

2009 NMTC Allocation Application:
Summary of Major Changes

Global Changes:

1. ***Shorter/ Longer Responses.*** Last year, question responses were generally limited to 10,000 or 3,000 characters. In this round, some question lengths were cut to 2,000 characters. Some questions (three) lengths were increase to 5,000, while the rest 10,000 characters. This allows approximately 2 pages of text for long responses and about half a page for shorter responses. In our view, the Applicants have provided less focused responses than we would like which increases the burden on reviewers, therefore the character lengths were reduced. This reduction should not impact the quality of responses in our view. The increase on the character limit to some critical questions was based on industry feedback. The questions with character increases usually require the Applicants to use examples of transactions to illustrate its strategies.

Applicant Information:

2. ***Question 8 (a) and (b) (modified):*** Character limit was reduced. The Applicants will now have 2,000 characters for each subsection.

Business Strategy:

1. ***Question 15 (modified).*** Character limit was increased. The Applicants will now have 10,000 characters for each subsection.
2. ***Question 18 (modified):*** Question 18(a) and (b), character limit was reduced. The Applicants will now have 2,000 characters for each subsection.
3. ***Question 19 (modified):*** Question 19(c), character limit was increased. The Applicants will now have 5,000 characters.
4. ***Question 20 (modified):*** Question 20(a) and (c), character limit was increased. The Applicants will now have 5,000 characters for each subsection.
5. ***Question 24 (modified):*** Question 24 (a) and (b), character limit was increased. The Applicants will now have 5,000 characters for each subsection.

Community Impact

1. ***Question 28, 29 & 30 (modified):*** TIPs were added to improve the description of the Applicant's methodology and assumptions when discussing the economic and community development impacts created by its track record, and the projected economic and community development impacts that would result from the proposed activities. In past rounds, discussions focused on methodology for data

collection but did not address assumptions used by Applicants to validate and compare their past/projected impacts to industry standards.

2. **Question 30(c) (modified).** If the Applicant responds no, it is now required to explain why it will ensure that 20% of housing units financed with QLICs be affordable. A Tip was also added to ensue consistency between the response to this question and the activities described in the Business Strategy section.
3. **Question 30(b) (1) (modified):** For section (b) (i), the character limit was reduced. The Applicants will now have 2,000 characters for each subsection. For subsection (c), question was modified to ensure consistency between the description of pipeline projects and the Applicant's commitment to affordable housing. In addition, the TIP was also modified to clarify the way the Fund will score this question.

Management Capacity

1. **Question 34 (modified):** Question 34 (a) and (b), character limit was reduced. The Applicants will now have 2,000 characters for each subsection.
2. **Question 35 (modified):** Character limit was reduced. The Applicants will now have 2,000 characters.
3. **Question 36 (modified):** Question 36 (a), (b) and (c), character limit was reduced. The Applicants will now have 2,000 characters for each subsection.
4. **Question 39 (modified):** Question 39, character limit was reduced. The Applicants will now have 2,000 characters for each subsection.
5. **Question 40 (modified):** Question 40, character limit was reduced. The Applicants will now have 2,000 characters for each subsection.
6. **Question 41 (modified):** Question 41 (a), (b), (c) and (d), character limit was reduced. The Applicants will now have 2,000 characters for each subsection.
7. **Question 44 (modified):** Question 44 (a), (b) and (c), character limit was reduced. The Applicant will now have 2,000 characters for each subsection.

Capitalization Strategy:

1. **Question 48 (modified):** The wording was revised to prompt the applicant to discuss the extent to which the *Applicant's* investors or potential investors are increasing their community development related investments, including those to the *Applicant*. In past rounds, Applicants who received increased investments from the same investors were not scored as favorably as those that attracted new investors. The Fund has determined that increasing investments to Low-Income Communities from all sources is a key program objective.

2. **Question 49(b) (modified):** Question 49 (b), character limit was reduced. The Applicant will now have 2,000 characters for this subsection.
3. **Question 52 (modified):** Character limit was reduced. The Applicant will now have 2,000 characters.
4. **Question 56 (modified):** Question 56 (a) and (b), character limit was reduced. The Applicant will now have 2,000 characters for each subsection.
5. **Question 57 (modified):** Character limit was reduced. The Applicant will now have 2,000 characters.
6. **Question 58 (modified):** Character limit was reduced. The Applicant will now have 2,000 characters.

Exhibit A:

1. **Table A1 and A2 (modified):** Table A1 and A2 was modified to better differentiate between the amount of financing provided by the Applicant and other third parties. The TIP was also modified to reflect that changes made to the Tables.

Exhibit B:

1. **Table B1-B5 (new):** The TIP highlights the relationship between the Tables and the information in Q14. In prior rounds, a good number of Applicants provided narrative in Q. 14 was inconsistent with the data provided Tables B1 to B5.

Exhibit C:

1. **Table C1 (modified):** The Instructions for Table C1 is revised to clarify what information to include based the whether the table reflects the tract record of the Applicant versus the Controlling Entity.

Exhibit E:

1. **Table E1 (modified):** The Instructions for Table E1 is revised to clarify what information to include based on the whether the table reflects the tract record of the Applicant versus the Controlling Entity.