☐ *Not applicable because neither the Applicant nor the Controlling Entity has been in existence for more than 12 months.*

a Have the most recent financial statements been audited?

Yes

If no, please explain why and what steps the entity is taking to retain audited financials in the future:

N/A

b Have any of the entity's auditor's reports within the past three years (or, if shorter, for the period from inception) indicated any of the following:

An opinion other than unqualified?

No

A going-concern paragraph?

No

Repeated findings of reportable conditions?

No

Material weaknesses in internal control?

Yes

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

In 2000, for the only time in its 18-year history, BCC temporarily suspended the issuance of internal monthly financial statements when management concluded that its newly hired CFO could not meet BCC's needs and took immediate steps to replace her. This one-time occurrence, which had no impact on the financial position of BCC or its 2000 audit report, resulted in a material weakness. The condition was immediately corrected by management, as noted in the 2000 audit report, and the 2001 audit found that the reportable condition had been corrected and no additional ones had occurred. In 2002, BCC also received an unqualified audit with no reportable audit findings. The "Status of Prior Year Findings" from the 2001 audit prepared by Alexander, Aronson, Finning & Co. is excerpted below:

Reportable Condition and Material Weakness --Failure to Produce Accurate and Timely Financial Information

"Upon the resignation of its CFO in 2000, the Corporation effected a transition to a new CFO who, by reason of strong, affirmative references and prior business experience as a CFO, could reasonably have been expected to fulfill the Corporation's financial reporting requirements. The Finance Department's subsequent failure to produce accurate and timely financial information led management to conclude that the new finance staff could not meet the Corporation's needs. Accordingly, management suspended the issuance of internal monthly financial statements until it could assure their accuracy."

RESOLUTION

"Management immediately took corrective action by informing the Corporation's Finance Committee and outside auditors, undertaking a review of all financial records and ledgers and establishing a parallel financial tracking system to test the accuracy of its financial information.

"Subsequent to December 31, 2000, management conducted a thorough review of the entire year's activity to correct errors made during the year and to assure itself that no fraud or other impropriety had occurred. As anticipated, the parallel financial tracking system had accurately tracked and projected income and expenses, liquidity, and balance sheet items. Management has enhanced the internal controls to prevent similar problems from re-occurring. In 2001, the Corporation has done the following to address the above issues:

- Installed new leadership in the finance department.
- Simplified financial reporting by segregating Ventures I, LLC and Ventures II, LLC into separate general ledgers in the AccPac accounting software.
- Developed an accounting policies and procedures manual, which will provide management with a current resource that can be used for both training new staff and evaluating current staff.
- Began implementing loan tracking software into operation during 2001 which will expedite routine processing and reporting of loan activity.

"This resulted in timely and regular financial statements being issued in 2001. The actions undertaken by the Corporation appear to have remedied the reportable condition."

With respect to our 2002 audit, our auditors reported that:

- "a. An unqualified opinion was issued on the combined financial statements of the auditee.
- b. The audit disclosed no instances of noncompliance which could be material to the combined financial statements of the auditee.
- c. An unqualified opinion was issued in the report on compliance for major programs.
- d. The audit disclosed no reportable audit findings."

- c** Have the entity's financial statements shown positive net income (or if a non-profit, positive change in net assets) for each of the last 3 years, or if in business for less than 3 years, for the period of time it has operated?

Yes

If no, please explain and describe when the entity expects to achieve profitability. Non-profit organizations should provide an explanation if annual contributions and revenues do not exceed expenditures:

N/A

- d** Has the entity ever filed for bankruptcy or otherwise defaulted on financial obligations to a third party?

No

If yes, please explain the circumstances, indicate the fiscal year in which they occurred, and describe the corrective action being taken:

N/A

Question: 51

CDFI Fund Award Status:

- a** Has the *Applicant* and/or any *Affiliates* previously received an award from the CDFI Fund (under any of the Fund's programs)?
- b** If yes, please list the awards below. The *Applicant* may list additional awards as necessary.
- c** If the *Applicant* (or any of its *Affiliates*) received a *NMTC Allocation* from the Fund under the 2002 Allocation round, explain why the *Applicant* is seeking an additional allocation of NMTCs this round. Be sure to address:
- The *Allocatee's* strategy for issuing any remaining tax credits from its 2002 *NMTC Allocation*; and
 - Whether the *Applicant's* business strategy differs in any substantial way (e.g., projects financed; geographies served; products and services offered) from that associated with the 2002 *NMTC Allocation*.

[Yes](#)[Detail Below](#)[N/A](#)**Previous Awards**

Name of awardee/recipient	Award control number	Total award/allocation amount	Award type
BCLF Ventures II LLC	011CD003301	\$3,000,000	Core
Boston Community Loan Fund	021CD003938	\$1,000,000	Core
Boston Community Loan Fund	961CD002546	\$1,000,000	Core
BCLF Ventures Inc.	971CD001025	\$1,000,000	Core
Boston Community Loan Fund	991CD001352	\$1,000,000	Core
Boston Community Loan Fund	991CD001361	\$1,000,000	Core

Part IV - Community Impact	03NMA000478
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A. Targeting the Use of QEI Proceeds

Question: 52

Indicate the percentage of total *QEI* proceeds (based on dollar amounts) that will be used to finance *QLICs* made in one or more of the geographic areas identified below.

75%

Check all areas likely to be served by the *Applicant*: (check all that apply):

Areas with poverty greater than 30 percent

Yes

Areas with median incomes of less than 60 percent of area median income, as measured by the *Metropolitan Area* in which the communities are located, or as measured by the statewide area median income if the area is not in a *Metropolitan Area*

Yes

Areas with unemployment rates at least 1.5 times the national average

No

Local areas designated for redevelopment by a governmental agency.

Yes

Briefly describe, and indicate the factors leading to such designation:

Over 97% of BCC's lending has been in areas designated by the State of Massachusetts as "Economically Distressed Areas" (EDAs). Designated by the MA Department of Environmental Protection, EDAs are areas that are currently an Economic Target Area (ETA) or that would otherwise qualify to be an ETA. Criteria include the following: (1) unemployment rate that exceeds state average by 25% or more; or (2) located in a metropolitan area AND have 51 % of household incomes < 80% of metropolitan area median household income; or (3) Not located in a metropolitan area AND have 51% of household incomes < 80% of state median household income or applicable non-metropolitan area; or (4) poverty rate at least 20% higher than the average state poverty rate; or (5) located in a community or labor market area with a distress factor > 1.33 ["distress factor" is defined in statute -G.L. ch. 23A, sec. 3A]. Non-published economic criteria include areas where: (1) 2000 or more cumulative job loss within the last four years, (2) a commercial vacancy rate greater than 20% during the most recent twelve month period, (3) the site of a generation facility with a diminished market valuation at the time of sale less, or more, or (4) a former maritime manufacturing facility. (see <http://www.state.ma.us/dep/bwsc/files/brown/EDA.htm> for more info on these areas).

Federally designated Empowerment Zones, Enterprise Communities, or Renewal Communities

Yes

SBA designated HUB Zones

Yes

Areas designated as Native American or Alaskan Native areas, Hawaiian Homelands, or redevelopment areas by the appropriate Tribal or other authority

No

Brownfields redevelopment areas

Yes

Areas encompassed by a HOPE VI redevelopment plan

Yes

CDFI Hot Zones

Yes

Other

Yes

Other (listed below) (identify program and its objective):

Discuss how the *Applicant* intends to specifically target these communities as part of its business strategy.

Boston Community Capital's core business is to make capital available to organizations and projects whose access to capital through traditional channels is limited. BCC's loan programs, by definition, target communities that are disadvantaged in terms of economic development opportunities.

Over 97% of BCC's lending has been to areas defined by the State of Massachusetts as "Economically Distressed Areas." Nearly half of BCC's loans are to organizations serving communities with median incomes of less than 60% of the Boston area's median. More than one-third of our loans have gone to areas with poverty rates above 30%; a full 60% of loans have gone to areas with poverty rates above 20%. Nearly half of all funds loaned by BCC have gone to areas having median incomes less than 60% of the Boston Metropolitan Area median income. While BCC's activities are not targeted

principally to areas with unemployment rates at least 1.5 times the national average, BCC does target areas with the highest unemployment rates in the state of Massachusetts.

Over 60% of BCC's loans have targeted Brownfields redevelopment areas. Over half of BCC's loans have targeted SBA HUBZones, stimulating economic development and creating jobs by providing Federal contracting preferences to small businesses, and nearly one third of all BCC's loan projects fall into Federally-Designated Empowerment Zones. Over half of BCC's loans have been to areas determined by the IRS to be "Metropolitan Difficult Development Areas," and 65% of BCLF's historic lending has been to "Federal Tax Deduction-Qualifying Areas." According to the state of MA, these are "areas that qualify for the Federal Tax Deduction, including (1) Federal Enterprise Community/ Empowerment Zone, (2) census tracts with 20% or more of the population below the poverty level, or (3) census tracts with a population of 2000 and 75% or more of its land area zoned industrial/ commercial and adjacent to one or more census tracts with a poverty rate of 20% or more."

As discussed in Question #18, BCC will use QEI proceeds to further its mission of making capital available to groups and projects in areas of economic distress. BCC has been making loans to these groups and geographies for 18 years, and its track record of lending reflects its commitment to targeting economically distressed areas. Not only has the majority of BCC's historical lending targeted these areas, but its ongoing commitment to its mission focuses its lending power on these traditionally underserved areas.

Programs that serve these economically distressed areas and targeted by BCC address issues ranging from creating affordable housing to easing tax burdens on low-income people, implementing environment cleanup, and offering childcare, healthcare, career counseling, job skills training and other social services to low-income workers and families. All of these programs – targeting areas being developed by CDEs and other organizations funded in part by BCC – continue to work to ease economic distress in their communities.

It is BCC's mission to continue its pattern of lending, making debt and equity capital available to groups who otherwise would lack access to funding, but who are in the greatest economic need. BCC's projects encompass a range of economic areas, including providing low-income and supportive housing, and making homeownership a reality for many people facing economic challenges. BCC funds programs and organizations that make childcare and healthcare services available to low-income populations, and works to bring business back into communities hurt by a lack of commerce and business activity.

With this breadth of experience and strong partnerships, and with the continued financial support of the CDFI Fund and other organizations, BCC looks forward to continuing to bring about positive results in these economically distressed areas.

'Other' Geographical Areas

Other Name	Other Description
Federal Tax Deduction-Qualifying Area	65% of BCLF's historic lending has been to "Federal Tax Deduction-Qualifying Areas." According to the state of MA, these are "areas that qualify for the Federal Tax Deduction, including (1) Federal Enterprise Community/ Empowerment Zone, (2) census tracts with 20% or more of the population below the poverty level, or (3) census tracts with a population of 2000 and 75% or more of its land area zoned industrial/ commercial and adjacent to one or more census tracts with a poverty rate of 20% or more."
Metropolitan Difficult Development Area	Section 42 of the IRS Code of 1986 defines a Difficult Development Area as any area designated by the Secretary of HUD as an area that has high construction, land, and utility costs relative to the AMGI. More than half of BCC's historic lending has been in these areas.

B. Economic Impacts

Question: 53

Complete [Table 1 in Exhibit F](#). Provide narrative below to describe the basis for the projections in Table 1 in Exhibit F (e.g., historical levels of impact; assumptions based upon industry standards; assumptions based upon specific market research).

Exhibit F describes the projected community impacts that BCC anticipates generating pursuant to its NMTC activities, including activity in both the New Markets Fund and the BCLF Fund.

As described in detail in Question 18, BCCs proposes to use its NMTC allocation to implement a two-fund strategy to make loans to QALICBs and other borrowers serving low-income and disadvantaged communities. BCC's New Markets Fund will originate approximately \$200 million in QLICs while the BCLF Fund, using a \$50 million credit facility leveraged by NMTC proceeds, will generate an additional \$250 million in QLICs and other loans serving low-income communities and people over the next seven years. In many cases, BCC will use both funds to structure flexible and non-conforming loans to QALICBs.

As shown in Questions 17 and 26 and Exhibit B, BCC intends to make loans to both Non-Real Estate and Real Estate QALICBs. Table F1 shows the projected impacts based on the combined lending activity.

Because BCC is applying to support a general pipeline of loans and because an allocation of tax credits will significantly expand the scale and products BCC can offer, it is hard to predict exactly what the loan demand will look like over the 7-year allocation period. Therefore, projections of community impacts are even more imprecise. To establish the projections in Table F1, BCC used projections of lending activity as shown in Tables B1 and B2. Drawing on recent examples of loans made by BCC and loans identified in Question 26, BCC established average impacts per loan. Those estimates were then multiplied by the loan projections. Since BCC anticipates using a bifurcated loan structure—making loans from both funds—in many cases, the impact totals were adjusted to avoid potential double counting.

Please note that child care and education slots are included in the “clients served” category. Please also note that non real estate QALICBS, as defined in Question 27 of the “2003 NMTC Allocation Application Q&A Document,” September 8, 2003, include organizations that provide community services, including, as the example shows, the development of a child care facility. Since BCC anticipates making a significant number of non-real estate QALICBS to nonprofit and community organizations, as it has throughout its history, BCC projects that those loans will have significant community impacts, including construction jobs created, square footage of renovated or newly developed space, and clients served. However, the application does not allow data on those impacts to be entered on Table F1 (line 1f). Therefore, the community impacts of non-real estate QALICBS are included under community facilities on the table (line 2f).

Question: 54

Will the *Applicant's* products and services achieve one or more of the following impacts (check all that apply). For each item checked: a) quantify the impacts that you hope to achieve (e.g., number of jobs created for *Low-Income Persons*), referencing data provided in [Table 1 of Exhibit F](#) and any specific projects identified in the application whenever appropriate; b) describe the methodologies used to derive your estimates; and c) discuss how data will be collected going forward.

Applicable?	Option
Yes	Create or retain jobs for <i>Low-Income Persons</i> or residents of <i>Low-Income Communities</i> .
Yes	Increase wages or incomes for <i>Low-Income Persons</i> or residents of <i>Low-Income Communities</i> .
Yes	Finance or assist businesses owned by residents of, or otherwise committed to remain in, the <i>Low-Income Communities</i> .
Yes	Finance or assist minority- or women-owned businesses, or businesses owned by <i>Low-Income Persons</i> .
Yes	Finance or assist businesses (including non-profit organizations) or real estate projects that provide childcare, health care, educational or other benefits to <i>Low-Income Persons</i> or

	residents of <i>Low-Income Communities</i> .
Yes	Facilitate wealth-creation or asset accumulation (such as home ownership) by <i>Low-Income Persons</i> or residents of <i>Low-Income Communities</i> .
Yes	Provide goods and services to <i>Low-Income Persons</i> or residents of <i>Low-Income Communities</i> .
No	Other (explain):

Narrative for: Create or retain jobs for *Low-Income Persons* or residents of *Low-Income Communities*.

As noted in several questions earlier in this application, 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 nonprofits that operate 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 75% of the permanent jobs generated by the NMTC activity will be for Low-Income Persons or residents of Low-Income Communities. Based on the location of the businesses and the types of jobs created and retained — for example, child care centers, charter schools, social service agencies — we project that most of these jobs 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. BCC will track this data as part of the initial underwriting analysis as well as, where applicable, with interviews and reports from borrowers.

Narrative for: Increase wages or incomes for *Low-Income Persons* or residents of *Low-Income Communities*.

Increased wages for Low-Income People 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 investment in City Fresh Foods, the business was able to grow its business 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—for many low income employees often has a greater impact on their 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. While all these characteristics of increased wages are important, and ones that we anticipate as outcomes for our investments, quantifying, tracking and monitoring them is difficult, expensive and frequently unreliable. Therefore, we are not able to quantify any specific increases at this time. However, 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.

Narrative for: Finance or assist businesses owned by residents of, or otherwise committed to remain in, the *Low-Income Communities*.

We anticipate that, of businesses we finance through our NMTC activity, at least 95% will finance or assist businesses owned by residents of, or are otherwise committed to remaining in low-income communities. Targeting these businesses is the mission of BCC as shown by both our historical lending, which has exceeded 95%, and our proposed activities. We currently collect this information as part of the underwriting monitoring process and will continue to do so for NMTC-funded lending.

Narrative for: Finance or assist minority- or women-owned businesses, or businesses owned by *Low-Income Persons*.

Based on BCC's recent experience, in both its Loan Fund and Venture Fund, we anticipate that approximately half of the businesses funded through the NMTC activity will be minority- or women-owned or owned by Low-Income Persons. In addition, most of the nonprofit and community organizations that we anticipate funding will be either minority- or women-led or controlled by boards of directors comprised of women, minorities and low-income people. Both the Loan and Venture funds regularly track this information and we will continue to do so for NMTC-funded lending.

Narrative for: Finance or assist businesses (including non-profit organizations) or real estate projects that provide childcare, health care, educational or other benefits to *Low-Income Persons* or residents of *Low-Income Communities*.

We project that approximately one third of non-real estate QLICs and 95% of community facilities lending will be to community development corporations and other nonprofits serving low-income communities. In addition, we anticipate that approximately 50% of the office, industrial, and retail financing will be to CDCs

and other nonprofits. 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 our primary borrowers and we anticipate with the new resources generated by the NMTC, demand from those borrowers, as shown in the pipeline in Question 26, will increase.

Narrative for: Facilitate wealth-creation or asset accumulation (such as home ownership) by Low-Income Persons or residents of Low-Income Communities.

The primary wealth creation outcome of BCC's NMTC strategy will be the creation of approximately 1470 units of for sale affordable housing. Consistent with our long track record of financing affordable homeownership—including our "One to Four Family" Program, which developed over 280 units of housing in partnership with the City of Boston and the Commonwealth of Massachusetts — these homes will be sold to first-time, low-income homebuyers.

Narrative for: Provide goods and services to Low-Income Persons or residents of Low-Income Communities.

By the nature of our historic and projected lending and the location of the borrowers, virtually all of the projects we fund provide goods and services to Low-Income Persons or residents of Low-Income Communities.

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Question: 55

Discuss the *Applicant's* track record (or that of its key personnel) with respect to achieving the types of impacts identified in Question #54, and how this experience will aid the *Applicant* in achieving its desired impacts going forward.

It is Boston Community Capital's entire business and mission to deploy capital to disadvantaged businesses and communities. As a result, BCC's historical lending and investing has achieved each of the impacts listed above; all of these impacts are central to meeting our mission. Our experience in achieving these impacts will be critical to our ability to achieve our desired impacts going forward as we implement our NMTC strategy.

Since 1985, BCC and its subsidiaries have committed more than \$100 million to low-income communities in Massachusetts and across the Northeast through more than 300 loans and equity investments. As stated above, over 97% of BCC's lending has been to areas defined by the State of Massachusetts as "Economically Distressed Areas." Nearly half of BCC's loans are to organizations serving communities with median incomes of less than 60% of the Boston area's median. Over half of BCC's loans are to areas defined as HUBZones 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 loans have gone to areas with poverty rates above 20%.

In its 18-year history, the Loan Fund has provided more than 300 loans that have strengthened more than 200 community businesses and nonprofit organizations providing services in low-income communities. These investments have created more than 1300 jobs in low-income communities, and created or preserved 4300 units of affordable housing. Our loan fund has financed health care centers, community facilities, and training programs in these low-income communities. For example, BCC provided an \$800,000 acquisition and construction loan to New Atlantic Development, a for-profit development company, to purchase and renovate the former Uphams Corner Market, a long-vacant building that once housed the first supermarket in the country. BCC's loan triggered additional construction and permanent financing. Located in Uphams Corner, a neighborhood with a poverty rate of more than 30%, the near-completed building is the new home for The City School, an experiential enrichment program for inner city students.

BCC's venture fund has invested or committed more than \$13.4 million in companies across the Northeast that are creating jobs or opportunities in neighborhoods where low-income people live and work, including WorkSource, a job training program for former welfare recipients, and City Fresh Foods, a Dorchester, MA-based minority-owned catering company that provides meals-on-wheels to African American and Latino senior citizens. The Venture Fund has helped increase wages and incomes in these communities not only through jobs created in these companies, but through contract work created for area businesses. (For example, TekCel, a Fund II portfolio company that creates compound management solutions in the laboratory automation market, also creates manufacturing jobs for 15 small, family-owned machine shops in the Hopkinton area who manufacture parts for the company. For BCVF, TekCel offers an opportunity to invest in an industry infrastructure, not just creating jobs, but building a network that helps support an entire community, while remaining within our traditional expertise.)

Both the Loan Fund and the Venture Fund have supported projects that help businesses remain in

low-income communities. (Example: Our loan to Dorchester Bay Economic Development Corporation turned a former brownfields site into a new facility for a printing company that committed to employing 135 area residents; the Venture Fund's investment in City Fresh allowed the founders to build the first new commercial facility in their neighborhood of Four Corners in more than two decades.)

The Venture Fund also seeks out women- and minority-owned businesses. For example, as reported to the CDFI Fund in our 2002 annual report for award #971CD001025, 17% of Fund I's active equity investments are invested in a business primarily owned and operated by African-American individuals. These businesses include companies like SpringBoard Technologies, whose CEO and majority owner is African-American and is a leader in advancing minority entrepreneurship in western Massachusetts; City Fresh Foods, the principal owners and managers of which are two African-American men; and Cooperative Home Care of Boston, which, while now out of business because of the restructuring of the HMO industry, was a worker-owned business where the majority of the worker-owners were African-American. Jessica's Wonders, also no longer in business, was owned and operated by a Pacific Islander. 35% of Fund I's investments are in companies owned and operated by women. The Loan Fund partners with community development corporations that provide FCOS to businesses owned by low-income persons. Dorchester Bay EDC, one of the Loan Fund's long-term partners, operates a loan fund that provides loans and FCOS to low-income individuals who are small business owners or entrepreneurs.

DeWitt Jones, president of the Loan Fund, serves on the board of directors of the Center for Women and Enterprise, an organization that provides women in Massachusetts and Rhode Island with the tools they need to become economically independent and self-sufficient through entrepreneurship. BCC staff members Andrew Chen, Sharon Shepard and Elyse Cherry have volunteered with Springboard, a CWE program that provides women entrepreneurs with coaching and instruction on how to write an effective business plan and how to present to prospective investors.

The Loan Fund has an established track record of financing projects that provide childcare, healthcare, education and community services in low-income communities. Since 1985, the Loan Fund has provided 14 loans totaling nearly \$5 million to day care centers and schools that have created slots for 1100 children, 14 loans totaling \$840,000 to programs that work with low-income youth, 11 loans totaling \$1.4 million to shelters, 4 loans totaling \$375,000 to health centers; and 15 loans totaling \$3.1 million to groups providing other social services in these communities. Examples of programs we've funded include: Casa Myrna Vazquez, an organization that fights to eradicate violence against women by operating hotlines, shelters, career counseling, and community education programs for more than 350 women and children each year; City Lights, a free program for inner-city youth that trains young people in both the business and creative sides of the performing arts, and provides training in arts-related trades such as carpentry; the City School, a youth leadership training program that focuses on social justice issues through programs in homelessness prevention and awareness, prisoner empowerment, and peer leadership; and Casa Esperanza, a bilingual residential treatment and recovery program for men and women who are recovering from addiction to drugs and alcohol. (Casa Esperanza's Latinas Y Ninas program is the first program of its kind in Massachusetts to address the unique bilingual and bicultural needs of Latina women in recovery, and one of the only programs for women and children.)

BCC has an established record of facilitating wealth-creation and asset accumulation (such as homeownership) by Low-Income Persons or residents of Low-Income Communities. Our Loan Fund has provided loans that have created and preserved more than 4300 units of affordable housing, including 628 homeownership units for low-income families and individuals and 448 units of cooperative housing. The Venture Fund's portfolio companies provide jobs and training for low-income people, including non-native English speakers, former welfare recipients, and residents of our region's most economically distressed communities.

Finally, BCC's loans and investments provide goods and services to Low-Income Persons and residents of Low-Income Communities. As mentioned above, Worksource Staffing Partnership, a Venture Fund portfolio company, has provided job training and placement services for more than 500 low-income individuals; another portfolio company, City Fresh Foods delivers Meals-on-Wheels to homebound seniors in low-income communities of Dorchester and Mattapan. The Loan Fund has provided financing of nearly \$5.5 million for the development of more than 440,000 square feet commercial real estate in low-income communities; projects provide retail space for businesses that help to revitalize distressed neighborhoods that have suffered from years of disinvestment.

In addition, as described above, Boston Community Capital regularly provides financial counseling and other services, including technical assistance, to the disadvantaged businesses and communities it serves. BCC's staff advises borrowers and assists them in preparing detailed budgets, expenses, cash flows and projections, assisting with arranging payments and payment plans, and with structuring the lending arrangement itself. BCC is able to leverage its experience structuring investments to guide its borrowers in putting together loan packages that best fit their needs. 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, through its eighteen-year history of successful lending within the community, has developed an extensive network of contacts. Perhaps most important is BCC's ability to introduce borrowers to other sources of capital. We help borrowers identify knowledgeable and experienced contacts within various 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 to its venture capital portfolio as well, where BCC is an active participant on the Boards of Directors of its companies.

All of this experience will assist BCC in achieving its desired impacts going forward. We anticipate applying our long history and the knowledge we have developed over almost two decades of single-minded focus on community finance to the loans we generate through both the New Markets Fund and the BCLF Fund. As noted in question 18, and illustrated in examples above and throughout this application, BCC now operates at a scale that adds real value to low-income communities. The scale of our operations, and our track record of successful deployment of capital in low-income communities make Boston Community Capital an attractive partner to banks. Our experience in these communities has helped us to understand our market so that we can price our capital in a way that causes us to be a lender of choice for many community development entities. As a result, we will be able to structure transactions and underwrite loans that meet borrower needs while at the same time protecting our investors.

Question: 56

With respect to the impacts identified in Question #54, explain:

- The extent to which it is likely that these impacts would not be achieved without incentives provided by New Markets Tax Credits; and
- Whether the same result could be achieved at a lower cost using other sources, including federal programs.

Through our NMTC strategy, we will be able to significantly expand our lending to achieve the impacts identified above. As we have noted in Question 18 and elsewhere in this application, many of the loans we make that generate those impacts are “unbankable.” And although many of the projects to which we lend have federal or state subsidies, subsidies alone are insufficient to support the projects. Typically, these projects cannot afford or attract market rate capital and must find financing from CDFIs or other public purpose funders in order to be successful. CDFIs have depended on below-market capital to fund their loans and philanthropic dollars to subsidize their own operating expenses, two scarce sources of capital that limit CDFIs’ capacity to meet a growing demand.

We believe that the NMTC program is unique in catalyzing private sector capital for low-income communities, in generating significant community impacts for those communities and their residents, and for doing so at a lower cost than any other federal, state or private programs that we know about.

As we have described in this application, our NMTC strategy will not only catalyze approximately \$200 million in new loans to QALICBs, but allow us to create a sustainable source of cost-effective private sector capital to fund the “unbankable” lending low-income projects need. This new source will allow us to increase our lending by \$250 million over the next seven years, for an aggregate estimated impact of \$450 million. Since the loans made by BCC leverage additional loans and investments in the projects we finance (historically, for each dollar we have lent, BCC’s lending has leveraged at least an additional \$5 of private and public investment) we anticipate that the additional loan capital generated through the NMTC allocation will catalyze new investment in excess of \$1 billion over the next seven years.

The major increase in capital available for BCC to lend through the BCLF Fund achieves equally large increases in community impacts. In just one example, we project that our expanded lending capacity will finance 2500 units of affordable housing for residents of low-income communities, including the creation of 2500 child care and education slots.

Our proposed strategy does not require any additional government or philanthropic support to cover operating expenses. Moreover, as we have shown in Questions 18, the size and structure of our NMTC strategy allow us to achieve self sufficiency as well as fund the reserves required to support this expanded lending and the creation of the new low-cost source of capital.

Question: 57

Does the *Applicant's* business strategy promote business recruitment and/or job creation in a market that has recently experienced severe or sudden economic downturns (e.g., due to plant closures)?

Yes

If yes, please explain:

As stated above, BCC estimates that its NMTC strategy will create 1100 jobs through the New Markets Fund. These jobs will be important to low-income communities across our investment area, which have been hard hit by a weakened economy.

For example, in Massachusetts, where BCC is located, the economy continues to struggle. According to a state profile prepared by the FDIC in Summer 2003, Massachusetts has been the hardest hit of the New England states by the recent recession, with 21 consecutive months of declining year-over-year employment. It has lost 168,000 jobs, or 5% of its workforce, from January 2001 to March 2003 (<http://www.fdic.gov/bank/analytical/stateprofile/ny/NE/Massachusetts/ma.html>). The state lost 8,200 jobs in August 2003 alone, pushing the state's unemployment rate to 5.8 percent, its highest mark since 1994. In the past year, Massachusetts has shed 45,800, or 1.4 percent, of its jobs. Layoffs have taken place across a number of industries, from teachers and police officers to finance and technology professionals.

Moreover, those who do have jobs are earning less. According to the FDIC profile, the state's personal income growth stagnated during 2002 as a result of the weak labor market. According to an

analysis of census data by Northeastern University's Center for Labor Studies, adjusted for inflation, the median household income was lower in 1998-99 than it was a decade earlier. While nationally, median household income has grown by 3.7 percent over the last decade, in Massachusetts, real income has dropped by nearly 10 percent.

Finally, the cost of living in Massachusetts has increased dramatically, putting homeownership and other opportunities for asset accumulation out of reach for most families. Boston has the third highest median single-family home price in the nation, at \$413,500 at the end of the first quarter of 2003. Home prices in Massachusetts have soared more than 50 percent since 1995 alone, the largest jump in the nation over that period. According to a recent article in MassINC's CommonWealth Magazine, in only nine of the 127 cities and towns in Greater Boston could a family earning the median income in that community afford a home at the median price of homes sold there in the first half of last year.

Boston Community Capital's NMTC strategy promotes business recruitment and job creation, as well as asset accumulation strategies like homeownership in Massachusetts and across our service area. As stated in Question 18, we anticipate that the New Markets Fund will generate over 1100 jobs, renovate over 1 million square feet of office, retail, industrial and community space, build 480 units of for-sale housing, and create day care and education slots for 2000 children. In addition, our BCLF Fund will create an additional 2500 units of affordable housing and 2500 childcare and education slots; it will also provide \$25 million to community organizations and facilities, and \$18.25 million to inner-city commercial real estate over the 7-year NMTC allocation period.

As discussed in Question 58 below, the effect of BCC's lending on job creation and business recruitment should not be measured in terms of these impacts alone. BCC's lending program will also leverage new capital investment in jobs creation and retention in the communities where we lend and invest, and will be replicable by other CDFIs and CDEs across the country, which can then catalyze additional investments and job creation in their own market areas.

Question: 58

Discuss the extent to which the *Applicant's* proposed products or services are expected to encourage other investments in the *Low-Income Community* in which the products and services will be offered.

Our proposed activities will catalyze additional investments in Low-Income Communities in four ways.

First, we will directly generate approximately \$200 million in new lending to QALICBs through the New Markets Fund.

Second, we will create a new \$50 million source of low-cost, revolving capital for the BCLF Fund to expand BCC's traditional lending in low-income communities. Using the NMTC program, we will tap into a cost-effective revolving source of capital that previously has not been available to fund the types of non-conforming, non-bankable loans and projects that BCC typically funds. This will generate approximately \$250 million in new loans in low-income communities over the next seven years.

Third, the lending by BCC will leverage additional loans and investments in the projects we finance. For example, BCC often structures its loans through participations, gap financing, subordination or other forms of credit enhancement in order to convince banks and other conventional lenders to also lend to these projects. Historically, for each dollar we have lent, BCC's lending has leveraged at least an additional \$5 of private and public investment; thus, we can reasonably anticipate that our NMTC allocation will catalyze new lending in excess of \$1 billion.

Finally, as stated above, we believe the activities and structure we are proposing in this application is a model that can be replicated by other CDFIs and CDEs, and, which, therefore can catalyze additional investments in their market areas.

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

03NMA000478

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

- ☒ Applicant
☐ Controlling Entity

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

Calendar Year(s)	1998	1999	2000	2001	2002	Totals (1998-2002)	Totals to Disadvantaged Businesses and Communities (1998-2002)	Total Losses/Write offs (1998-2002)
1 Total # Businesses Financed	9	14	15	19	38	95	95	N/A
2 Total \$ Amt of Financing	\$1,086,324	\$3,713,432	\$4,181,850	\$5,116,996	\$6,230,350	\$20,328,952	\$20,328,951	\$300,000
3 \$ Amt of Financing (Debt)	\$931,324	\$2,413,432	\$3,131,850	\$2,967,000	\$4,301,350	\$13,744,956	\$13,744,956	\$0
4 \$ Amt of Financing (Equity)	\$155,000	\$1,300,000	\$1,050,000	\$2,149,996	\$1,929,000	\$6,583,996	\$6,583,995	\$300,000

- ☐ Check here, if table is Not Applicable.
☒ Check here, if table is Complete in all aspects.

Exhibit A - A2: Track Record of Loans/Investments to Real Estate Businesses

03NMA000478

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

- ☒ Applicant
☐ Controlling Entity

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

Calendar Year(s)	1998	1999	2000	2001	2002	Totals (1998-2002)	Totals to Disadvantaged Businesses and Communities (1998-2002)	Total Losses/Write offs (1998-2002)
1 Total # Businesses Financed	13	10	19	16	54	112	112	N/A
2 Total \$ Amt of Financing	\$4,792,698	\$3,172,950	\$10,827,047	\$11,277,021	\$16,942,273	\$47,011,989	\$47,011,989	\$0
3 \$ Amt of Financing (Debt)	\$4,792,698	\$3,172,950	\$10,827,047	\$11,277,021	\$16,942,273	\$47,011,989	\$47,011,989	\$0
4 \$ Amt of Financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

- ☐ Check here, if table is Not Applicable.
☒ Check here, if table is Complete in all aspects.

Exhibit A - A3: Track Record of Loans/Investments to Other CDEs**03NMA000478**

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

- ☒ Applicant
☐ Controlling Entity

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

Calendar Year(s)	1998	1999	2000	2001	2002	Totals (1998-2002)	Totals to Disadvantaged Businesses and Communities (1998-2002)	Total Losses/Write offs (1998-2002)
1 Total # Businesses Financed	0	0	0	0	0	0	0	N/A
2 Total \$ Amt of Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 \$ Amt of Financing (Debt)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 \$ Amt of Financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

- ☒ Check here, if table is **Not Applicable**.
☐ Check here, if table is **Complete** in all aspects.

Exhibit A - A4: Track Record of Loan Purchases from Other *CDEs*

03NMA000478

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

- ☒ Applicant
☐ Controlling Entity

Table A4: Track Record of Loan Purchases from Other *CDEs*

Calendar Year(s)	1998	1999	2000	2001	2002	Totals (1998-2002)	Totals to Disadvantaged Businesses and Communities (1998-2002)	Total Losses/Write offs (1998-2002)
1 Total # Businesses Financed	0	0	0	0	0	0	0	N/A
2 Total \$ Amt of Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 \$ Amt of Financing (Debt)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 \$ Amt of Financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

- ☒ Check here, if table is Not Applicable.
☐ Check here, if table is Complete in all aspects.

Exhibit B - B1: Projected Loans/Investments to Non-Real Estate <i>QALICBs</i>	03NMA000478
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Table B1: Projected Loans/Investments to Non-Real Estate *QALICBs* (Estimated)

Calendar Year (s)	2004	2005	2006	2007	2008	2009	Total
1 Total # transactions to be financed	30	30	0	0	0	0	60
2 Total \$ amt of financing	\$15,000,000	\$15,000,000	\$0	\$0	\$0	\$0	\$30,000,000
3 \$ Amt of financing (Debt)	\$15,000,000	\$15,000,000	\$0	\$0	\$0	\$0	\$30,000,000
4 \$ Amt of financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 Total # of reinvestment transactions	4	4	5	4	34	34	85
6 Total \$ Amt of reinvested financing	\$2,000,000	\$2,000,000	\$2,500,000	\$2,000,000	\$17,000,000	\$17,000,000	\$42,500,000
7 \$ Amt of reinvested financing (Debt)	\$2,000,000	\$2,000,000	\$2,500,000	\$2,000,000	\$17,000,000	\$17,000,000	\$42,500,000
8 \$ Amt of reinvested financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

☒ Check here, if table is Complete in all aspects.

Exhibit B - B2: Projected Loans/Investments to Real Estate Businesses**03NMA000478****Table B2: Projected Loans/Investments to Real Estate Businesses (Estimated)**

Calendar Year (s)	2004	2005	2006	2007	2008	2009	Total
1 Total # transactions to be financed	9	9	0	0	0	0	18
2 Total \$ amt of financing	\$35,000,000	\$35,000,000	\$0	\$0	\$0	\$0	\$70,000,000
3 \$ Amt of financing (Debt)	\$35,000,000	\$35,000,000	\$0	\$0	\$0	\$0	\$70,000,000
4 \$ Amt of financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 Total # of reinvestment transactions	33	33	33	33	43	43	218
6 Total \$ Amt of reinvested financing	\$33,500,000	\$34,000,000	\$34,000,000	\$34,000,000	\$69,000,000	\$69,000,000	\$273,500,000
7 \$ Amt of reinvested financing (Debt)	\$33,500,000	\$34,000,000	\$34,000,000	\$34,000,000	\$69,000,000	\$69,000,000	\$273,500,000
8 \$ Amt of reinvested financing (Equity)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

☒ Check here, if table is Complete in all aspects.

Exhibit B - B3: Distribution of Loans/Investments to Real Estate Businesses From 2004 to 2009	03NMA000478
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Table B3: Distribution of Loans/Investments to Real Estate Businesses From 2004 to 2009 (Estimated)

Type of Project	Total Number of Projects	Total \$ Amount of Debt Financing	Total \$ Amount of Equity Financing	Total Financing
1. Office Space	17	\$31,250,000	\$0	\$31,250,000
2. Industrial	7	\$13,750,000	\$0	\$13,750,000
3. Retail	7	\$23,750,000	\$0	\$23,750,000
4. Residential (for-sale)	54	\$115,000,000	\$0	\$115,000,000
5. Mixed-used (housing + other)	78	\$142,500,000	\$0	\$142,500,000
6. Community Facilities ¹	51	\$51,250,000	\$0	\$51,250,000
7. Infrastructure	-	\$ -	\$ -	\$0
8. Other:	-	\$ -	\$ -	\$0
9. Other:	-	\$ -	\$ -	\$0
10. Other:	-	\$ -	\$ -	\$0
11. TOTAL	214	\$377,500,000	\$0	\$377,500,000

☒ Check here, if table is Complete in all aspects.

¹A facility in which health care, childcare, educational, cultural or social services are provided. 12 CFR §1805.104(j).

Exhibit B - B4: Projected Loans/Investments in Other <i>CDEs</i>	03NMA000478
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Table B4 is not applicable for the current application since you did not check Question 17c.

Exhibit B - B5: Projected Loan Purchases from Other <i>CDEs</i>	03NMA000478
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Table B5 is not applicable for the current application since you did not check Question 17d.

Exhibit B - B6: Size and Type of Loans to be Purchased from Other <i>CDEs</i> from 2004 to 2009	03NMA000478
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Table B6 is not applicable for the current application since you did not check Question 17d.

**Exhibit B - B7: Projected *Financial Counseling and Other Services* to
Businesses and Entrepreneurs in**

03NMA000478

Table B7: Projected *Financial Counseling and Other Services* to Businesses and Entrepreneurs in *Low-Income Communities* (Estimated)

Calendar Year(s)		2004	2005	2006	2007	2008	2009	Total
1	Total # of businesses/entrepreneurs served through counseling or other services	-	-	-	-	-	-	0
2	Total estimated hours spent counseling or providing other services per year	-	-	-	-	-	-	0
3	Total \$ amount to be spent on counseling or providing other services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
4	Total \$ amount of reinvestment to be spent on counseling or providing other services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
<input checked="" type="checkbox"/> Check here, if table is <u>Complete</u> in all aspects.								

Exhibit C - C1: Identification of Investments and Investor *Commitments***03NMA000478**

Name of Investor	Type of Investor¹	Unrelated Entity?	Previous Investor?²	Total Funding Provided from 1998-2002 (if previous investor)	Dollar Amount of NMTC Equity Sought	Status of Request³	Estimated or Actual Date for Receipt of Funds	Update
Citizens Bank	Bank or Other Regulated Financial Institution	Yes	Yes	\$5,800,000	\$25,000,000	Letter of Interest/Intent	3/31/2004	
Wainwright Bank	Bank or Other Regulated Financial Institution	Yes	Yes	\$5,100,000	\$10,000,000	Letter of Interest/Intent	3/31/2004	
CRIC Capital	Real Estate Developer or Investment Company	Yes	No	\$0	\$15,000,000	Letter of Interest/Intent	3/31/2004	
JPMorgan Chase	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,000,000	\$25,000,000	Letter of Interest/Intent	3/31/2004	
Sovereign Bank	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,000,000	\$25,000,000	Letter of Interest/Intent	3/31/2004	
Total	N/A	N/A	N/A	\$12,900,000	\$100,000,000	N/A	N/A	N/A

☐ Check here, if table is **Not Applicable**.

☒ Check here, if table is **Complete** in all aspects.

¹ Individual investor, foundation or other philanthropic organization, pension fund, bank or other regulated financial institution, real estate developer or investment company, venture fund, investment bank, insurance company, utility company, other type of corporate investor, other type of investor.

² A previous investor is any investor that has invested in the *Applicant*, its *Controlling Entity*, or any *Subsidiary* entities since 1998.

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

Exhibit C - C2: Identification of Potential NMTC Investors**03NMA000478**

Name of Investor	Type of Investor¹	Unrelated Entity?	Previous Investor?²	Total Funding Provided from 1998-2002 (if previous investor)	Total Anticipated NMTC Request to Investor from 2003 to 2008	Update
Washington Mutual	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,000,000	\$10,000,000	
Eastern Bank	Bank or Other Regulated Financial Institution	Yes	Yes	\$500,000	\$5,000,000	
Mellon New England	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,200,000	\$10,000,000	
Dedham Institution for Savings	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,000,000	\$5,000,000	
Boston Private Bank & Trust	Bank or Other Regulated Financial Institution	Yes	Yes	\$250,000	\$10,000,000	
Fidelity Management Trust	Bank or Other Regulated Financial Institution	Yes	Yes	\$550,000	\$1,000,000	
Investors Bank & Trust	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,000,000	\$5,000,000	
Fleet Bank	Bank or Other Regulated Financial Institution	Yes	Yes	\$13,450,000	\$15,000,000	
Banknorth	Bank or Other Regulated Financial Institution	Yes	Yes	\$1,000,000	\$10,000,000	
HSBC	Bank or Other Regulated Financial Institution	Yes	No	\$0	\$20,000,000	
Belmont Savings Bank	Bank or Other Regulated Financial Institution	Yes	Yes	\$250,000	\$5,000,000	
Citibank	Bank or Other Regulated Financial Institution	Yes	No	\$0	\$20,000,000	
Metropolitan Life Insurance Co.	Insurance Company	Yes	Yes	\$2,000,000	\$10,000,000	
The Property & Casualty Initiative	Insurance Company	Yes	Yes	\$6,000,000	\$10,000,000	
	Bank or Other					

Hyde Park Savings Bank	Regulated Financial Institution	Yes	Yes	\$200,000	\$5,000,000	
The Life Initiative	Insurance Company	Yes	Yes	\$2,000,000	\$10,000,000	
Total	N/A	N/A	N/A	\$30,400,000	\$151,000,000	N/A

☐ Check here, if table is **Not Applicable**.
☒ Check here, if table is **Complete** in all aspects.

¹ Individual investor, foundation or other philanthropic organization, pension fund, bank or other regulated financial institution, real estate developer or investment company, venture fund, investment bank, insurance company, utility company, other type of corporate investor, other type of investor.

² A previous investor is any investor that has invested in the *Applicant*, its *Controlling Entity*, or any *Subsidiary* entities since 1998.

Exhibit C - C3: Track Record of Raising Capital from Investors

03NMA000478

Table C3: Track Record of Raising Capital from Investors

This table reflects the activities of
(check one):

- ☒ Applicant
☐ Controlling Entity

Calendar Year(s)	1998	1999	2000	2001	2002	Total
1. Total # of investments	109	142	128	249	217	845
2. Total \$ amount of investments	\$6,098,596	\$6,999,678	\$9,938,365	\$21,121,524	\$14,567,696	\$58,725,859
3. Total # of grants	76	79	84	190	175	604
4. Total \$ amount of grants ²	\$1,121,061	\$1,085,764	\$2,448,080	\$112,937	\$1,160,898	\$5,928,740
5. Total # of below market rate loans ¹	25	57	44	51	39	216
6. Total \$ amount of below market rate loans ²	\$1,326,218	\$4,535,231	\$7,490,285	\$14,014,431	\$3,500,954	\$30,867,119
7. Total # of market rate loans ¹	0	0	0	0	0	0
8. Total \$ amount of market rate loans ²	\$0	\$0	\$0	\$0	\$0	\$0
9. Total # of Equity Investments ¹	8	6	0	8	3	25
10. Total \$ amount of Equity Investments ²	\$3,651,317	\$1,378,683	\$0	\$6,994,156	\$9,905,844	\$21,930,000
<input type="checkbox"/> Check here, if table is <u>Not Applicable</u> . <input checked="" type="checkbox"/> Check here, if table is <u>Complete</u> in all aspects.						

¹ Values should be a subset of Line 1.² Values should be a subset of Line 2.

Exhibit D - D1: Schedule for Issuing *QEIs* (Estimated)

03NMA000478

Table D1: Schedule for Issuing *QEIs* (Estimated)

NMTC Allocation Amount Requested: \$100,000,000							
Calendar Year(s)		2004	2005	2006	2007	2008	Totals
1	Total \$ amount of <i>QEIs</i> to be Issued	\$50,000,000	\$50,000,000	\$0	\$0	\$0	\$100,000,000
2	Percent of total <i>NMTC Allocation</i>	50%	50%	0%	0%	0%	100%

Exhibit D - D2: Transfer of Allocations to *Subsidiary* Entities**03NMA000478****Table D2: Transfer of Allocations to *Subsidiary* Entities**

Name of Entity	Certified as a CDE?	EIN (if available)	Total <i>QE</i>s to be Issued by Entity	Anticipated Date of First <i>QE</i>	Anticipated Date of Final <i>QE</i>	Edit
Boston Community Capital Inc.	Yes	043246555	\$0			
BCC New Markets I LLC	No	n/a	\$30,000,000	3/31/2004	3/31/2004	
BCC New Markets II LLC	No	n/a	\$30,000,000	3/31/2004	3/31/2004	
BCC New Markets III LLC	No	n/a	\$40,000,000	3/31/2004	3/31/2004	
TOTAL	N/A	N/A	\$100,000,000	N/A	N/A	N/A
Amount requested by Applicant:			\$0			

Exhibit E - E1: Experience Deploying Capital or *Financial Counseling and Other Services***03NMA000478**

Staff Member Qualifications	
Name:	Charles Clark
Firm:	Citizens Bank
Title at Firm:	Former SVP, Regional Banking; CRA Officer
Years with (or Providing Services to) the Applicant:	16
Role with Applicant	Governing board (GB) chair
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>Chair, Board of Directors - As a member of the board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives. As board chair, presides at all meetings of the board, overseeing and framing discussion, ensuring that board members fulfill their responsibilities, working with management to set agendas for meetings, and appointing chairs to all standing committees.</p> <p>Member, Finance Committee - Responsible for providing ongoing oversight to the financial management of the corporation. Shares expertise and makes recommendations on such topics as budget, investment policy, and auditor engagement.</p> <p>Member, Venture Committee - Approve loans to and investments in portfolio companies across the Northeast. Provide introductions to potential sources of capitalization, deal flow, or operating support. Report 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.</p>	
Description of Individual's Qualifications	
<p>Over 30 years banking experience, most recently as Senior Vice President and head of the Regional Banking Group at Citizens Bank in Boston, MA. In addition to being a senior lending officer, he served as CRA officer and director of the holding company's minority small business lending initiative.</p> <p>Clark is Treasurer of YouthBuild USA, an urban initiative that teaches the building trades to disadvantaged youth, and is a member of the Executive Committee of Junior Achievement of Eastern Massachusetts. He is a member of the Investment Committee of the Property and Casualty Initiative; Chairs the Board of the Massachusetts Alliance for Small Contractors, Inc.; a member of the Board of Massachusetts Certified Development Corporation; and a member of the Finance and Administration Committee of the United Way of Massachusetts Bay. He joined the Boston Community Capital Board in 1987, served as its Treasurer for several years, and has been the Chair of the Board since spring 1999.</p>	

Staff Member Qualifications	
Name:	Elyse Cherry
Firm:	Boston Community Capital
Title at Firm:	CEO; President, Boston Community Venture Fund
Years with (or Providing Services to) the Applicant:	17
Role with Applicant	ED or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As CEO of Boston Community Capital, 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). Key reporter to the Board, with overall responsibility for the hiring and firing of affiliate presidents.</p>	

As President of the Venture Fund, 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 returns as well as financial returns.

Description of Individual's Qualifications

Elyse has worked with Boston Community Capital since it was founded, first serving on the Board, and joining the organization as president in November 1997 with additional responsibilities for overall strategy of Boston Community Capital. She was formally named to the additional role of Chief Executive Officer of BCC in March 2000. Before joining the staff of BCC, she had been a founding board member of BCC and served as its Loan Committee Chair, Clerk and Board Chair.

As president of Boston Community Venture Fund, she makes investments in businesses that achieve a "double bottom line" of financial and social returns. Under Elyse's leadership, BCVF has raised more than \$21 million for its two funds, and has committed more than \$13.4 million to companies across the Northeast that provide jobs, goods and services in communities where low-income people live and work; Elyse holds board seats and provides financial counseling and services to several of the funds' portfolio companies.

Elyse is an attorney and a former partner of the Boston law firm of Hale and Dorr, where her practice focused on large commercial real estate transactions, the development of affordable housing and the preservation of open space. Prior to joining Boston Community Capital, Elyse served as 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 and insurance service companies. Elyse began her career as a VISTA volunteer at the East Tennessee Community Design Center in Knoxville, Tennessee.

Elyse is leader in the community development finance industry. She helped found the National Community Capital Association and serves on its board of directors, as well as on the board of the Community Development Venture Capital Alliance. Among other engagements, she also serves on the Economic Development Grant Advisory Board for the Massachusetts Cultural Council, as an advisor to Northeastern University's urban-focused School of Education and on the executive council of the YWCA of Boston. Elyse is a graduate of Wellesley College and the Northeastern University School of Law.

Staff Member Qualifications

Name: DeWitt Jones

Firm: Boston Community Capital

Title at Firm: BCLF President; Chief Operating Officer

Years with (or Providing Services to) the Applicant:

18

Role with Applicant

Other key management

Hrs. per week with Applicant in this Capacity

40

Description of Responsibilities with Applicant in Deploying Capital or Services

As President of the Loan Fund, Jones has sole operational responsibility and authority for the Fund's success, including capitalization, strategy, investment, staffing, performance, research and planning. Oversees all lending activity of the fund, and with Loan Committee Chair, presides over committee's review and approval of lending policy and loan decisions. Under his leadership, the Loan Fund has lent more than \$100 million to create affordable housing, daycare and social services in low-income communities, including more than \$50 million in the last 3 years. In its 18-year history the Loan Fund has experienced losses of less than one tenth of one percent.

As Chief Operating Officer of Boston Community Capital, responsible for overseeing day-to-day operations of BCC and its affiliates, including finance, administration, human resources, and investor relations.

Description of Individual's Qualifications

DeWitt Jones, COO of Boston Community Capital and President of its Loan Fund, was the organization's founding first employee. Under his leadership, the Loan Fund has lent more than \$100 million to create affordable housing, daycare and social services in low-income communities, including more than \$50 million in the last 3 years. In Jones's 18-year history with the Loan Fund, the fund has experienced losses of less than one tenth of one percent.

Jones served as a founding member of the National Association of Community Development Loan Funds, now the National Community Capital Association, and chaired its Financial Services and Public Affairs committees. He holds additional experience as co-owner and treasurer of Maria and Ricardo's

Tortilla Factory, a national industry leader located in Boston's inner-city, from 1991-1998.

Appointed by Boston Mayor Thomas Menino, Jones serves on the City of Boston's Housing Finance Blue Ribbon Panel. He is treasurer of the Center for Women and Enterprise, an organization that empowers women in Massachusetts and Rhode Island to become economically self-sufficient and prosperous through entrepreneurship; a founder of the Falmouth, MA Housing Trust; and board chair of the Penikese Island School, a nonprofit school for boys from troubled homes. Prior to joining Boston Community Capital, Jones served as a VISTA volunteer in Boston and was executive director of the Massachusetts Urban Reinvestment Advisory Group. He was awarded a John Hay Whitney Fellowship in 1981.

Jones is a graduate of Harvard College and its Kennedy School of Government.

Staff Member Qualifications	
Name:	Patricia Hanratty
Firm:	Bank RI/Campus Mate
Title at Firm:	President
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As Treasurer of the BCC Board of Directors, responsible for reporting to the Board on the soundness and appropriateness of the Corporation's financial strategy and operations. Responsible for translating and communicating, in clear terms, the issues of the Corporation to the Board and to the external world. In the event of the absence or temporary incapacity of the Board Chair, the treasurer will act as chair.</p> <p>As a member of the Board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.</p> <p>As a member of the Finance Committee, responsible for providing ongoing oversight to the financial management of the corporation. Shares expertise and makes recommendations on such topics as budget, investment policy, and auditor engagement.</p>	
Description of Individual's Qualifications	
<p>As President of CampusMate division of Bank Rhode Island, designed and implemented an innovative new program that brings financial management tools into new market segments.</p> <p>Before joining Bank Rhode Island, Dr. Hanratty was the Director of Branch Channel Management for Fleet Financial's Business and Entrepreneurial Services Group (BESG). Fleet's market is comprised of New England, New York and New Jersey. BESG handles relationships for businesses with sales of \$10MM or less and credit needs of \$500MM or less. She was instrumental in the design, development and formation of Fleet's Business Solutions Centers, which focus resources and staff to improve service to and provide a contact person for branch-based business customers. She was also a Director of the Fleet Community Development Corporation. Dr. Hanratty joined Fleet in 1990 and held a range of positions, including Director, Corporate Sales for Small Business, Regional Manager of the Greater Boston Retail Banking franchise, Director of Massachusetts Community Banking, Northern New England Community Banking Market Manager, and Team Leader in Classified Loans.</p> <p>Dr. Hanratty initiated the development and implementation of Fleet's Business Credit Express (BCE) and Business Credit Plus (BCP) products. Designed for the small business customer, BCE processes loans up to \$50MM with a guaranteed one-day decision. Dr. Hanratty has been named the SBA Financial Services Advocate of the Year for Massachusetts and New England for 1996 and received the Boston Chamber of Commerce Pinnacle Award for Excellence in Management. She writes for and is a speaker at various industry forums.</p> <p>Prior to joining Fleet Financial Group in 1990, Dr. Hanratty held positions as Executive Director of the</p>	

Industrial Services Program, Assistant Secretary of Economic Affairs Commonwealth of Massachusetts, and as an Assistant Professor and Acting Chair of the Political Science Department of the College of the Holy Cross.

Dr. Hanratty holds a Ph.D. from the Massachusetts Institute of Technology and a B.A. from the University of Massachusetts. She is a Director of the Brighton-Allston Mental Health Clinic, a member of the RMA Small Business Banking Task Force, the national Alliance of Business Council of Workforce Excellence, the Business Banking Board and the American Bankers Association Small Business Banking Committee. Additionally, she served as President of the New England Trade Adjustment Assistance Center from 1990 until May 1998. She has been a member of Boston Community Capital's Board of Directors since 1998.

Staff Member Qualifications	
Name:	Evelyn Friedman
Firm:	Nuestra Comunidad CDC
Title at Firm:	Executive Director
Years with (or Providing Services to) the Applicant:	9
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As Clerk of the Board of Directors, responsible for the accurate record keeping of the Board and corporation records. Typically, this includes keeping of minutes and certifying actions of the board. In the absence or incapacity of Board Chair and treasurer, the clerk will act as chair.</p> <p>As a member of the board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.</p>	
Description of Individual's Qualifications	
<p>Executive Director of Nuestra Comunidad Development Corporation, a Roxbury MA., community development corporation with a \$20 million affordable housing and economic development portfolio. Under Ms. Friedman's ten-year leadership, Nuestra has grown from a small and struggling CDC into a national model of a comprehensive CDC. Nuestra Comunidad also runs a homeownership counseling program, real estate management company, a small business technical assistance service and a certified CDFI, which provides home improvement and micro enterprise loans. Nuestra Comunidad was recipient of a NMTC allocation in the 2002 application round.</p> <p>Ms. Friedman joined the BCC Board in 1994 and became Clerk in 1997. She is a former president of the board of the Massachusetts Association of Community Development Corporations and currently serves on the boards of the Massachusetts Housing Investment Corporation and the Metropolitan Boston Housing Partnership.</p>	

Staff Member Qualifications	
Name:	Edward Dugger III
Firm:	UNC Partners
Title at Firm:	President
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
As a member of the Board, responsible for broad strategic direction of BCC and its affiliates; has overall	

fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.

As chair of the Venture Committee, approves loans to and investments in portfolio companies across the Northeast. Provides introductions to potential sources of capitalization, deal flow, or operating support. 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.

Description of Individual's Qualifications

President of UNC Partners, a successful private venture capital fund with more than \$30,000,000 under management. Mr. Dugger's work has focused on profitable yet socially responsible investments. Specifically, his funds have sought to consciously expand business opportunities of entrepreneurs of color.

Dugger is a director of the Federal Reserve Bank of Boston, the Massachusetts Business Roundtable as well as numerous private companies. He is currently chair of the Social Venture Network and is organizing the Business Collaborative to improve the business links between minority business enterprises and large public companies. Mr. Dugger is a respected and nationally-recognized leader in social investing, minority-focused equity investing, and venture capital.

Staff Member Qualifications

Name:	Sarah Lincoln
Firm:	Fleet Bank
Title at Firm:	Director, Wholesale Division
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3

Description of Responsibilities with Applicant in Deploying Capital or Services

As a member of the board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.

Description of Individual's Qualifications

Sarah Lincoln oversees Fleet's community development work, CDFI investing and community development venture capital. She currently manages a portfolio valued in excess of \$1.3 billion that includes debt and equity (both funds and direct investments), as well as Low Income Housing Tax Credits. She oversees the management of products as listed above within three 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 totalling 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.

Staff Member Qualifications

Name:	Maria Maffei
Firm:	Recapitalization Advisors
Title at Firm:	Vice President

Years with (or Providing Services to) the Applicant:	9
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As a member of the board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.</p> <p>As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.</p>	
Description of Individual's Qualifications	
<p>Maria Maffei is a Vice President at Recapitalization Advisors, Inc., a Boston-based firm that assists real estate owners and investors nationwide in increasing, preserving or realizing residual value for multi-family properties through recapitalizations, restructuring, refinancing, workout and other means.</p> <p>Prior to joining Recap Advisors, Maffei was a Senior Finance Specialist with the City of Boston's Public Facilities Department, where she managed a \$9 million annual budget including CDBG, HOME, Rental Rehab and Emergency Shelter Grant funding for the development of housing for the City's homeless and special needs populations. During her four years with the City, she provided financing and development assistance for more than 1000 units of housing and increased competitive Federal funding for her division from \$0 to approximately \$10 million annually. In her capacity with the City, she worked extensively with all of the players in affordable housing development, from community groups to professionals, including architects, lenders, attorneys and regulators. Maffei also has experience structuring work-outs for troubled properties and investor participation in affordable housing developments using Low Income Housing Tax Credits and Historic Tax Credit.</p> <p>Since joining the firm in April 1994, Maffei has worked on more than 75 transactions to preserve over 8000 apartments of affordable housing in 14 states nationwide under the LIHPRHA program. She has worked on behalf of owners and nonprofit purchasers of expiring use properties involving over \$125,000,000 in owner's equity.</p> <p>Maffei has been active in local politics and economic development efforts. She joined Boston Community Capital's Loan Committee in 1995 and was elected to the Board in 1998. She is an honors graduate of the University of Massachusetts and received a Master's Degree in policy and planning from Tufts University.</p>	

Staff Member Qualifications	
Name:	Michael Stella
Firm:	Star Contracting Company
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	8
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As a member of the Board of Directors, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes</p>	

overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.

As Chair of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.

Description of Individual's Qualifications

Michael Stella is a principal of Star Contracting Company, and a Dorchester-based contractor, property owner and developer. He is active in the Codman Square Neighborhood Council and is co-chair of the board of directors of the Codman Square Neighborhood Development Corporation. In addition to chairing the Loan Committee, Stella has served on the boards of Boston Community Capital and its affiliates since 1995. He has been a resident of Dorchester since 1970.

Staff Member Qualifications

Name:	Mercedes Tompkins
Firm:	Dorchester Roundtable
Title at Firm:	Executive Director
Years with (or Providing Services to) the Applicant:	11
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3

Description of Responsibilities with Applicant in Deploying Capital or Services

As a member of the board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.

Description of Individual's Qualifications

Mercedes Tompkins brings twenty years worth of experience as a community activist and organizer to the Boston Community Capital board. In her current position as the Executive Director of the Dorchester Community Roundtable, she is responsible for developing a coordinating the community response to intimate partner violence in Dorchester, Massachusetts. Many of her efforts focus on developing relationships with other community leaders and organizations to attain the goals of the Roundtable. Establishing and maintaining partner relationships with local law enforcement, judicial centers, and with health service providers is at the core of the work Mercedes does at the Roundtable. She leads the Roundtable project in development and strategic planning to provide a coordinated community response to domestic violence in Dorchester.

Prior to her work at the Roundtable, Mercedes was the Director of National Outreach for Oxfam America. Much of her time was spent overseeing to actives of Oxfam's development education program and national events. As a consultant Mercedes assisted in the development of the first shelter for Asian battered women and their children in New England.

Mercedes also spent close to ten years as the Executive Director of Casa Myrna Vazquez, Inc., the largest minority controlled sheltering program in the Boston area. Her responsibilities included overall coordination of service in the agency's six components: two shelters, the Safe Home Network, two Transitional Living Programs, Community Education, Volunteer Training and Housing Programs.

As a community leader Mercedes has made significant contributions to the fight against domestic

violence. Presently she serves on the board of the Dorchester Judicial Oversight project, Common Purpose the largest Batterers Invention program in Massachusetts and Transition House a comprehensive sheltering program for victim of battered women.

Staff Member Qualifications	
Name:	James Walsh
Firm:	Center for Law and Justice
Title at Firm:	Director
Years with (or Providing Services to) the Applicant:	18
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As a member of the Board, responsible for broad strategic direction of BCC and its affiliates; has overall fiduciary responsibility for the organization. In coordination with management, board establishes overall mission for the organization; reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner; hires and fires BCC CEO; elects board members and other actions as required by law or by-laws. Serves as an external advocate for BCC and its mission; acts as internal expert, providing information on market and industry trends, social impact, new sources and tools for capitalization; and provides guidance and advice. Approves broad policy and strategic initiatives.</p> <p>Member, Venture Committee - Approve loans to and investments in portfolio companies across the Northeast. Provide introductions to potential sources of capitalization, deal flow, or operating support. Report 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.</p>	
Description of Individual's Qualifications	
<p>Fr. Walsh is both a Jesuit priest and an attorney. His entire professional and volunteer life has focused on social justice and working with low income people. Currently, he runs a pro bono legal practice for low income and homeless people, focusing in particular on housing and guardianship issues. He has served on the boards of the Sojourner House, the Jesuit Volunteer Corps, and Notre Dame Mission Volunteer Corps. He has been a teacher, an administrator, a community organizer, pastor and an attorney with the Commonwealth's Executive Office of Energy Resources.</p> <p>He was an original Board member for Boston Community Capital and has served as Vice President, Clerk, and Chair of the Venture Committee.</p>	

Staff Member Qualifications	
Name:	Meg Bennett
Firm:	Boston Safe Deposit and Trust Company
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	6
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.</p>	

Description of Individual's Qualifications	
<p>Meg Bennett is a Vice President in the Private Lending Group at Boston Safe Deposit and Trust Company. After spending 13 years at BayBank lending to public and private corporations and non-profit organizations, Meg recently moved to Boston Safe Deposit, Mellon's Boston subsidiary. Meg is an active member of the Board of the Cambridge Partnership for Public Education. Meg joined the Loan Committee in 1997. Meg is a resident of Newton.</p>	

Staff Member Qualifications	
Name:	Eva Clarke
Firm:	Mattapan Community Development Corporation
Title at Firm:	Executive Director
Years with (or Providing Services to) the Applicant:	12
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.</p>	
Description of Individual's Qualifications	
<p>Eva Clarke is the executive director of the Mattapan CDC, a community development corporation whose mission is to improve the social and economic conditions of all residents of Mattapan. Particular attention is placed on improving the housing and economic circumstances of Mattapan's residents of limited means.</p> <p>Prior to assuming these responsibilities, Eva held senior management positions at the Boston Community Loan Fund (BCLF) where she oversaw all lending, underwriting, credit policy and monitoring of the portfolio. She is also the founding director of Faith Partnership Inc. whose mission is to improve low-income communities and the lives of low-income people by connecting community and faith based institutions and individuals to a range of new skills and resources.</p> <p>Eva is co-chair of the Codman Square Neighborhood Development Corporation, a member of the steering committee of the Black Church Capacity Building Program and a deacon of the New Covenant Christian Center in Mattapan. She is a graduate of the Massachusetts Institute of Technology.</p>	

Staff Member Qualifications	
Name:	Laura Hackell
Firm:	Partners Healthcare Systems
Title at Firm:	Project Manager
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Loan Committee member
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on</p>	

Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.

Description of Individual's Qualifications

Laura Hackell is a real estate development project manager. She is currently the Research Space Team Leader for Partners Healthcare Systems, where she oversees the development of research and lab space for Massachusetts General Hospital. Before joining Partners, she had managed major development projects for Berkeley Investments, Spaulding and Slye and The Beacon Companies. Hackell is a member of New England Women in Real Estate (NEWIRE).

She is a graduate of Wellesley College and the Harvard Graduate School of Design. Laura is a resident of Belmont and joined the Loan Committee in 2001.

Staff Member Qualifications

Name:	Glenn Morgan
Firm:	Interactive Factory
Title at Firm:	Chief Operating Officer
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3

Description of Responsibilities with Applicant in Deploying Capital or Services

As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.

Description of Individual's Qualifications

An entrepreneur who currently serves as Chief Operating Officer of Interactive Factory, a firm that provides internet consulting services for mid- to large-sized firms. Prior to working with Interactive Factory, he owned BeeLine Internet Resources, a profitable web development firm sold to SkyWorld, Inc.

Morgan has served as Managing Director of GE Capital Consulting's Boston Office. He was a commercial loan officer prior to attending graduate school.

Morgan is a member of the development and planning committee of Somerville Community Corporation (SCC), a nonprofit organization that promotes positive social and economic change in the City of Somerville through programs that provide affordable housing, homelessness interception, and community mediation.

Morgan has a Master's in Management Science from the Sloan School of Management at M.I.T. and serves on BATEC's Technology Advisory Group and the Finance Committee of Saint Peters School in Cambridge. He is a resident of Somerville, MA.

Staff Member Qualifications

Name:	Linnie McLean
Firm:	Trillium Asset Management
Title at Firm:	Senior Operations Officer
Years with (or Providing Services to) the Applicant:	6
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3

Description of Responsibilities with Applicant in Deploying Capital or Services

As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending

policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.

Description of Individual's Qualifications

Linnie McLean is a senior operations officer at Trillium Asset Management (formerly Franklin Research and Development Corporation), a social investing money management firm. She is responsible for the company's management, finances, and human resources. Additionally, she oversees Trillium's alternative investment sector. Prior to joining Trillium, Linnie was a senior vice president at BayBank, where her career included community, national and international lending. She joined the Loan Committee in 1997.

Ms. McLean is a member of board of directors of the YWCA Boston and Shared Interest, Inc. She has been honored as a "Black Achiever" by the New York City Chapter of the YMCA, and is a member of the YWCA Boston Academy of Women Achievers.

She holds a B.S. in Business Administration from North Carolina A & T State University and a M.B.A. in finance from Farleigh Dickinson University. She also holds a certificate from the Graduate School of Credit and Financial Management.

McLean lives in Dorchester.

Staff Member Qualifications

Name:	Jennifer Pinck
Firm:	Independent
Title at Firm:	Construction Manager
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3

Description of Responsibilities with Applicant in Deploying Capital or Services

As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.

Description of Individual's Qualifications

Jennifer Pinck has over 20 years' 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.

As a volunteer Pinck serves as the Vice Chair of the Cambridge Board of Zoning Appeal and as a Member of the Loan Committee of Boston Community Capital. In addition she is a member of the Hickory Consortium, a Building America Team focused on energy efficiency and systems engineering in the urban housing market. She has been a member of the Boston Community Loan Fund Committee since 1998.

Staff Member Qualifications	
Name:	Victor Rivera
Firm:	Fleet Bank
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3
Description of Responsibilities with Applicant in Deploying Capital or Services	
As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.	
Description of Individual's Qualifications	
Victor Rivera is a Vice President and Account Officer with FleetBoston's Small Business Lending unit. Prior to re-joining Fleet, Victor held a senior management position at Boston Community Loan Fund, overseeing Loan Fund's lending activities, including staff training and supervision, new business lines, portfolio monitoring, and social impact reporting. Before joining BCLF, Victor was with FleetBoston Financial for eight years and has extensive underwriting and credit experience, both in the field and as a manager. Prior to joining Fleet, Victor was a bank examiner with the Office of Thrift Supervision. He is a graduate of the University of Puerto Rico.	

Staff Member Qualifications	
Name:	Steven Tromp
Firm:	Wainwright Bank
Title at Firm:	Senior Vice President
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3

Description of Responsibilities with Applicant in Deploying Capital or Services
As a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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. Provides ideas, advice and counsel to staff, including information on specific communities and neighborhoods or industry and government trends. 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. Reports on Loan Fund's activities and its learning to the Board and to external constituencies, including funders, borrowers and lenders.
Description of Individual's Qualifications
Steve Tromp is Senior Vice President and Senior Credit Officer at Wainwright Bank, a socially responsible bank based in Boston. In that role, he is a member of the senior management team and is responsible for the bank's lending, risk management and portfolio management. Prior to joining Wainwright, Steve held senior lending positions with Sovereign Bank and BankBoston's First Community Bank. He has been active with Working Capital and has served on the board of the Dorchester Bay Economic Development Corporation and the Church of the Covenant. Steve has an MBA and bachelors' degree from the University of Wisconsin and was a Fullbright Scholar in 1977.
He lives in Dorchester and joined the Loan Committee in 2001.

Staff Member Qualifications	
Name:	Andrew Chen
Firm:	Boston Community Venture Fund
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
As Managing Director of Boston Community Venture Fund, Chen has primary responsibility for locating, evaluating, and underwriting equity investments in portfolio companies across the Northeast. He serves on the Board of Directors of, or is actively involved with, several of the Fund's portfolio companies including Parker Guitars and The Foreside Company. He is focused primarily on investment opportunities in Eastern MA, RI and ME.	
Managing Director of the fund evaluates, performs due diligence and writes investment recommendations for potential investments; prepares overview descriptions for potential investments that include historical information, borrower's financial information and the social impact of the investment; negotiates terms and reviews closing documents. Reviews incoming business plans for advisability and appetite for investment; actively monitors portfolio companies through review of financial statements, face-to-face and telephonic meetings to ensure that management and marketing strategies, business development programs and business plans are on track; and actively participates in a variety of miscellaneous tasks related to venture fund operations (including budget preparation, projections, funding and/or grant applications and other administrative and reporting functions). Maintains deal pipeline by initiating extensive research in developing lists of potential customers and alliance partners. Assumes responsibility for contacting and developing relationships with appropriate key executives within the target companies.	
Description of Individual's Qualifications	
Mr. Chen joined the Venture Fund as a Venture Officer in 1998.	
He has a Ph.D. from MIT in Technology, Management and Policy, where his research focused on technology development and polymer recycling.	
Prior to joining the Venture Fund, he ran a privately owned investment firm specializing in start-up companies in the advanced materials processing industry. Spent seven years as President of The Fanda Investment & Development Corporation, where he completed projects ranging in size from \$1 million to \$10 million, focusing on start-up ventures in the US and in Asia. 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 industries. With prior experience as a General Partner with	

The Chimera Group and Jade Associates, he founded and managed a real estate development partnership and real estate investment syndicate achieving returns on investment in excess of 35%.

Staff Member Qualifications	
Name:	Sharon Shepard
Firm:	Boston Community Venture Fund
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>As Managing Director of Boston Community Venture Fund, Shepard has primary responsibility for locating, evaluating, and underwriting equity investments in portfolio companies across the Northeast. Ms. Shepard works with many of the Fund's portfolio companies including Protodyne, GeoVue, and CASTion. She is focused primarily on opportunities in CT, NY, NH, VT, and Western MA.</p> <p>Managing Director of the fund evaluates, performs due diligence and writes investment recommendations for potential investments; prepares overview descriptions for potential investments that include historical information, borrower's financial information and the social impact of the investment; negotiates terms and reviews closing documents. Reviews incoming business plans for advisability and appetite for investment; actively monitors portfolio companies through review of financial statements, face-to-face and telephonic meetings to ensure that management and marketing strategies, business development programs and business plans are on track; and actively participates in a variety of miscellaneous tasks related to venture fund operations (including budget preparation, projections, funding and/or grant applications and other administrative and reporting functions). Maintains deal pipeline by initiating extensive research in developing lists of potential customers and alliance partners. Assumes responsibility for contacting and developing relationships with appropriate key executives within the target companies.</p>	
Description of Individual's Qualifications	
<p>Ms. Shepard joined BCVF in February 2001. Previously she was Senior Vice President and Managing Partner of Consulting Services at Mass Ventures Corp. providing venture development, financial advisory, and investment banking services to high growth businesses. There she raised more than \$45MM in early stage companies and held interim senior management roles in such companies such as Beliefnet and MetaEvents (acquired by Palm). She has more than 18 years experience in business development, operations, marketing, and product development with significant expertise in managing technology companies through the start-up process.</p> <p>Ms. Shepard started her career at Proctor & Gamble and Westinghouse. Later she held senior management roles in start-up companies including Compunetix, Sensor Frame, and Amerinex Applied Imaging.</p> <p>Shepard is on the Board of several high technology and entrepreneurial organizations and holds an M.S. in Mechanical Engineering from MIT.</p>	

Staff Member Qualifications	
Name:	Rachelle Taqu
Firm:	Boston Community Loan Fund
Title at Firm:	Director of Lending
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>Director of Lending (a new position created in 2002 to respond to increased demand for BCC's loan products) leads the expansion of lending activities and participates in the growth and evolution of Boston Community Loan Fund. She oversees all lending activity of the \$25 million fund, directing credit policy appropriate for community development and non-conforming lending; structuring new loans to optimize value-added community development, overall portfolio risk and secondary market syndications; developing</p>	

and maintaining underwriting standards; mentoring loan officers in each stage of the underwriting process; improving the Loan Fund's underwriting process to enhance efficiency while promoting quality and flexibility; and managing workouts and restructurings as required.

Supervises the monitoring of loan portfolio including preservation of credit quality; manages reporting to key stakeholders, including Loan Committee and Board of Directors. Oversees loan closings; negotiates with other lenders, public agencies, community organizations and inner city private developers. Develops and maintains new core documents to facilitate execution; reviews or supervises review of documentation prior to closing.

Together with senior management team (including CFO), creates and tracks loan fund budgets and projected liquidity; sets new loan targets and generates cost projections; identifies potential new customers; leads and promotes origination of new loans by loan staff. She initiates and leads the development of innovative financing structures and products to serve low income communities; develops referral networks for new loans; leads competitive bidding processes; and expands capacity through innovative accessing of secondary and capital markets.

Represents the Loan Fund to lending partners, non-profit community, public agencies and loan participants. Effectively manages and develops relationships with key constituencies.

Description of Individual's Qualifications

Rachelle Taquu brings to her position more than 18 years of experience in banking and consulting, with expertise in leveraged transactions, structured and project finance, credit, origination, placement and workouts.

Prior to joining BCC, she was president of Vista Capital, LLC, a financial consulting practice whose clients included Fortune 1000 companies, start-ups and nonprofits. Before joining Vista Capital, Rachelle was a vice president in the project finance group at Bank of Tokyo Mitsubishi Capital Corp., where she closed and managed transactions exceeding \$100 million a year, and a vice president at Bank of New England (now Fleet Bank), where she originated, structured and negotiated loans of over \$100 million a year. Rachelle is a graduate of the University of Toronto. She holds a M.B.A. from Cornell University's Johnson Graduate School of Management, and a Ph.D. from Columbia University. She is a member of the board of directors and finance and executive committees of the Boston YWCA.

Staff Member Qualifications

Name:	E. Matthew Gautieri
Firm:	Boston Community Capital
Title at Firm:	Controller/CFO
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	CFO or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
Responsible for a variety of organizational and financial management tasks including portfolio, treasury, risk management, capitalization, budgeting, financial planning and financial accounting. 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, develops multi-year financial projections. 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. Develops and monitors performance benchmarks for BCC (and participates in the development of industry-wide standards).	
Description of Individual's Qualifications	
E. Matthew Gautieri has provided leadership and oversight to BCC's finance department for 3 years, taking on increasing responsibilities and roles throughout his tenure with the organization. He has led a major successful effort to streamline internal operations, increasing the organization's capacity while lowering costs.	
Gautieri was recruited from the banking industry, where he had more than twenty years of experience overseeing tracking, reporting and operations systems for growing institutions. Prior to joining BCC, Matt	

worked at FleetBoston Financial, where he managed the financial planning process for Fleet's Small Business Services and served as the financial analyst for five operating divisions of the Commercial Real Estate Lending Group. In addition to other responsibilities in these roles, Matt 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, Matt served as Financial Controller for Shawmut Bank's \$1.2 billion commercial real estate loan portfolio, including overseeing a \$900 million distressed commercial real estate and title-own property portfolio in liquidation throughout New England.

Matt has been an active participant and contributor to CDFI peer learning and training programs, working closely with partners at NCCA and CDVCA. He has served as a resource to CDFIs across the country.

Matthew attended Fisher College and resides in Taunton, MA.

Staff Member Qualifications	
Name:	Kim Epstein
Firm:	Boston Community Loan Fund
Title at Firm:	Loan Program Manager
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Loan/investment officer or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
Kimberly joined Boston Community Loan Fund (BCLF) in April 2000 to oversee the highly successful One-to-Four Family Program as well as other programmatic loans. Her responsibilities include providing technical assistance to community developers, community service organizations and other non-profit organizations; managing relationships between public funding sources, developers, contractors, title insurance companies, and legal counsels; providing oversight of construction loans from pre-construction through finance closing, disbursement and project close-out; and serving as BCLF's in-house legal counsel.	
Description of Individual's Qualifications	
Kim Epstein is an experienced project manager and attorney with more than 8 years of experience in real estate and low-income housing law and finance. Prior to joining Boston Community Capital, she was an attorney at the New York law firm of Calotta Levine Samuel, LLP specializing in residential real estate and, specifically, low-income housing development. She managed all phases of commercial litigation in areas of real estate property litigation including landlord/tenant disputes, specific performance, foreclosure and adverse possession; she was also responsible for managing low-income housing development projects. Epstein is an admitted member of the bar in New York, New Jersey, and Wisconsin; her membership in the Massachusetts Bar Association is pending. In 2003, she completed her certification in Construction and Production Management from Neighborhood Reinvestment; her course of study in areas such as rehab management, project management and production management.	
Epstein has worked to educate her national CDFI peers in issues related to financial counseling and technical assistance. She has repeated served as a trainer and facilitator at National Community Capital's annual national CDFI training conference; she serves as a resource and advisor to peers at CDFIs across the country.	
Epstein serves on the boards of The Women's Lunch Place, a daytime shelter and meal provider for women, and Neighborhood of Affordable Housing (NOAH), a community development corporation in East Boston. Kim received her bachelor's degree from Cornell University and her J.D. from the University of Wisconsin Law School. She is a resident of Somerville, MA.	

Staff Member Qualifications	
Name:	Michelle Kluchman
Firm:	Boston Community Loan Fund
Title at Firm:	Senior Loan Officer
Years with (or Providing Services to) the Applicant:	9

Role with Applicant	Loan/investment officer or equivalent
Hrs. per week with Applicant in this Capacity	30
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>The Senior Loan Officer 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. BCLF's portfolio primarily consists of non-conforming loans and its borrowers include: community development corporations, social service agencies, community organizations, and for-profit affordable housing developers. The position includes providing technical assistance to non-profit or volunteer organizations, structuring financial plans and working with other public and private lenders.</p> <p>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. The Senior Loan Officer actively pursues opportunities for expanding the breadth of BCLF's reach including outreach to western Massachusetts, RI and other New England states.</p>	
Description of Individual's Qualifications	
<p>Michelle has worked for BCC's Loan Fund since 1995, and has more than 12 years of experience providing capital, financial counseling and services to low-income communities.</p> <p>Prior to joining Boston Community Capital, she worked as an assistant vice president at Bay Bank, where she was responsible for the healthcare, education and not-for-profit lending group. She managed a \$19 million loan portfolio with credit commitments ranging from \$200,000 to \$3.5 million comprised of human service providers, cultural organizations, and healthcare providers; cultivated new lending opportunities by targeting industry segments, identifying key prospects, and marketing persistently; and expanded her original portfolio by forty two percent. In addition, she negotiated loan terms with borrowers, documented transactions, and monitored on-going capacity to repay and comply with loan covenants; maintained credit files in accordance with bank policy and regulatory requirements; successfully completed bank sponsored credit training program; and demonstrated the ability to underwrite sound loans, conduct rigorous due diligence and analysis, and present credit risks and mitigating strengths to senior bank management.</p> <p>Before joining Bay Bank, Michelle worked with Self-Help Credit Union in Durham, North Carolina, where she developed and implemented a marketing strategy targeting the religious community of N.C. as depositors at the Credit Union; conducted outreach education; and evaluated sponsored home loan products.</p> <p>She serves on loan committees of the Nonprofit Facility Fund and the Massachusetts Cultural Facility Fund Project.</p> <p>Michelle is a graduate of the University of North Carolina at Chapel Hill and Yale University's School of Management.</p>	

Staff Member Qualifications	
Name:	Kathryn McHugh
Firm:	Boston Community Loan Fund
Title at Firm:	Senior Loan Officer
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Loan/investment officer or equivalent
Hrs. per week with Applicant in this Capacity	40
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>The Senior Loan Officer 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. BCLF's portfolio primarily consists of non-conforming loans and its borrowers include: community development corporations, social service agencies, community organizations, and for-profit affordable housing developers. The position includes providing technical assistance to non-profit or</p>	

volunteer organizations, 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. The Senior Loan Officer actively pursues opportunities for expanding the breadth of BCLF's reach including outreach to western Massachusetts, RI and other New England states.

Description of Individual's Qualifications

Senior Loan Officer Kathryn McHugh has more than 18 years of experience working with low-income and homeless residents of Massachusetts and Rhode Island.

Prior to joining the Loan Fund, Kathryn was a Program Officer at the Local Initiatives Support Corporation office in Providence for three years. In that capacity, she provided and underwrote grants, pre-development financing, loans, credit enhancements and equity investments to community-based organizations; structured and negotiated financial support for real estate development projects; and designed and implemented technical assistance programs for low-income people and organizations. She spent four years as a housing development specialist for the Massachusetts Department of Mental Health, managing programs including Chapter 689 housing, Homeless Special Initiative, DMH Rental Assistance Program, Facilities Consolidation Development Fund, Home of Your Own Homeownership Program, Alternative Housing Voucher Program, and Clubhouse services; providing technical assistance to community-based organizations seeking state or federal funding for housing development and/or the provision of supportive services; and working closely with relevant state and local agencies regarding housing and supportive service programs.

Other relevant experience includes employment as a project manager at CASCAP, a Cambridge-based provider of housing and support services for low-income elderly and mentally disabled adults, where she worked with Section 8, Facilities Consolidation Fund, Community Development Block Grant and the Housing Innovations Fund projects; work at the Citizens' Housing and Planning Association (CHAPA) and the Fenway Community Development Corporation, and 5 years as a bilingual social worker and emergency service provider with the Department of Social Services and Department of Public Welfare.

Kathryn serves as a board member on several organizations that serve low-income and homeless individuals in Massachusetts, including Inquilinos Boricuas en Acción (IBA), the Somerville Homeless Coalition, and the FEMA Middlesex County Emergency Food and Shelter Program.

A graduate of Mount Holyoke College, she holds a Masters Degree in Urban and Environmental Policy from Tufts University. Kathryn is a resident of Boston's South End.

Staff Member Qualifications

Name:	Ilene Vogel
Firm:	Boston COMMUNITY Loan Fund
Title at Firm:	Loan Officer
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Loan/investment officer or equivalent
Hrs. per week with Applicant in this Capacity	30
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>The Loan Officer position was recently created to respond to increased demand for BCC's loan products and services. The Loan Officer works closely with the Senior Loan Officers to assist in the booking of new loans, from initial inquiry and application screening, through the credit underwriting and loan approval process, to loan documentation, closing, funding and ongoing monitoring.</p> <p>Specific responsibilities include: assisting in the review of loan requests for feasibility and mission; assisting Senior Officers in the underwriting of loans including preparation of credit memos and loan recommendations for the Loan Committee, the preparation of commitment letters for approved deals, and providing assistance in the loan closing process including loan participations, loan funding, booking and repayment; managing ongoing borrower relationships and the loan monitoring process. The Loan Officer supports the Loan Fund team efforts to expand the breadth of BCLF's reach, performing research and analysis on new markets, potential borrowers and lending partners, and economic trends.</p>	

Description of Individual's Qualifications

Ilene Vogel is an experienced loan officer with more than 15 years of experience in banking and real estate development and finance.

As a loan officer with Depfa Bank AG (now Aareal Bank), a leading German mortgage bank with over \$20 billion of property financing, she managed existing portfolios of office, warehouse and retail properties in UK and US; evaluated prospective property financing requests averaging \$50 million, including sensitivity analysis and financial projections; wrote detailed credit applications for presentation to the Bank's Board of Directors; developed terms and conditions for new and refinancing proposals; coordinated loan syndication; and was responsible for the review and negotiation of loan documentation.

Prior to joining Depfa, she was an assistant vice president in the Real Estate Finance Group at Chemical Bank (now JP Morgan Chase), where she participated in restructuring \$400 million in loans for US real estate developers; negotiated loan documents with borrowers and counsel; evaluated loans considered for bulk sale and conducted financial analysis and due diligence on individual loans and portfolios for the purpose of estimating loan pool values.

She worked for Mutual of America, where she oversaw the opening of satellite offices in 10 major American cities, researching and selecting office sites, designing office layouts, and supervising construction; reviewed and negotiated office leases with landlords, brokers and counsel; analyzed leasing costs and maintained budgets; and performed financial analysis of Mutual of America home office leases.

Ilene has a Masters in Business Administration in finance and international business from the Stern School of Business at New York University.

Staff Member Qualifications

Name:	William Apfel
Firm:	Walden Asset Management
Title at Firm:	Senior Vice President
Years with (or Providing Services to) the Applicant:	6
Role with Applicant	Other (specify): Investment Portfolio Manager
Hrs. per week with Applicant in this Capacity	2

Description of Responsibilities with Applicant in Deploying Capital or Services

William Apfel is a Certified Financial Advisor at Walden Asset Management and serves as portfolio manager to Boston Community Capital. He works to ensure that BCC's portfolio is invested in accordance with our Investment and Cash Management Policies, which have served as the basis for CDFI industry best practices.

Description of Individual's Qualifications

Bill Apfel is a Senior Portfolio Manager and Director of Securities Research at Walden Asset Management a Division of United States Trust Company of Boston. He currently manages approximately \$500 Million for 50 client portfolios. Walden works with individuals and institutions to integrate their financial and social investment goals and is Boston Community Capital's portfolio manager and has been BCC's portfolio manager since 1997.

Apfel has over 18 years experience as an investment professional and has been with Walden and United States Trust for over 14 years. Prior to joining United States Trust, he was affiliated with Kidder Peabody and Company and the Blair College Preparatory Academy.

He received his B.A from State University of New York, Binghamton, his M. A. from Georgetown University and his Ph.D. from Brown University.

Staff Member Qualifications

Name:	Joel Aronson
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	Vice President
Years with (or Providing Services to) the	7

Applicant:	
Role with Applicant	Other (specify): Auditor
Hrs. per week with Applicant in this Capacity	2
Description of Responsibilities with Applicant in Deploying Capital or Services	
Independent auditor. Prepare 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. Annual audit includes a review of government compliance requirements.	
Description of Individual's Qualifications	
<p>Joel Aronson has been with Alexander Aronson Finning and Co. since 1975. Prior to joining the firm, he was with a major international accounting firm for six years. 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. Joel concentrates on overseeing and performing audits, business planning, financial planning and tax work.</p> <p>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. 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.</p> <p>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.</p> <p>Aronson holds a Bachelor of Science degree in Business Administration with Honors from Northeastern University and an MBA with Highest Honors from Babson College.</p>	

Staff Member Qualifications	
Name:	Frederick H. Grein, Jr.
Firm:	Nixon Peabody
Title at Firm:	Attorney at Law
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Legal Counsel
Hrs. per week with Applicant in this Capacity	8
Description of Responsibilities with Applicant in Deploying Capital or Services	
Provide legal counsel to BCC and affiliates on matters including but not limited to business strategy and planning issues, joint ventures, and debt and equity financing issues.	
Description of Individual's Qualifications	
<p>Fred Grein is a Stockholder of Nixon Peabody, a national firm with offices across the United States, and is a member of the firm's Business Law Practice. His practice is concentrated in the areas of business strategy and planning issues, mergers and acquisitions, joint ventures, debt and equity financing issues, executive compensation, and other business matters. His clients range from start-up situations to public companies, with a focus on small to medium size enterprises. Located across the United States, these businesses represent a fair cross-section of the economy, including service companies, software development and other computer hardware and software companies, manufacturers, wholesalers and others in various industries.</p> <p>Grein is actively involved in the American Red Cross and is a member of the National Board of Governors. He has also served as Chairman, Treasurer and Finance Committee Chair for the Mass Bay Chapter of the American Red Cross, and has also held a number of other volunteer leadership positions within the Red Cross. Grein also serves on the boards of several other business and non-profit organizations and is currently the Treasurer and Director of a private, non-profit retirement and nursing home located in Newton.</p>	

Grein received his A.B. from Holy Cross College, his M.B.A. from the Amos Tuck School of Dartmouth College and his J.D. from Boston University Law School.

Staff Member Qualifications	
Name:	Thomas G. Schnorr
Firm:	Palmer and Dodge LLP
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	10
Role with Applicant	Other (specify): Legal Counsel
Hrs. per week with Applicant in this Capacity	8
Description of Responsibilities with Applicant in Deploying Capital or Services	
Provides legal counsel to Boston Community Capital and its affiliates, working with Loan Fund and Venture Fund staff on loan closings, equity investments, contracts, etc.	
Description of Individual's Qualifications	
<p>Tom 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. He represents nonprofits, tenant organizations and lenders involved in community economic development and affordable housing. He currently represents 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. Schnorr represented a tenant-controlled nonprofit that developed and managed over 1,000 units of subsidized housing. He recently 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.</p> <p>He currently represents Mission Main Tenants Task Force, Incorporated, which is acting as a co-general partner with two private developers in connection with the proposed \$100,000,000 revitalization of the Boston Housing Authority's Mission Main public housing development under HUD's HOPE VI Program. He is also representing another tenant organization in its efforts to purchase its HUD subsidized 770 unit housing development and related parking facilities from the current institutional owners.</p> <p>He 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.</p> <p>Schnorr received his A.B. cum laude from Harvard College, his M.A.T. from Wesleyan University and his J.D. from the University of Virginia School of Law. He was a Fulbright Fellow at Ludwig Maximilians Universitat, Munich, Germany 1970 1971.</p>	

Staff Member Qualifications	
Name:	Gary Perlow
Firm:	Reznick Fedder and Silverman
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Contracted consultant
Hrs. per week with Applicant in this Capacity	4
Description of Responsibilities with Applicant in Deploying Capital or Services	

Assist 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.

Assist with designing 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.

Provide advisory services on all other tax and business issues related to BCC's flow-through taxable entity and the establishment of BCC NMTC LLCs.

Description of Individual's Qualifications

Gary Perlow is the principal in charge of RF&S's national NMTC practice and has over fifteen 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.

Staff Member Qualifications

Name:	Thomas A. Washburn
Firm:	Alexander, Aronson, Finning & Co.
Title at Firm:	CPA, Vice President
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Auditor
Hrs. per week with Applicant in this Capacity	2

Description of Responsibilities with Applicant in Deploying Capital or Services

Independent auditor. Prepare 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. Annual audit includes a review of government compliance requirements.

Description of Individual's Qualifications

Thomas Washburn has been with Alexander, Aronson, Finning & Co. since 1991 and works within the nonprofit sector and with closely held businesses. Tom works extensively with human service providers, foundations and community development organizations and is known as an expert in these areas. Tom's commercial clients include closely held manufacturing, real estate, and medical businesses. Tom 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, Tom also delivers educational seminars for nonprofit agencies throughout New England. Most recently, Tom 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.

Tom 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.

Staff Member Qualifications

Name:	Ira Weinstein
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Firm:	Reznick Fedder & Silverman
Title at Firm:	Director of Community Development
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Contracted consultant
Hrs. per week with Applicant in this Capacity	4
Description of Responsibilities with Applicant in Deploying Capital or Services	
<p>Assist 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.</p> <p>Assist with designing 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.</p> <p>Provide advisory services on all other tax and business issues related to BCC's flow-through taxable entity and the establishment of BCC NMTC LLCs.</p>	
Description of Individual's Qualifications	
<p>Mr. Weinstein has been an employee of RF&S for five years as is currently the Director of Community Development Finance with direct client responsibility for a portfolio of real estate owners and developers. In his capacity as financial advisor he supports their efforts to raise tax credit equity to finance affordable housing, historic rehabilitation and Qualified Low Income Community Investments.</p> <p>In the affordable housing arena Mr. Weinstein has facilitated raising approximately \$125 Million in equity over the last five years. Roughly \$60 Million in equity has been for the resale of previously originated portfolios and the remaining \$65 Million has been in support of origination of affordable housing equity product.</p> <p>As it relates to the equity financing of historic rehabilitation Mr. Weinstein has been involved in 27 transactions with total equity raise of \$118 Million over the last five years.</p> <p>Over the last two years Mr. Weinstein has represented nine awardees under the NMTC program that have received approximately \$450 Million in investment allocation and 7 as yet unsuccessful CDEs with aspirations for second round allocations. He has supported the efforts to raise equity in support of all of the client CDEs community development efforts although to date no funding has occurred. In addition, Mr. Weinstein has worked with several QALICB clients negotiating with CDEs to receive loans and / or investments under the NMTC program.</p> <p>Prior to joining RF&S Mr. Weinstein has a consulting contract with a federally designated Empowerment Zone and helped them secure funding as a CDFI as well as structure debt and equity products for direct origination as well as for out sourced origination from program proceeds. Prior to such contractual experience Mr. Weinstein worked in the corporate finance department of a public company supporting asset acquisition and divestiture, project finance and corporate capital raising with direct involvement in public debt and equity offerings of \$450 Million and credit facilities that reached \$1 Billion.</p>	

Exhibit E - E2: Experience Raising Capital	03NMA000478
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Staff or Board Member Qualifications	
Name:	Elyse D. Cherry
Firm:	Boston Community Capital
Title at Firm:	CEO; President, Boston Community Venture Fund
Years with (or Providing Services to) the Applicant:	17
Role with Applicant	ED or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$59,725,859
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
<p>As CEO of Boston Community Capital, Cherry has ultimate responsibility and authority for the overall success of Boston Community Capital, including the success of its capitalization efforts. She cultivates relationships with the investment community, representing BCC at conferences, national forums, and on national industry boards; meets with prospective investors and donors; oversees all grant and investment proposals; negotiates terms of investment; and maintains relationships with investor partners.</p> <p>As President of the Venture Fund, Cherry has sole operational responsibility and authority for the success of BCVF's two funds, including capitalization, strategy, investment, and performance. She raises investment funds from profit-motivated investors and makes equity investments in businesses across the Northeast that have the potential to achieve strong social returns as well as financial returns.</p> <p>With respect to BCC's NMTC strategy, Cherry is leading up the organization's capitalization efforts. Together with Dick Jones and the capitalization team, she has developed BCC's capitalization models and has met with prospective investors -- including Fleet Bank, Citizens Bank, Sovereign Bank, JP Morgan Chase and Wainwright Bank, who have all submitted letters of intent -- to discuss potential terms of investment. In addition to continuing to work with these potential partners to close investments, Cherry will continue to meet with prospective partners to pursue NMTC investment; she is targetting banks with strong track records of lending to low-income community businesses, the capability to invest substantial up to \$100 million in BCC's LLC, and the capacity to commit to lending \$200 million to QALICBs over the 7-year allocation period.</p>	
Description of Individual's Qualifications	
<p>In the past 5 years under Cherry's leadership, Boston Community Capital has raised close to \$60 million in new capital for its loan and venture funds, including \$30.9 million in new loan capital, and \$21.9 million in new equity, and nearly \$6 million in grants. Cherry and her team have raised \$45.6 million in the last 3 years alone. More than a third of new capital was raised from profit-motivated investors. Investors include 22 banks (including all of the banks mentioned in our capitalization strategy; foundations and nonprofits including The Rockefeller Foundation, The John D. and Catherine T. MacArthur Foundation, The F. B. Heron Foundation, The Ford Foundation, The Hyams Foundation, The Boston Foundation and Harvard University; the CDFI Fund (BCC and its subsidiaries have received 6 prior awards); religious organizations; and more than 200 individual investors.</p> <p>Cherry has extensive experience in fundraising, commercial finance and investment management. While at Plymouth Rock Assurance Corporation, she coordinated the start-up of a \$200 million investment management department. As a partner at Hale & Dorr, a Boston-based law firm with offices across Northeast and in Europe, her practice focused on commercial finance and development transactions valued at \$1-100 million, as well as the finance and development of affordable housing. In addition, Cherry has represented limited partnerships established by a number of local community development corporations (including Fields Corner CDC, Allston Brighton CDC and Codman Square Development Corporation) in low-income housing tax credit transactions.</p>	

Staff or Board Member Qualifications	
Name:	DeWitt Jones
Firm:	Boston Community Loan Fund
Title at Firm:	President; COO, Boston Community Capital

Years with (or Providing Services to) the Applicant:	18
Role with Applicant	Other key management
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$36,795,859
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities
Description of Responsibilities with Applicant in Raising Capital	
<p>With respect to BCC's NMTC strategy, Jones plays a critical role in the organization's capitalization efforts. Together with Elyse Cherry and the capitalization team, he has developed BCC's capitalization models and has met with prospective investors -- including Fleet Bank, Citizens Bank, Sovereign Bank, JP Morgan Chase and Wainwright Bank, who have all submitted letters of intent -- to discuss potential terms of investment. In addition to continuing to work with these potential partners to close investments, Jones and Cherry will continue to meet with prospective partners to pursue NMTC investment; they are targetting banks with strong track records of lending to low-income community businesses, the capability to invest substantial up to \$100 million in BCC's LLC, and the capacity to commit to lending \$200 million to QALICBs over the 7-year allocation period.</p>	
Description of Individual's Qualifications	
<p>In the past 5 years under Jones's leadership, Boston Community Loan Fund has raised close to \$30.9 million in new loan capital; he has raised more than \$25 million in the last 3 years alone. In addition, he has negotiated participation agreements with banks and other lenders that increase the Loan Fund's lending capacity by an additional \$20 million. 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 has been a leader in selling equity equivalents to local and national banks. In addition, the Loan Fund has been remarkably successful in selling loans from its portfolio on the secondary market; in this way, Jones has attracted additional capital to support the Loan Fund's lending.</p> <p>As COO of Boston Community Capital, Jones has worked closely with Cherry to close more than \$6 million in new grants and donations to the organization and \$21.9 million in new equity for the Venture Fund. Investors include 22 banks (including all of the banks mentioned in our capitalization strategy; foundations and nonprofits including The Rockefeller Foundation, The John D. and Catherine T. MacArthur Foundation, The F. B. Heron Foundation, The Ford Foundation, The Hyams Foundation, The Boston Foundation and Harvard University; the CDFI Fund (BCC and its subsidiaries have received 6 prior awards); religious organizations; and more than 200 individual investors.</p> <p>Jones has been integrally involved in BCC's capitalization efforts since the organization's inception 18 years ago. In addition, through his work with Loan Fund borrowers, he has gained familiarity with the logistics of Low-Income Housing Tax Credits and Historic Tax Credits to finance community development work.</p>	

Staff or Board Member Qualifications	
Name:	Jessica Brooks
Firm:	Boston Community Capital
Title at Firm:	Investor Relations Manager
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Other finance staff
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$15,500,000
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities
Description of Responsibilities with Applicant in Raising Capital	
As investor relations manager for Boston Community Capital, Brooks supports Cherry and Jones 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.

Description of Individual's Qualifications

In the past 2 years, Brooks has worked closely with Jones and Cherry in their capitalization efforts; in her two years with the organization, BCC has attracted more than \$35 million in new capital for its loan and venture funds.

Before joining Boston Community Capital, Brooks garnered experience attracting capital from profit-motivated investors while working at Abuzz, a technology start-up based in Cambridge, MA. She wrote a business plan that attracted \$5 million in venture capital from leading firms Softbank, Draper Fisher Jurvetson, and Flatiron Partners, and played a key role in the company's subsequent acquisition by The New York Times for more than \$30 million. While at Abuzz, Brooks led departments responsible for account and affiliate management, honing relationship management skills that serve her well in her current position.

(included in "Capital Raised in Last Five Years" above: \$11 million from profit-motivated investors in Abuzz's first and second rounds; \$4.5 million in new investments and grants for BCC)

Staff or Board Member Qualifications

Name:	Sharon Shepard
Firm:	Boston Community Venture Fund
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Loan/investment officer or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$45,000,000
Relevant Experience Raising Capital	Profit motivated investors

Description of Responsibilities with Applicant in Raising Capital

As managing director of the Venture Fund, Shepard assists Cherry as needed in capitalization efforts, assisting in the development of financial models, presentations, proposals and reports.

Description of Individual's Qualifications

Prior to joining Boston Community Capital, Shepard was responsible for the consulting services organization of Mass Ventures, a venture development company providing management assistance and equity financing to high growth potential businesses. Mass Ventures' primary focus is working with companies that are in the process of raising capital. Services include investment banking, opportunity assessment, strategic planning, management recruiting, market planning, strategic partnering, and financial planning. While Shepard was at Mass Ventures, she launched 2 Internet start-ups (both received equity financing from profit-motivated investors) serving in key management roles (Beliefnet and MetaEvents); raised more than \$45 million of equity capital for 8 companies; secured corporate strategic partners for client companies; wrote and reviewed numerous business plans; and negotiated the term sheets on behalf of the companies. Shepard worked for Mass Ventures between 1998 and 2000; therefore the \$45 million she raised during this period is included above.

Prior to joining Mass Ventures, Shepard raised more than \$9 million in non-equity capital from profit-motivated investors through her work at Amerinex Applied Imaging. In addition, she developed the business plan and operations plan for the launch of new graphics products (mass market, shrink-wrap products) into a \$1.4 billion market.

Staff or Board Member Qualifications

Name:	Andrew Chen
Firm:	Boston Community Venture Fund

Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors
Description of Responsibilities with Applicant in Raising Capital	
As managing director of the Venture Fund, Chen assists Cherry as needed in capitalization efforts, assisting in the development of financial models, presentations, proposals and reports.	
Description of Individual's Qualifications	
Prior to joining the Venture Fund, Chen raised funding for The Fanda Investment and Development Corporation, The Chimera Group and Jade Associates.	
Through his work with Fanda, he completed projects ranging in size from \$1 million to \$10 million, focusing on start-up ventures in the US and in Asia: evaluating and planning new venture enterprises; researching industry dynamics and competition; developing cost models and cost-benefit studies; and analyzing investment opportunities in the advanced materials, packaging, automotive, aerospace, environmental, and construction industries.	
He founded and managed The Chimera Group and Jade Associates, a successful Boston-based real estate development partnership and a New Jersey-based real estate investment syndicate, assessing property acquisitions; projecting cash flows and return; coordinating financing arrangements; preparing and presenting marketing materials; and negotiating contractual agreements. Investors in these partnerships achieved returns on investment in excess of 35%.	

Staff or Board Member Qualifications	
Name:	E. Matthew Gautieri
Firm:	Boston Community Capital
Title at Firm:	Controller/CFO
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	CFO or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Non-profit or governmental entities
Description of Responsibilities with Applicant in Raising Capital	
As CFO/Controller for Boston Community Capital and its affiliates, Gautieri supports Cherry and Jones in their capitalization efforts, assisting in the development of investment models and helping to close new investments. Once investments are closed, he serves as an additional point of contact for investors, ensuring that reporting requirements are met.	
Description of Individual's Qualifications	
In the past 3 years, Gautieri has worked closely with Jones and Cherry in their capitalization efforts; during his tenure with the organization, BCC has attracted more than \$35 million in new capital for its loan and venture funds.	

Staff or Board Member Qualifications	
Name:	Rachelle Taquu
Firm:	Boston Community Loan Fund
Title at Firm:	Director of Lending
Years with (or Providing Services to) the Applicant:	1

Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Amount of Capital Raised in Past Five Years (\$\$)	\$10,000,000
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities
Description of Responsibilities with Applicant in Raising Capital	
As Director of Lending for the Loan Fund, Taquu assists Cherry, Jones and staff as needed in capitalization efforts, assisting in the development of financial models, presentations, proposals and reports.	
Description of Individual's Qualifications	
Taquu brings to BCC more than 18 years of experience in banking and consulting, with expertise in leveraged transactions, structured and project finance, credit, origination, placement and workouts. Prior to joining BCC, Rachelle was president of Vista Capital, LLC, a financial consulting practice whose clients included Fortune 1000 companies, start-ups and nonprofits. Before joining Vista Capital, Rachelle was a vice president in the project finance group at Bank of Tokyo Mitsubishi Capital Corp., where she closed and managed transactions exceeding \$100 million a year, and a vice president at Bank of New England (now Fleet Bank), where she originated, structured and negotiated loans of over \$100 million a year. Rachelle has experience raising capital from profit-motivated investors: through her work at Bank of Tokyo Mitsubishi Capital Corp. and Bank of New England, she raised debt and equity capital in excess of \$100 million. Through her work as a board member and member of the executive and finance committees of the YWCA of Boston, she also has experience raising capital for nonprofit community-based projects that serve low-income people and communities in need.	

Staff or Board Member Qualifications	
Name:	Evelyn Friedman
Firm:	Nuestra Comunidad Development Corporation
Title at Firm:	Executive Director
Years with (or Providing Services to) the Applicant:	9
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Total Amount of Capital Raised in Past Five Years (\$\$)	\$30,000,000
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
With respect of BCC's efforts to raise capital to support our NMTC strategy, members of the Board serve as external advocates for BCC and its mission.	
Acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization; provides guidance and advice as it pertains to her areas of expertise, specifically raising capital using tax credits as an incentive; raising money from tax-incentive and profit-motivated investors, and raising capital from nonprofit and governmental entities.	
Description of Individual's Qualifications	
As Executive Director of Nuestra Comunidad, Friedman has raised capital using Historic Tax Credits to renovate Palladio Hall and the Dartmouth Hotel in Roxbury, MA; and has used Low-Income Housing Tax Credits for numerous projects, including the renovation of the Sargent Prince building and the development of the Stafford Heights Coop.	

Staff or Board Member Qualifications	
Name:	Thomas G. Schnorr
Firm:	Palmer & Dodge
Title at Firm:	Managing Director
Years with (or Providing Services to) the	18

Applicant:	
Role with Applicant	Other (specify): Legal Counsel
Hrs. per week with Applicant in this Capacity	8
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
As BCC's legal counsel, Schnorr will represent the organization in negotiation and closing of NMTC-related investments.	
Description of Individual's Qualifications	
Schnorr has extensive experience in nonprofit capitalization and tax credit-related capitalization efforts. His firm, Palmer and Dodge has active nonprofit and tax credit-related practices.	

Staff or Board Member Qualifications	
Name:	Joel Aronson
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Auditor
Hrs. per week with Applicant in this Capacity	2
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
Aronson advises BCC on all accounting-related matters; his firm will work closely with the BCC team to ensure compliance with NMTC regulations and requirements, thereby protecting investors' eligibility for tax credits from recapture.	
Description of Individual's Qualifications	
As head of Alexander, Aronson, Finning & Co.'s financial planning practice, Aronson is nationally recognized for his work with nonprofit organizations. His clients include foundations, grant making organizations, schools, community health centers, community development corporations and social service agencies. Aronson has strong experience in nonprofit capitalization and tax credit-related capitalization efforts; his firm has a active nonprofit and tax credit-related practices.	

Staff or Board Member Qualifications	
Name:	Edward Dugger III
Firm:	UNC Partners
Title at Firm:	President
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors
Description of Responsibilities with Applicant in Raising Capital	
With respect of BCC's efforts to raise capital to support our NMTC strategy, members of the Board serve as	

external advocates for BCC and its mission.

Acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization; provides guidance and advice as it pertains to his areas of expertise, i.e. raising capital from profit-motivated investors; investing in minority-owned businesses.

Description of Individual's Qualifications

Edward Dugger III, CEO of UNC Partners, has raised more than \$30 million in private equity capital from institutional investors committed to profitable investments that have a targeted impact. His venture funds focus on emerging and acquired companies operating in such growth-oriented industries as communications and environmental services, and have been 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 has contributed to the creation of some of the nation's largest and most successful African American businesses. His perspective on business and its role in society has made him a prominent business and civic leader in his community of 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.

Staff or Board Member Qualifications

Name:	Gary Perlow
Firm:	Reznick, Fedder and Silverman
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Contracted consultant
Hrs. per week with Applicant in this Capacity	4
Total Amount of Capital Raised in Past Five Years (\$\$)	\$450,000,000
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive

Description of Responsibilities with Applicant in Raising Capital

Perlow and his firm have worked closely with BCC to develop our NMTC strategy and comprehensive investment plan, providing assistance in financial modeling and the structure of NMTC investments. They will continue to assist with the financial, compliance and tax aspects of structuring our tax credit fund and the resulting transactions, and the continued development of asset management, compliance and monitoring procedures as they pertain to the tax credits.

Description of Individual's Qualifications

Gary Perlow is the principal in charge of RF&S's national NMTC practice and has over fifteen 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.

Staff or Board Member Qualifications

Name:	Charles Clark
Firm:	Citizens Bank
Title at Firm:	Former SVP and CRA Officer
Years with (or Providing Services to) the Applicant:	16

Role with Applicant	Governing board (GB) chair
Hrs. per week with Applicant in this Capacity	3
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
With respect of BCC's efforts to raise capital to support our NMTC strategy, members of the Board serve as external advocates for BCC and its mission.	
Acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization; provides guidance and advice as it pertains to his areas of expertise, specifically banks' interests and concerns in tax credit and community development deals, CRA, nonprofit and community development finance, and small business lending.	
Description of Individual's Qualifications	
Clark has more than 30 years of experience in banking, with a focus on small business lending and community development. Before retiring earlier this year as SVP and head of Regional Banking Group at Citizens Bank, Clark also served as the bank's Community Reinvestment officer and director of the holding company's minority small business lending initiative. Previously Clark helped managed the NonProfit Group at Citizens.	

Staff or Board Member Qualifications	
Name:	Sarah Lincoln
Firm:	Fleet Bank
Title at Firm:	Director, Wholesale Division
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
With respect of BCC's efforts to raise capital to support our NMTC strategy, members of the Board serve as external advocates for BCC and its mission.	
Acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization; provides guidance and advice as it pertains to her areas of expertise, specifically banks' interests and concerns in tax credit and community development deals, CRA, small business lending, strategic development deals, and debt and equity to CDFIs.	
Description of Individual's Qualifications	
Lincoln oversees Fleet's community development work, CDFI investing and community development venture capital. She currently manages a portfolio that includes debt and equity (both funds and direct investments), as well as Low Income Housing Tax Credits. She oversees the management of products as listed above within three 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.	

Staff or Board Member Qualifications	
Name:	Maria Maffei
Firm:	Recapitalization Advisors
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	9

Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Total Amount of Capital Raised in Past Five Years (\$\$)	\$100,000,000
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
<p>With respect of BCC's efforts to raise capital to support our NMTC strategy, members of the Board serve as external advocates for BCC and its mission.</p> <p>Acts as internal expert, providing information on market and industry trends, new sources and tools for capitalization; provides guidance and advice as it pertains to her areas of expertise, specifically recapitalization of at-risk and troubled properties using tax credits as an incentive; raising money from tax-incentive- and profit-motivated investors, and working with a range of investors and partners including from nonprofit and governmental entities.</p>	
Description of Individual's Qualifications	
<p>Maria T. Maffei is a Vice President at Recapitalization Advisors, Inc., a Boston-based firm which assists real estate owners/investors in increasing, preserving or realizing residual value for the multi-family properties through recapitalizations, restructuring, refinancing, workouts and other means.</p> <p>Since joining the firm in 1994, Maria has successfully negotiated and closed 54 transactions in 14 states including Preservation sales and refinancings, Mark to Market debt restructurings, Mark to Market Transfers with debt assignment, and 'friendly' prepayments. In total, these transactions preserved the affordability of over 4,800 apartments nationwide with an aggregate value of over \$155 million. Currently, Maria heads up Recap's Mark to Market business practice, providing Mark to Market services to owners and non-profit buyers. As a part of Recap's team, Maria has worked closely with owners, non-profit buyers, lenders, appraisers, engineers, local officials and HUD staff to negotiate and structure continued affordability and viability for at-risk properties.</p> <p>Prior to joining Recap Advisors, Maria was with the City of Boston's Public Facilities Department where she managed a multi-million dollar annual budget for the development of housing for the City's homeless and special needs populations. During her four years with the City, she provided financing and development assistance for more than 1,000 units of housing and increased competitive Federal funding for her division from \$0 to approximately \$10 million annually.</p>	

Staff or Board Member Qualifications	
Name:	Ira Weinstein
Firm:	Reznick, Fedder & Silverman
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Contracted consultant
Hrs. per week with Applicant in this Capacity	4
Total Amount of Capital Raised in Past Five Years (\$\$)	\$695,000,000
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
<p>Weinstein and his firm have worked closely with BCC to develop our NMTC strategy and comprehensive investment plan, providing assistance in financial modeling and the structure of NMTC investments. They will continue to assist with the financial, compliance and tax aspects of structuring our tax credit fund and the resulting transactions, and the continued development of asset management, compliance and monitoring procedures as they pertain to the tax credits.</p>	
Description of Individual's Qualifications	
<p>Mr. Weinstein has been an employee of RF&S for five years as is currently the Director of Community</p>	

Development Finance with direct client responsibility for a portfolio of real estate owners and developers. In his capacity as financial advisor he supports their efforts to raise tax credit equity to finance affordable housing, historic rehabilitation and Qualified Low Income Community Investments.

In the affordable housing arena Mr. Weinstein has facilitated raising approximately \$125 Million in equity over the last five years. Roughly \$60 Million in equity has been for the resale of previously originated portfolios and the remaining \$65 Million has been in support of origination of affordable housing equity product.

As it relates to the equity financing of historic rehabilitation Mr. Weinstein has been involved in 27 transactions with total equity raise of \$118 Million over the last five years.

Over the last two years Mr. Weinstein has represented nine awardees under the NMTC program that have received approximately \$450 Million in investment allocation and 7 as yet unsuccessful CDEs with aspirations for second round allocations. He has supported the efforts to raise equity in support of all of the client CDEs community development efforts although to date no funding has occurred. In addition, Mr. Weinstein has worked with several QALICB clients negotiating with CDEs to receive loans and / or investments under the NMTC program.

Prior to joining RF&S Mr. Weinstein has a consulting contract with a federally designated Empowerment Zone and helped them secure funding as a CDFI as well as structure debt and equity products for direct origination as well as for out sourced origination from program proceeds. Prior to such contractual experience Mr. Weinstein worked in the corporate finance department of a public company supporting asset acquisition and divestiture, project finance and corporate capital raising with direct involvement in public debt and equity offerings of \$450 Million and credit facilities that reached \$1 Billion.

Staff or Board Member Qualifications	
Name:	Peter Nessen
Firm:	CRIC Capital LLC
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Advisor
Hrs. per week with Applicant in this Capacity	2
Total Amount of Capital Raised in Past Five Years (\$\$)	\$750,000,000
Relevant Experience Raising Capital	Profit motivated investors Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
Nessen serves as an advisor to Cherry and the BCC team in their capitalization efforts, providing expertise and guidance on raising capital from profit motivated investors, and structuring capital transactions using tax credits as an incentive.	
Description of Individual's Qualifications	
<p>With more than four decades of experience in public and private finance, Mr. Nessen is a principal at CRIC Capital, a national leader in real estate investing and net leasing. Mr. Nessen served as Secretary of the Executive Office for Administration and Finance of Massachusetts and as the senior cabinet member during the first two years of the administration of Governor William Weld. He has also been a senior partner of the accounting firms of BDO Seidman and Henry J. Bornhofft Company and the Dean for Resources and Special Projects at Harvard Medical School. As one of the country's leading experts in public finance and privatization, he is the founder and chairman of a public policy organization that provides services to not-for-profit, health care, and other organizations. Nessen holds an A.B. from Dartmouth College and an M.B.A. from the Amos Tuck Graduate School of Business Administration.</p> <p>Professional Positions and Affiliations:</p> <ul style="list-style-type: none"> - Special Advisor for Education, Commonwealth of Massachusetts 2003 – Jan – June - President, Nessen & Associates, Ltd. (formerly NCN Financial) 1995 – present - Principal, CRIC Capital, LLC 1995 - present - Director, The Philanthropic Initiative 1995-Present - Dean for Resources and Special Projects, Harvard Medical School 1993-1995 - Secretary-Executive Office for Administration and Finance, Commonwealth of Massachusetts 1991-1993 	

- Managing Partner, BDO Seidman 1990
 - Assistant Secretary-Executive Office for Administration and Finance, Commonwealth of Massachusetts 1987-1990
 - Managing Partner, BDO Seidman 1985-1987
 - Managing Partner, Henry J. Bornhofft Company (1985 - Merged with BDO Seidman) 1964-1985
 - Chairman of the Board, Chief Executive Officer-Investment Banking, The March Company 1970-1980
 - Manager, Price Waterhouse & Company 1959-1964

Public Advisory Positions:

- Joint Commission/Board of Education Commission/Board of Higher Education
 - Joint Board of Education/Board of Higher Education Commission on Teacher Preparation in Massachusetts – Chairman 1999
 - Governor's Education Accountability Board 1996 - 1998
 - Special Advisor to the Mayor on Health Care and Hospital Matters—Responsible for Boston City Hospital/University Hospital Merger 1995 – 1996

Mr. Nessen is the Chairman of the Massachusetts Cultural Council, and serves or has served on the board of numerous other not-for-profit and for profit organizations including the Massachusetts Board of Higher Education, the Board of Visitors for the Rockefeller Center at Dartmouth College. He chairs the Board of Advisors of the School of Education, Northeastern University.

Staff or Board Member Qualifications	
Name:	Thomas A. Washburn
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	CPA, Vice President
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Auditor
Hrs. per week with Applicant in this Capacity	2
Total Amount of Capital Raised in Past Five Years (\$\$)	\$0
Relevant Experience Raising Capital	Profit motivated investors Non-profit or governmental entities Using tax credits as an incentive
Description of Responsibilities with Applicant in Raising Capital	
Washburn advises BCC on all accounting-related matters; his firm will work closely with the BCC team to ensure compliance with NMTC regulations and requirements, thereby protecting investors' eligibility for tax credits from recapture.	
Description of Individual's Qualifications	
<p>Tom has been with Alexander, Aronson, Finning & Co. since 1991 and works within the nonprofit sector and with closely held businesses. Tom works extensively with human service providers, foundations and community development organizations and is known as an expert in these areas. Tom's commercial clients include closely held manufacturing, real estate, and medical businesses. Tom also routinely assists his clients in developing and improving financial management systems.</p> <p>Responsible for much of the in-house training of Alexander, Aronson, Finning & Co.'s staff members, Tom also delivers educational seminars for nonprofit agencies throughout New England. Most recently, Tom 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.</p> <p>Tom 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.</p>	

Exhibit E - E3: Asset and Risk Management Experience**03NMA000478**

Staff or Board Member Qualifications	
Name:	Elyse D. Cherry
Firm:	Boston Community Capital
Title at Firm:	CEO; President, Boston Community Venture Fund
Years with (or Providing Services to) the Applicant:	17
Role with Applicant	ED or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Assets Under Management in Past Five Years (\$\$)	\$70,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>As CEO of Boston Community Capital, Cherry has ultimate responsibility and authority for the overall success of Boston Community Capital and its affiliates. She 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 the key reporter to the Board, with overall responsibility for the hiring and firing of affiliate presidents. With respect to management of assets and risks, Cherry is ultimately responsible for ensuring that adequate policies and procedures are in place, and that their standards are being met.</p>	
Description of Individual's Qualifications	
<p>For more than 17 years, Cherry has worked with Boston Community Capital and its affiliates. She has overseen the expansion of its loan and venture capital portfolios, and has responsibility for the supervision of the BCC team in its management of assets totaling more than \$70,000,000.</p> <p>Cherry has extensive experience in fundraising, commercial finance and investment management. While with the Plymouth Rock Assurance Corporation, she coordinated the start-up of a \$200 million investment management department. Through her role as a partner with Hale & Dorr, a Boston-based law firm, her practice focused on commercial finance and development transactions valued from \$1 million - \$100 million, as well as the finance and development of affordable housing.</p>	

Staff or Board Member Qualifications	
Name:	DeWitt Jones
Firm:	Boston Community Loan Fund
Title at Firm:	President; COO, Boston Community Capital
Years with (or Providing Services to) the Applicant:	18
Role with Applicant	Other key management
Hrs. per week with Applicant in this Capacity	40
Total Assets Under Management in Past Five Years (\$\$)	\$49,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>As President of the Loan Fund, Jones has sole operational responsibility and authority for the Fund's success, including capitalization, strategy, investment, staffing, performance, research and planning. He oversees all lending activity of the fund, and with the Loan Committee Chair, presides over committee's review and approval of lending policy and loan decisions. With respect to management of assets and risk, he is responsible for ensuring that the Loan Fund adheres to the procedures outlined in the organization's Loan Policies and Procedures manual (a document that served as the basis for CDFI industry best practices). This manual outlines BCC's procedures with respect to the Loan Fund's application process, underwriting, and risk analysis.</p>	
Description of Individual's Qualifications	
<p>Jones has been with BCC's Loan Fund since its inception, and has overseen the development of the fund and its lending activities, totaling more than \$100 million in its 18-year history. During that time, the fund has experienced loan losses of less than one tenth of one percent and all investors have been repaid on time and in full.</p>	

Staff or Board Member Qualifications	
Name:	E. Matthew Gautieri
Firm:	Boston Community Capital
Title at Firm:	CFO/Controller
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	CFO or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Assets Under Management in Past Five Years (\$\$)	\$70,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>As CFO/Controller for Boston Community Capital and its affiliates, Gautieri currently oversees a portfolio of more than 100 loans and investments totaling more than \$70,000,000.</p> <p>Gautieri is responsible for the implementation and oversight of BCC's Cash Management and Investment Policy, which outlines the organization's goals for the management of funds that have not been lent or invested and the structure within which it intends to achieve those goals. The policy is carried out through the implementation of a Proposed Portfolio Design, updated and reviewed at least annually by the Finance Committee, which describes the expected allocation of investments by size, type, institution and term in order to achieve the following objectives: 1) balance the loan portfolio by investing unlent funds in high quality instruments; 2) preserve loan and investment capital to ensure that investors are repaid on time, in full and with interest; 3) respect the intention of investors consistent with BCC's social mission of building healthy communities; 4) ensure liquidity to meet all commitments to borrowers, portfolio companies and investors; 5) support cooperative relationships in community development; 6) avoid or limit investment in financial institutions whose activities are in conflict with the fulfillment of BCC's mission; and 7) maximize return on investments within other stated objectives. Per the organization of responsibilities outlined in the Cash Management and Investment Policy, the CFO/Controller supervises the activities of finance staff and the outside investment manager selected by the BCC board of directors.</p> <p>In managing BCC's loans to borrowers and investments in portfolio companies, the CFO/Controller adheres to policies laid out in the Loan Policies and Procedures Manual and management agreement for those funds. He works closely with Loan and Venture Fund staff from commitment to closing, then oversees and assists with drawdown, repayment, monitoring and reporting.</p>	
Description of Individual's Qualifications	
<p>Recruited to Boston Community Capital from the private sector, Gautieri has overseen BCC's \$70 million in assets under management for close to three years in roles of increasing responsibility. He brings to BCC more than 20 years of experience in asset management and monitoring, most recently at Fleet Bank's Small Business Services division, where he was responsible for the management of the financial planning process for a division with offices through New England, New York, New Jersey and Florida. He served as the financial analyst for five divisions of Fleet's Commercial Real Estate Group, managing monthly finances and reporting directly to senior management. Prior to joining Fleet, Matt served as controller for Shawmut bank, where he oversaw a \$1.2 billion commercial real estate loan portfolio, including overseeing a \$900 million distressed commercial real estate and title-own property portfolio in liquidation throughout New England.</p>	

Staff or Board Member Qualifications	
Name:	Andrew Chen
Firm:	Boston Community Venture Fund
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Assets Under Management in Past Five Years (\$\$)	\$21,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>As Managing Director of the Venture Fund, Chen plays a key role in managing assets and risk for the</p>	

Venture Fund's \$21 million portfolio. He performs due diligence on prospective investments, and continues to actively monitor investments through his role on portfolio company boards. He prepares quarterly reports on investments which are distributed to the Venture Committee, LLC members and the BCC Board.

Description of Individual's Qualifications

In addition to his experience with the Venture Fund, Chen has seven years of asset management experience as President of The Fanda Investment & Development Corporation, and thirteen years' experience managing assets as a General Partner with The Chimera Group and Jade Associates, through which role he founded and managed a real estate development partnership and real estate investment syndicate. While with The Fanda Investment & Development Corporation, Andrew 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 industries. Andrew holds additional experience managing a portfolio for The Chimera Group, where he achieved returns on investment in excess of 35%.

Staff or Board Member Qualifications

Name:	Sharon Shepard
Firm:	Boston Community Venture Fund
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Assets Under Management in Past Five Years (\$\$)	\$21,000,000

Description of Responsibilities with Applicant in Managing Assets and Risk

As Managing Director of the Venture Fund, Shepard plays a key role in managing assets and risk for the Venture Fund's \$21 million portfolio. She performs due diligence on prospective investments, and continues to actively monitor investments through her role on portfolio company boards. She prepares quarterly reports on investments which are distributed to the Venture Committee, LLC members and the BCC Board.

Description of Individual's Qualifications

Sharon Shepard has more than 18 years of experience in marketing, strategic planning, and technology development, and brings experience in venture development in both public and privately-held organizations to Boston Community Venture Fund. She most recently served as Senior Vice President and Managing Director of Mass Ventures, Inc., a venture development company and affiliated \$15 million venture capital fund providing management assistance and equity financing to high growth potential businesses, and focusing on early stage Internet and information technology companies. Through this role, she raised more than \$45 million of equity capital, assessed more than 250 businesses and advised more than 30 companies, and launched two technology companies, serving in key management roles in each. Sharon has extensive prior experience in both fundraising and operating early-stage companies, having raised and managed more than \$60 million total for companies she has worked with.

Staff or Board Member Qualifications

Name:	William Apfel
Firm:	Walden Asset Management
Title at Firm:	Senior Vice President
Years with (or Providing Services to) the Applicant:	6
Role with Applicant	Other (specify): Investment Advisor
Hrs. per week with Applicant in this Capacity	2
Total Assets Under Management in Past Five Years (\$\$)	\$500,000,000

Description of Responsibilities with Applicant in Managing Assets and Risk

William Apfel is a Certified Financial Advisor at Walden Asset Management and serves as portfolio manager to Boston Community Capital. He works to ensure that BCC's portfolio is invested in accordance

with our Investment and Cash Management Policies, which outlines the organization's goals for the management of funds that have not been lent or invested and the structure within which it intends to achieve those goals. These policies, which have served as the basis for CDFI industry best practices, are carried out through the implementation of a Proposed Portfolio Design, updated and reviewed at least annually by the Finance Committee, which describes the expected allocation of investments by size, type, institution and term in order to achieve the following objectives: 1) balance the loan portfolio by investing unlent funds in high quality instruments; 2) preserve loan and investment capital to ensure that investors are repaid on time, in full and with interest; 3) respect the intention of investors consistent with BCC's social mission of building healthy communities; 4) ensure liquidity to meet all commitments to borrowers, portfolio companies and investors; 5) support cooperative relationships in community development; 6) avoid or limit investment in financial institutions whose activities are in conflict with the fulfillment of BCC's mission; and 7) maximize return on investments within other stated objectives.

Description of Individual's Qualifications

Bill Apfel is a Senior Portfolio Manager and Director of Securities Research at Walden Asset Management a Division of United States Trust Company of Boston. He currently manages approximately \$500 Million for 50 client portfolios. Walden works with individuals and institutions to integrate their financial and social investment goals and is Boston Community Capital's portfolio manager and has been BCC's portfolio manager since 1997.

Apfel has over 18 years experience as an investment professional and has been with Walden and United States Trust for over 14 years. Prior to joining United States Trust, he was affiliated with Kidder Peabody and Company and the Blair College Preparatory Academy.

He received his B.A from State University of New York, Binghamton, his M. A. from Georgetown University and his Ph.D. from Brown University.

Staff or Board Member Qualifications

Name:	Joel Aronson
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Auditor
Hrs. per week with Applicant in this Capacity	2
Total Assets Under Management in Past Five Years (\$\$)	\$0

Description of Responsibilities with Applicant in Managing Assets and Risk

Independent auditor. 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. Annual audit includes a review of government compliance requirements.

Description of Individual's Qualifications

Joel Aronson has been with Alexander Aronson Finning and Co. since 1975. Prior to joining the firm, he was with a major international accounting firm for six years. 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. Joel 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. 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.

Staff or Board Member Qualifications	
Name:	Thomas A. Washburn
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	CRA, Vice President
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Auditor
Hrs. per week with Applicant in this Capacity	2
Total Assets Under Management in Past Five Years (\$\$)	\$0
Description of Responsibilities with Applicant in Managing Assets and Risk	
Independent auditor. 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. Annual audit includes a review of government compliance requirements.	
Description of Individual's Qualifications	
<p>Tom is has been with Alexander, Aronson, Finning & Co. since 1991 and works within the nonprofit sector and with closely held businesses. Tom works extensively with human service providers, foundations and community development organizations and is known as an expert in these areas. Tom's commercial clients include closely held manufacturing, real estate, and medical businesses. Tom also routinely assists his clients in developing and improving financial management systems.</p> <p>Responsible for much of the in-house training of Alexander, Aronson, Finning & Co.'s staff members, Tom also delivers educational seminars for nonprofit agencies throughout New England. Most recently, Tom 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.</p>	

Staff or Board Member Qualifications	
Name:	Rachelle Taquu
Firm:	Boston Community Capital
Title at Firm:	Director of Lending
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Dir. of lending/investing or equivalent
Hrs. per week with Applicant in this Capacity	40
Total Assets Under Management in Past Five Years (\$\$)	\$250,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>As Director of Lending (a new position created in 2002 to respond to increased demand for BCC's loan products), Rachelle Taquu leads the expansion of lending activities and participates in the growth and evolution of Boston Community Loan Fund. She oversees all lending activity of the Loan Fund, directing credit policy appropriate for community development and non-conforming lending; structuring new loans to optimize community development value-added, overall portfolio risk and secondary market syndications; developing and maintaining underwriting standards; mentoring loan officers in each stage of the underwriting process; improving the Loan Fund's underwriting process to enhance efficiency while promoting quality and flexibility; and managing workouts and restructurings as required.</p> <p>With respect to managing assets and risks, she supervises the monitoring of loan portfolio including preservation of credit quality; manages reporting to key stakeholders, including Loan Committee and Board of Directors. In addition, she oversees loan closings; negotiates with other lenders, public agencies, community organizations and inner city private developers; develops and maintains new core documents to facilitate execution; and reviews or supervises review of documentation prior to closing.</p>	
Description of Individual's Qualifications	
Rachelle Taquu brings to her position more than 18 years of experience in banking and consulting, with	

expertise in leveraged transactions, structured and project finance, credit, origination, placement and workouts.

Prior to joining BCC, she was president of Vista Capital, LLC, a financial consulting practice whose clients included Fortune 1000 companies, start-ups and nonprofits. Before joining Vista Capital, Rachelle was a vice president in the project finance group at Bank of Tokyo Mitsubishi Capital Corp., where she closed and managed transactions exceeding \$100 million a year, and a vice president at Bank of New England (now Fleet Bank), where she originated, structured and negotiated loans of over \$100 million a year. At Bank of Tokyo Mitsubishi Capital Corp, Rachelle was directly responsible for asset management and workout, managing the company's \$100-\$200 million project finance portfolio for maximum yield, while anticipating and preventing performance shortfalls. She headed workout teams on two non-performing loans resulting in above-market investment recovery rates and led the syndication of transactions to other financial institutions, enhancing underwriting returns and mitigating exposure.

Rachelle is a graduate of the University of Toronto. She holds a M.B.A. from Cornell University's Johnson Graduate School of Management, and a Ph.D. from Columbia University. She is a member of the board of directors and finance and executive committees of the Boston YWCA.

Staff or Board Member Qualifications	
Name:	Maria Maffei
Firm:	Recapitalization Advisors
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	9
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$175,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
With respect to managing assets and risk, as a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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.	
Description of Individual's Qualifications	
<p>Maria Maffei is a Vice President at Recapitalization Advisors, Inc., a Boston-based firm that assists real estate owners and investors nationwide in increasing, preserving or realizing residual value for multi-family properties through recapitalizations, restructuring, refinancing, workout and other means.</p> <p>Prior to joining Recap Advisors, Maffei was a Senior Finance Specialist with the City of Boston's Public Facilities Department, where she managed a \$9 million annual budget including CDBG, HOME, Rental Rehab and Emergency Shelter Grant funding for the development of housing for the City's homeless and special needs populations. During her four years with the City, she provided financing and development assistance for more than 1000 units of housing and increased competitive Federal funding for her division from \$0 to approximately \$10 million annually. In her capacity with the City, she worked extensively with all of the players in affordable housing development, from community groups to professionals, including architects, lenders, attorneys and regulators. Maffei also has experience structuring work-outs for troubled properties and investor participation in affordable housing developments using Low Income Housing Tax Credits and Historic Tax Credit.</p> <p>Since joining the Recap Advisors in April 1994, Maffei has worked on more than 75 transactions to preserve over 8000 apartments of affordable housing in 14 states nationwide under the LIHPRHA program. She has worked on behalf of owners and non-profit purchasers of expiring use properties involving over \$125,000,000 in owner's equity.</p> <p>Maffei has been active in local politics and economic development efforts. She joined Boston Community Capital's Loan Committee in 1995 and was elected to the Board in 1998. She is an honors graduate of the University of Massachusetts and received a Master's Degree in policy and planning from Tufts University.</p>	

Staff or Board Member Qualifications	
Name:	Linnie McLean
Firm:	Trillium Asset Management
Title at Firm:	Senior Operations Officer
Years with (or Providing Services to) the Applicant:	6
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$6,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>With respect to managing assets and risk, as a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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.</p>	
Description of Individual's Qualifications	
<p>Linnie McLean is a senior operations officer at Trillium Asset Management (formerly Franklin Research and Development Corporation), a social investing money management firm. She is responsible for the company's management, finances, and human resources. Additionally, she oversees Trillium's alternative investment sector. Prior to joining Trillium, Linnie was a senior vice president at BayBank, where her career included community, national and international lending. She joined the Loan Committee in 1997.</p>	

Staff or Board Member Qualifications	
Name:	Steven Tromp
Firm:	Wainwright Bank
Title at Firm:	SVP
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Loan Committee Member
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$213,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>With respect to managing assets and risk, as a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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.</p>	
Description of Individual's Qualifications	
<p>Steve Tromp is Senior Vice President and Senior Credit Officer at Wainwright Bank, a socially responsible bank based in Boston. In that role, he is a member of the senior management team and is responsible for the bank's lending, risk management and portfolio management. Prior to joining Wainwright, Steve held senior lending positions with Sovereign Bank and BankBoston's First Community Bank. He has been active with Working Capital and has served on the board of the Dorchester Bay Economic Development Corporation and the Church of the Covenant. Steve has an MBA and bachelors' degree from the University of Wisconsin and was a Fullbright Scholar in 1977.</p> <p>He lives in Dorchester and joined the Loan Committee in 2001.</p>	

Staff or Board Member Qualifications	
Name:	Meg Bennett
Firm:	Boston Safe Deposit & Trust

Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	6
Role with Applicant	Other (specify): Loan Committee
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$760,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
With respect to managing assets and risk, as a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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.	
Description of Individual's Qualifications	
Meg Bennett is a Vice President in the Private Lending Group at Boston Safe Deposit and Trust Company. After spending 13 years at BayBank lending to public and private corporations and non-profit organizations, Meg recently moved to Boston Safe Deposit, Mellon's Boston subsidiary. Meg is an active member of the Board of the Cambridge Partnership for Public Education. Meg joined the Loan Committee in 1997. Meg is a resident of Newton.	

Staff or Board Member Qualifications	
Name:	Michael Stella
Firm:	Star Contractors
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	8
Role with Applicant	Other (specify): Loan Committee Chair
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$49,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
With respect to managing assets and risk, as chair of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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.	
Description of Individual's Qualifications	
Michael Stella is a principal of Star Contracting Company, and a Dorchester-based contractor, property owner and developer. He is active in the Codman Square Neighborhood Council and is co-chair of the board of directors of the Codman Square Neighborhood Development Corporation. In addition to chairing the Loan Committee, Stella has served on the boards of Boston Community Capital and its affiliates since 1995. He has been a resident of Dorchester since 1970.	

Staff or Board Member Qualifications	
Name:	Victor Rivera
Firm:	Fleet Bank
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	Other (specify): Loan Committee
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$70,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	

With respect to managing assets and risk, as a member of the Loan Committee, responsible for the review and approval of the Loan Fund's lending policy and loan decisions. Regularly attends Loan Committee meetings. 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.

Description of Individual's Qualifications

Victor Rivera is a Vice President and Account Officer with FleetBoston's Small Business Lending unit. Prior to re-joining Fleet, Victor held a senior management position at Boston Community Loan Fund, overseeing Loan Fund's lending activities, including staff training and supervision, new business lines, portfolio monitoring, and social impact reporting. Before joining BCLF, Victor was with FleetBoston Financial for eight years and has extensive underwriting and credit experience, both in the field and as a manager. Prior to joining Fleet, Victor was a bank examiner with the Office of Thrift Supervision. He is a graduate of the University of Puerto Rico.

Staff or Board Member Qualifications

Name:	Sarah Lincoln
Firm:	Fleet Bank
Title at Firm:	Director of Community Banking
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$1,307,000,000

Description of Responsibilities with Applicant in Managing Assets and Risk

With respect to managing assets and risk, as a member of the board, has overall fiduciary responsibility for the organization. In coordination with management, reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner.

Description of Individual's Qualifications

Sarah Lincoln oversees Fleet's community development work, CDFI investing and community development venture capital. She currently manages a portfolio valued in excess of \$1.3 billion that includes debt and equity (both funds and direct investments), as well as Low Income Housing Tax Credits. She oversees the management of products as listed above within three 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 \$500-700 million in large corporate and middle market commitments

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

Staff or Board Member Qualifications

Name:	Charles Clark
Firm:	Citizens Bank
Title at Firm:	Former SVP
Years with (or Providing Services to) the Applicant:	16
Role with Applicant	Governing board (GB) chair
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$600,000,000

Description of Responsibilities with Applicant in Managing Assets and Risk

With respect to managing assets and risk, as a member of the board, has overall fiduciary responsibility for

the organization. In coordination with management, reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner. As a member of the finance committee, responsible for providing ongoing oversight to the financial management of the corporation. As a member of the Venture Committee, approves loans to and investments in portfolio companies across the Northeast and reports on Venture Committee's investment activities, portfolio monitoring and learning to the Board.

Description of Individual's Qualifications

Over 30 years banking experience, most recently as Senior Vice President and head of the Regional Banking Group at Citizens Bank in Boston, MA. In addition to being a senior lending officer, he served as CRA officer and director of the holding company's minority small business lending initiative.

Clark is Treasurer of YouthBuild USA, an urban initiative that teaches the building trades to disadvantaged youth, and is a member of the Executive Committee of Junior Achievement of Eastern Massachusetts. He is a member of the Investment Committee of the Property and Casualty Initiative; Chairs the Board of the Massachusetts Alliance for Small Contractors, Inc.; a member of the Board of Massachusetts Certified Development Corporation; and a member of the Finance and Administration Committee of the United Way of Massachusetts Bay. He joined the Boston Community Capital Board in 1987, served as its Treasurer for several years, and has been the Chair of the Board since spring 1999.

Staff or Board Member Qualifications

Name:	Patricia Hanratty
Firm:	BankRI/Campus Mate
Title at Firm:	President
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$1,000,000,000

Description of Responsibilities with Applicant in Managing Assets and Risk

With respect to managing assets and risk, as a member of the board, has overall fiduciary responsibility for the organization. In coordination with management, reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner. As a member of the finance committee, responsible for providing ongoing oversight to the financial management of the corporation.

Description of Individual's Qualifications

Before joining Bank Rhode Island, Dr. Hanratty was the Director of Branch Channel Management for Fleet Financial's Business and Entrepreneurial Services Group (BESG). Fleet's market is comprised of New England, New York and New Jersey. BESG handles relationships for businesses with sales of \$10MM or less and credit needs of \$500MM or less. She was instrumental in the design, development and formation of Fleet's Business Solutions Centers, which focus resources and staff to improve service to and provide a contact person for branch-based business customers. She was also a Director of the Fleet Community Development Corporation. Dr. Hanratty joined Fleet in 1990 and held a range of positions, including Director, Corporate Sales for Small Business, Regional Manager of the Greater Boston Retail Banking franchise, Director of Massachusetts Community Banking, Northern New England Community Banking Market Manager, and Team Leader in Classified Loans.

Dr. Hanratty initiated the development and implementation of Fleet's Business Credit Express (BCE) and Business Credit Plus (BCP) products. Designed for the small business customer, BCE processes loans up to \$50MM with a guaranteed one-day decision. Dr. Hanratty has been named the SBA Financial Services Advocate of the Year for Massachusetts and New England for 1996 and received the Boston Chamber of Commerce Pinnacle Award for Excellence in Management. She writes for and is a speaker at various industry forums.

Prior to joining Fleet Financial Group in 1990, Dr. Hanratty held positions as Executive Director of the Industrial Services Program, Assistant Secretary of Economic Affairs Commonwealth of Massachusetts, and as an Assistant Professor and Acting Chair of the Political Science Department of the College of the Holy Cross.

Dr. Hanratty holds a Ph.D. from the Massachusetts Institute of Technology and a B.A. from the University of Massachusetts. She is a Director of the Brighton-Allston Mental Health Clinic, a member of the RMA Small Business Banking Task Force, the national Alliance of Business Council of Workforce

Excellence, the Business Banking Board and the American Bankers Association Small Business Banking Committee. Additionally, she served as President of the New England Trade Adjustment Assistance Center from 1990 until May 1998. She has been a member of Boston Community Capital's Board of Directors since 1998.

Staff or Board Member Qualifications	
Name:	Edward Dugger III
Firm:	UNC Partners
Title at Firm:	President
Years with (or Providing Services to) the Applicant:	5
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Total Assets Under Management in Past Five Years (\$\$)	\$30,000,000
Description of Responsibilities with Applicant in Managing Assets and Risk	
<p>With respect to managing assets and risk, as a member of the board, has overall fiduciary responsibility for the organization. In coordination with management, reviews and approves key indicators, broad strategy and policy to assure that organization carries out its mission and is run in a prudent and responsible manner. As a member of the Venture Committee, approves loans to and investments in portfolio companies across the Northeast and reports on Venture Committee's investment activities, portfolio monitoring and learning to the Board.</p>	
Description of Individual's Qualifications	
<p>President of UNC Partners, a successful private venture capital fund with more than \$30,000,000 under management. Mr. Dugger's work has focused on profitable yet socially responsible investments. Specifically, his funds have sought to consciously expand business opportunities of entrepreneurs of color.</p> <p>Dugger is a director of the Federal Reserve Bank of Boston, the Massachusetts Business Roundtable as well as numerous private companies. He is currently chair of the Social Venture Network and is organizing the Business Collaborative to improve the business links between minority business enterprises and large public companies. Mr. Dugger is a respected and nationally-recognized leader in social investing, minority-focused equity investing, and venture capital.</p>	

Exhibit E - E4: Program Compliance Experience	03NMA000478
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Staff or Board Member Qualifications	
Name:	Gary Perlow
Firm:	Reznick Fedder & Silverman
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Contracted consultant
Hrs. per week with Applicant in this Capacity	4
Relevant Experience Monitoring Compliance	NMTC Program Other tax credit programs Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
<p>Reznick Fedder & Silverman's (RF&S) New Markets Tax Credit (NMTC) Group will assist us in designing, implementing, training and monitoring a NMTC compliance program tailored specifically to accommodate the activities and QLICI product types of our CDE.</p> <p>The initial design of the compliance program will include checks and balances to accommodate the initial qualification of all QLICI's under both IRC Section 45 and the subject Allocation Agreement. Internal compliance procedures will be put in place to track conformance with other requirements that if not properly adhered to, could potentially trigger a tax credit recapture event or other penalties.</p> <p>RF&S, as noted above, will not only design our compliance program, but will train our in-house CDE personnel to implement the program and monitor on a regular basis, that the program is being followed. RF&S will be retained as a sounding board and technical resource throughout the life of the compliance period. They will also be engaged to perform annual NMTC compliance reviews of our system and internal controls and subsequently issue independent attestation reports related to their findings. Interim work will also be performed at the mid-year point by RF&S in conjunction with their review. Further detail related to our NMTC Compliance policies and procedures is discussed in Question 47(b).</p>	
Description of Individual's Qualifications	
<p>Gary Perlow is the principal in charge of RF&S's national NMTC practice and has over fifteen 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.</p> <p>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 NTMC 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.</p>	

Staff or Board Member Qualifications	
Name:	Ira Weinstein
Firm:	Reznick Fedder & Silverman
Title at Firm:	CPA
Years with (or Providing Services to) the Applicant:	1
Role with Applicant	Contracted consultant
Hrs. per week with Applicant in this Capacity	4
Relevant Experience Monitoring Compliance	NMTC Program Other tax credit programs Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	

Reznick Fedder & Silverman's (RF&S) New Markets Tax Credit (NMTC) Group will assist us in designing, implementing, training and monitoring a NMTC compliance program tailored specifically to accommodate the activities and QLIC product types of our CDE.

The initial design of the compliance program will include checks and balances to accommodate the initial qualification of all QLIC's under both IRC Section 45 and the subject Allocation Agreement. Internal compliance procedures will be put in place to track conformance with other requirements that if not properly adhered to, could potentially trigger a tax credit recapture event or other penalties.

RF&S, as noted above, will not only design our compliance program, but will train our in-house CDE personnel to implement the program and monitor on a regular basis, that the program is being followed. RF&S will be retained as a sounding board and technical resource throughout the life of the compliance period. They will also be engaged to perform annual NMTC compliance reviews of our system and internal controls and subsequently issue independent attestation reports related to their findings. Interim work will also be performed at the mid-year point by RF&S in conjunction with their review. Further detail related to our NMTC Compliance policies and procedures is discussed in Question 47(b).

Description of Individual's Qualifications

Mr. Weinstein has been an employee of RF&S for five years as is currently the Director of Community Development Finance with direct client responsibility for a portfolio of real estate owners and developers. In his capacity as financial advisor he supports their efforts to raise tax credit equity to finance affordable housing, historic rehabilitation and Qualified Low Income Community Investments.

In the affordable housing arena Mr. Weinstein has facilitated raising approximately \$125 Million in equity over the last five years. Roughly \$60 Million in equity has been for the resale of previously originated portfolios and the remaining \$65 Million has been in support of origination of affordable housing equity product.

As it relates to the equity financing of historic rehabilitation Mr. Weinstein has been involved in 27 transactions with total equity raise of \$118 Million over the last five years.

Over the last two years Mr. Weinstein has represented nine awardees under the NMTC program that have received approximately \$450 Million in investment allocation and 7 as yet unsuccessful CDEs with aspirations for second round allocations. He has supported the efforts to raise equity in support of all of the client CDEs community development efforts although to date no funding has occurred. In addition, Mr. Weinstein has worked with several QALICB clients negotiating with CDEs to receive loans and / or investments under the NMTC program.

Prior to joining RF&S Mr. Weinstein has a consulting contract with a federally designated Empowerment Zone and helped them secure funding as a CDFI as well as structure debt and equity products for direct origination as well as for out sourced origination from program proceeds. Prior to such contractual experience Mr. Weinstein worked in the corporate finance department of a public company supporting asset acquisition and divestiture, project finance and corporate capital raising with direct involvement in public debt and equity offerings of \$450 Million and credit facilities that reached \$1 Billion.

Staff or Board Member Qualifications

Name:	Joel Aronson
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	Principal
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Accountant
Hrs. per week with Applicant in this Capacity	2
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs

Description of Responsibilities with Applicant in NMTC Program Compliance

Independent auditor. Prepare 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. Annual audit includes a review of government compliance requirements.

Description of Individual's Qualifications

Joel Aronson has been with Alexander Aronson Finning and Co. since 1975. Prior to joining the firm, he was with a major international accounting firm for six years. 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. Joel 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. 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.

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

Staff or Board Member Qualifications	
Name:	Thomas A. Washburn
Firm:	Alexander, Aronson, Finning & Co., PC
Title at Firm:	CPA
Years with (or Providing Services to) the Applicant:	7
Role with Applicant	Other (specify): Accountant
Hrs. per week with Applicant in this Capacity	2
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
Independent auditor. Prepare 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. Annual audit includes a review of government compliance requirements.	
Description of Individual's Qualifications	
Tom Washburn has been with Alexander, Aronson, Finning & Co. since 1991 and works within the nonprofit sector and with closely held businesses. Tom works extensively with human service providers, foundations and community development organizations and is known as an expert in these areas. Tom's commercial clients include closely held manufacturing, real estate, and medical businesses. Tom 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, Tom also delivers educational seminars for nonprofit agencies throughout New England. Most recently, Tom 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.	

Staff or Board Member Qualifications	
Name:	Thomas G. Schnorr
Firm:	Palmer & Dodge
Title at Firm:	Managing Director
Years with (or Providing Services to) the Applicant:	18
Role with Applicant	Other (specify): Legal counsel

Hrs. per week with Applicant in this Capacity	2
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs Foundation
Description of Responsibilities with Applicant in NMTC Program Compliance	
Provides legal counsel to Boston Community Capital and its affiliates, working with Loan Fund and Venture Fund staff on loan closings, equity investments, contracts, etc.	
Description of Individual's Qualifications	
<p>Tom 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. He represents nonprofits, tenant organizations and lenders involved in community economic development and affordable housing. He currently represents 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. Schnorr represented a tenant-controlled nonprofit that developed and managed over 1,000 units of subsidized housing. He recently 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.</p>	

Staff or Board Member Qualifications	
Name:	Elyse D. Cherry
Firm:	CEO
Title at Firm:	Boston Community Capital; President, Boston Community Venture Fund
Years with (or Providing Services to) the Applicant:	17
Role with Applicant	ED or equivalent
Hrs. per week with Applicant in this Capacity	40
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
<p>As CEO of Boston Community Capital, 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).</p> <p>With respect to BCC's NMTC Program Compliance, Cherry is responsible for putting mechanisms in place that ensure that BCC is in full compliance with program regulations. She will make certain that staff responsible for lending clearly understand the terms of NMTC-eligibility, will hire an independent auditor which will perform an annual audit of BCC's NMTC portfolio, and will report regularly to the Board and investors on the status of BCC's NMTC-related loans and investments.</p>	
Description of Individual's Qualifications	
<p>Elyse has worked with Boston Community Capital since it was founded, first serving on the Board, and joining the organization as president in November 1997 with additional responsibilities for overall strategy of Boston Community Capital. She was formally named to the additional role of Chief Executive Officer of BCC in March 2000. Before joining the staff of BCC, she had been a founding board member of BCC and served as its Loan Committee Chair, Clerk and Board Chair.</p> <p>Under Elyse's leadership, BCC has developed a strong and established track record of ensuring ongoing program compliance with the standards of government and foundation partners (including CDFI Fund, the Calvert Foundation, Met Life, NCCA and others), the CDFI industry, as established by NCCA, and our our internal policies and procedures. She has retained the services of auditors and attorneys with</p>	

extensive government compliance experience, including extensive experience with low-income housing tax credits. Under Cherry's leadership, BCC has received 6 awards from the CDFI Fund, and is in full compliance with each of its awards.

Elyse is an attorney and a former partner of the Boston law firm of Hale and Dorr, where her practice focused on large commercial real estate transactions, the development of affordable housing and the preservation of open space. Prior to joining Boston Community Capital, Elyse served as 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 and insurance service companies. Elyse began her career as a VISTA volunteer at the East Tennessee Community Design Center in Knoxville, Tennessee.

Elyse is leader in the community development finance industry. She helped found the National Community Capital Association and serves on its board of directors, as well as on the board of the Community Development Venture Capital Alliance. Among other engagements, she also serves on the Economic Development Grant Advisory Board for the Massachusetts Cultural Council, as an advisor to Northeastern University's urban-focused School of Education and on the executive council of the YWCA of Boston. Elyse is a graduate of Wellesley College and the Northeastern University School of Law.

Staff or Board Member Qualifications	
Name:	DeWitt Jones
Firm:	Boston Community Loan Fund
Title at Firm:	President; COO, Boston Community Capital
Years with (or Providing Services to) the Applicant:	18
Role with Applicant	Other key management
Hrs. per week with Applicant in this Capacity	40
Relevant Experience Monitoring Compliance	Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
With respect to BCC's NMTC Program Compliance, Jones will work with Cherry and the BCC team to put in place mechanisms and procedures that ensure that BCC is in full compliance with program regulations. He will make certain that staff responsible for lending clearly understand the terms of NMTC-eligibility, and will work closely with Cherry and staff to create regular reports to the Board and investors on the status of BCC's NMTC-related loans and investments.	
Description of Individual's Qualifications	
Under Jones' leadership, BCC has developed a strong and established track record of ensuring ongoing program compliance with the standards of government and foundation partners (including CDFI Fund, the Calvert Foundation, Met Life, NCCA and others), the CDFI industry, as established by NCCA, and our own internal policies and procedures.	
During his tenure at BCC, the Loan Fund has lent more than \$100 million to create affordable housing, daycare and social services in low-income communities, including more than \$50 million in the last 3 years, and has experienced losses of less than one tenth of one percent. BCC's loan monitoring procedures have set the standard for NCCA best practices. Under Jones' leadership, BCC has received 6 awards from the CDFI Fund, and is in full compliance with each of its awards.	

Staff or Board Member Qualifications	
Name:	E. Matthew Gautieri
Firm:	Boston Community Capital
Title at Firm:	CFO/Controller
Years with (or Providing Services to) the Applicant:	3
Role with Applicant	CFO or equivalent
Hrs. per week with Applicant in this Capacity	40
Relevant Experience Monitoring Compliance	Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
With respect to BCC's NMTC Program Compliance, Gautieri will work with other BCC staff to implement	

policies and procedures that ensure that BCC is in full compliance with program regulations. He will work closely with BCC's independent auditor to provide all information necessary to perform an annual audit of BCC's NMTC portfolio, and will work closely with management and other finance staff to prepare accurate and timely reports to the Board, the CDFI Fund, and BCC investors on the status of BCC's NMTC-related loans and investments.

Description of Individual's Qualifications

At Boston Community Capital, Gautieri has three years of experience providing accurate and timely reports to BCC's government, foundation, and corporate investors (including the CDFI Fund, Calvert Foundation, NCCA, and others).

Staff or Board Member Qualifications

Name:	Jessica Brooks
Firm:	Boston Community Capital
Title at Firm:	Investor Relations Manager
Years with (or Providing Services to) the Applicant:	2
Role with Applicant	Other finance staff
Hrs. per week with Applicant in this Capacity	40
Relevant Experience Monitoring Compliance	Other governmental programs Foundation

Description of Responsibilities with Applicant in NMTC Program Compliance

With respect to BCC's NMTC Program Compliance, Brooks will assist with the implementation of measures that ensure the BCC is in full compliance with program regulations. She will work with management and finance staff to prepare and submit all required reports to the CDFI fund and BCC's investors on the status of BCC's NMTC-related loans and investments.

Description of Individual's Qualifications

At Boston Community Capital, Brooks has two years of experience providing accurate and timely reports to BCC's government, foundation, and corporate investors (including the CDFI Fund, Calvert Foundation, NCCA, and others).

Prior to joining Boston Community Capital, she worked for Safe Horizon (formerly Victim Services), the nation's largest victim assistance organization, which operated more than 100 different federal-, state- and city-funded programs across the city of New York. As special assistant to the director of operations, Brooks administered the organization's FEMA grant, working closely with development officers and program staff to accurately document and report on emergency assistance grants to victims of domestic violence and other crime victims.

Staff or Board Member Qualifications

Name:	Maria Maffei
Firm:	Recapitalization Advisors
Title at Firm:	Vice President
Years with (or Providing Services to) the Applicant:	9
Role with Applicant	GB member on loan/investment committee
Hrs. per week with Applicant in this Capacity	3
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs

Description of Responsibilities with Applicant in NMTC Program Compliance

As a member of the board, Maffei shares overall fiduciary responsibility for the organization. With respect to NMTC Program Compliance, she assists management in the establishment of policies and procedures that ensure NMTC program compliance. She acts as internal expert, lending her own expertise in the administration of tax credit and other governmental programs to provide information, guidance and advice.

Description of Individual's Qualifications

Maria Maffei is a Vice President at Recapitalization Advisors, Inc., a Boston-based firm that assists real

estate owners and investors nationwide in increasing, preserving or realizing residual value for multi-family properties through recapitalizations, restructuring, refinancing, workout and other means. She brings to the BCC board extensive experience with tax credits and other government programs, and has experience in the design and implementation of policies and procedures that ensure program compliance.

Prior to joining Recap Advisors, Maffei was a Senior Finance Specialist with the City of Boston's Public Facilities Department, where she managed a \$9 million annual budget including CDBG, HOME, Rental Rehab and Emergency Shelter Grant funding for the development of housing for the City's homeless and special needs populations. During her four years with the City, she provided financing and development assistance for more than 1000 units of housing and increased competitive Federal funding for her division from \$0 to approximately \$10 million annually. In her capacity with the City, she worked extensively with all of the players in affordable housing development, from community groups to professionals, including architects, lenders, attorneys and regulators. Maffei also has experience structuring work-outs for troubled properties and investor participation in affordable housing developments using Low Income Housing Tax Credits and Historic Tax Credit.

Since joining the firm in April 1994, Maffei has worked on more than 75 transactions to preserve over 8000 apartments of affordable housing in 14 states nationwide under the LIHPHA program. She has worked on behalf of owners and non-profit purchasers of expiring use properties involving over \$125,000,000 in owner's equity.

Maffei has been active in local politics and economic development efforts. She joined Boston Community Capital's Loan Committee in 1995 and was elected to the Board in 1998. She is an honors graduate of the University of Massachusetts and received a Master's Degree in policy and planning from Tufts University.

Staff or Board Member Qualifications	
Name:	Charles Clark
Firm:	Citizens Bank
Title at Firm:	Former SVP and CRA Officer
Years with (or Providing Services to) the Applicant:	16
Role with Applicant	Governing board (GB) chair
Hrs. per week with Applicant in this Capacity	3
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
As a chair of the board, Clark shares overall fiduciary responsibility for the organization. With respect to NMTC Program Compliance, he assists management in the establishment of policies and procedures that ensure NMTC program compliance. He acts as internal expert, lending his own expertise in the administration of tax credit and other governmental programs to provide information, guidance and advice.	
Description of Individual's Qualifications	
Over 30 years banking experience, most recently as Senior Vice President and head of the Regional Banking Group at Citizens Bank in Boston, MA. In addition to being a senior lending officer, he served as CRA officer and director of the holding company's minority small business lending initiative.	
Clark is Treasurer of YouthBuild USA, an urban initiative that teaches the building trades to disadvantaged youth, and is a member of the Executive Committee of Junior Achievement of Eastern Massachusetts. He is a member of the Investment Committee of the Property and Casualty Initiative; Chairs the Board of the Massachusetts Alliance for Small Contractors, Inc.; a member of the Board of Massachusetts Certified Development Corporation; and a member of the Finance and Administration Committee of the United Way of Massachusetts Bay. He joined the Boston Community Capital Board in 1987, served as its Treasurer for several years, and has been the Chair of the Board since spring 1999.	

Staff or Board Member Qualifications	
Name:	Patricia Hanratty
Firm:	Bank RI/Campus Mate
Title at Firm:	President

Years with (or Providing Services to) the Applicant:	5
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Relevant Experience Monitoring Compliance	Other tax credit programs Other governmental programs
Description of Responsibilities with Applicant in NMTC Program Compliance	
As a member of the board and the finance committee, Hanratty shares overall fiduciary responsibility for the organization. With respect to NMTC Program Compliance, she assists management in the establishment of policies and procedures that ensure NMTC program compliance. She acts as internal expert, lending her own expertise in the administration of tax credit and other governmental programs to provide information, guidance and advice.	
Description of Individual's Qualifications	
Before joining Bank Rhode Island, Dr. Hanratty was the Director of Branch Channel Management for Fleet Financial's Business and Entrepreneurial Services Group (BESG). Fleet's market is comprised of New England, New York and New Jersey. BESG handles relationships for businesses with sales of \$10MM or less and credit needs of \$500MM or less. She was instrumental in the design, development and formation of Fleet's Business Solutions Centers, which focus resources and staff to improve service to and provide a contact person for branch-based business customers. She was also a Director of the Fleet Community Development Corporation. Dr. Hanratty joined Fleet in 1990 and held a range of positions, including Director, Corporate Sales for Small Business, Regional Manager of the Greater Boston Retail Banking franchise, Director of Massachusetts Community Banking, Northern New England Community Banking Market Manager, and Team Leader in Classified Loans.	
Dr. Hanratty initiated the development and implementation of Fleet's Business Credit Express (BCE) and Business Credit Plus (BCP) products. Designed for the small business customer, BCE processes loans up to \$50MM with a guaranteed one-day decision. Dr. Hanratty has been named the SBA Financial Services Advocate of the Year for Massachusetts and New England for 1996 and received the Boston Chamber of Commerce Pinnacle Award for Excellence in Management. She writes for and is a speaker at various industry forums.	

Staff or Board Member Qualifications	
Name:	Evelyn Friedman
Firm:	Nuestra Comunidad Development Corporation
Title at Firm:	Executive Director
Years with (or Providing Services to) the Applicant:	9
Role with Applicant	Other GB member
Hrs. per week with Applicant in this Capacity	3
Relevant Experience Monitoring Compliance	NMTC Program Other tax credit programs Other governmental programs Foundation
Description of Responsibilities with Applicant in NMTC Program Compliance	
As a member of the board, Friedman shares overall fiduciary responsibility for the organization. With respect to NMTC Program Compliance, she assists management in the establishment of policies and procedures that ensure NMTC program compliance. She acts as internal expert, lending her own expertise in the administration of tax credit and other governmental programs to provide information, guidance and advice.	
Description of Individual's Qualifications	
Executive Director of Nuestra Comunidad Development Corporation, a Roxbury MA., community development corporation with a \$20 million affordable housing and economic development portfolio. Under Ms. Friedman's ten-year leadership, Nuestra has grown from a small and struggling CDC into a national model of a comprehensive CDC. Nuestra Comunidad also runs a homeownership counseling program, real estate management company, a small business technical assistance service and a certified CDFI, which provides home improvement and micro enterprise loans. Nuestra Comunidad has received (and successfully administered) Low-Income Housing and Historical Tax Credits for the renovation and development of affordable housing and distressed commercial real estate; the organizations was recipient of a NMTC allocation in the 2002 application round.	

Ms. Friedman joined the BCC Board in 1994 and became Clerk in 1997. She is a former president of the board of the Massachusetts Association of Community Development Corporations and currently serves on the boards of the Massachusetts Housing Investment Corporation and the Metropolitan Boston Housing Partnership.

Exhibit E - E5: Low-Income Community Representatives on the Applicant's Board	03NMA000478
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Staff or Board Member Qualifications	
Name:	Evelyn Friedman
Firm:	Nuestra Comunidad Development Corporation
Title at Firm:	Executive Director
Advisory or Governing Board Member	Governing
Years on Board:	9
Hrs. per week with Applicant	3
How is S/he Representative of Low-Income Communities?	Employee or board member of a non-Affiliated community-based or charitable organization

Staff or Board Member Qualifications	
Name:	Maria Maffei
Firm:	Recapitalization Advisors
Title at Firm:	Vice President
Advisory or Governing Board Member	Governing
Years on Board:	5
Hrs. per week with Applicant	3
How is S/he Representative of Low-Income Communities?	Employee or board member of a non-Affiliated community-based or charitable organization

Staff or Board Member Qualifications	
Name:	Michael Stella
Firm:	Star Contracting Company
Title at Firm:	Principal
Advisory or Governing Board Member	Governing
Years on Board:	8
Hrs. per week with Applicant	3
How is S/he Representative of Low-Income Communities?	Employee or board member of a non-Affiliated community-based or charitable organization

Staff or Board Member Qualifications	
Name:	Mercedes Tompkins
Firm:	Dorchester Roundtable
Title at Firm:	Executive Director
Advisory or Governing Board Member	Governing
Years on Board:	11
Hrs. per week with Applicant	3
How is S/he Representative of Low-Income Communities?	Employee or board member of a non-Affiliated community-based or charitable organization

Staff or Board Member Qualifications	
Name:	James Walsh
Firm:	Center for Law and Justice
Title at Firm:	Director
Advisory or Governing Board Member	Governing
Years on Board:	18

Hrs. per week with Applicant	3
How is S/he Representative of Low-Income Communities?	Employee or board member of a non-Affiliated community-based or charitable organization

Exhibit F - F1: Projected Community Impacts (cumulative 2003-2008)

03NMA000478

Table F1: Projected Community Impacts (cumulative 2003-2008)

	# of projects	\$ Amount of NMTC Financing	Permanent ¹ FTE ² Jobs Created or Retained ³	Pre-development or Construction ¹ FTE ² Jobs Created or Retained ³	Square Feet of Space Developed or Rehabilitated	# of Housing Units Developed or Rehabilitated	# of Clients Served
Non-Real Estate QALICBs	102	\$72,500,000	670	N/A	N/A	N/A	N/A
Real Estate QALICBs (total)	214	\$377,500,000	1,650	3,875	2,324,500	2,850	N/A
Office facilities	17	\$31,250,000	225	180	474,400	N/A	N/A
Industrial facilities	7	\$13,750,000	350	250	383,700	N/A	N/A
Retail facilities	7	\$23,750,000	225	115	64,400	N/A	N/A
For-sale housing	54	\$115,000,000	0	615	0	1,470	N/A
Mixed-use (housing+other)	78	\$142,500,000	600	1,540	492,000	1,380	N/A
Community facilities⁴	51	\$51,250,000	250	1,175	910,000	N/A	20,000
Infrastructure	0	\$0	0	0	N/A	N/A	N/A
Loans/Investments in CDEs⁵	0	\$0	0	0	0	0	0
Purchase of loans from CDEs⁶	0	\$0	0	0	0	0	0
FCOS	0	\$0	N/A	N/A	N/A	N/A	0

☒ Check here, if table is Complete in all aspects.

¹ A permanent job is one that is at least 24 months in duration. Pre-development or construction jobs are short-term jobs (i.e., under 24 months in duration) that result from real estate projects or financing.

² A full time equivalent (FTE) is at least a 35-hour workweek.

³ A retained job is a job that exists at the business at the time the business was financed.

⁴ A facility in which health care, childcare, educational, cultural or social services are provided. 12 CFR §1805.104(j).

⁵ Entities making loans/investments in other CDEs should calculate the impacts that will be obtained by the QALICB that ultimately receives the financing.

⁶ Entities purchasing loans from other CDEs should calculate the impacts that will be obtained via the investment of QLICI proceeds by the selling CDE.

End of Application