COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

UNITED STATES DEPARTMENT OF THE TREASURY

American Recovery and Reinvestment Act
Quarterly New Markets Tax Credit Program
Report Instructions

October 20, 2009
(Updated April 20, 2010)

GENERAL INFORMATION ON QUARTERLY REPORTING

Quarterly New Markets Report (QNMR)

Recipients of New Market Tax Credit Program allocation awards (Allocatees) through the American Recovery and Reinvestment Act (Recovery Act) are required to submit a QNMR to the Community Development Financial Institutions Fund (CDFI Fund) no later than ten (10) days after the end of each calendar quarter beginning September 30, 2009 and continuing every calendar quarter for the term of their assistance agreements (December 31, March 31, June 30, and September 30). For each calendar quarter, the QNMR is due at 11:59 p.m. PT.

The QNMR Excel workbook will be emailed to the authorized representative listed in the Allocatee's myCDFIFund account for the Recovery Act award on or before the first day of each quarterly reporting period. Once completed, Allocatees should save the QNMR Excel workbook with their organization's name. Allocatees must submit the workbook electronically via email to the CDFI Fund at QNMRSubmissions@cdfi.treas.gov by the deadlines provided below. Only submissions received through this address receive the CDFI Fund's official electronic time and date stamp. Allocatees will receive an automated email confirmation. However, please note that this is an automated mailbox and will not be monitored by staff. Its sole purpose is for data intake.

By submitting the workbook via email, the Allocatee certifies that the QNMR is complete. After the QNMR is submitted, the CDFI Fund will review the data and contact the Allocatee with any questions. If the Allocatee fails to respond to such questions within the CDFI Fund's required timeframe, the QNMR will be rejected as incomplete. Failure to comply with any provision of the Recovery Act, quarterly reporting requirements, or any other award term may be considered an event of default pursuant to the Allocation Agreement and will become a part of the recipient's performance record. Allocatees that demonstrate systemic or chronic reporting problems and/or otherwise fail to correct such problems as identified by the CDFI Fund are non-compliant.

QUARTERLY REPORTING DEADLINES	
For every quarter ending on:	Deadline:
December 31	January 10
March 31	April 10
June 30	July 10
September 30	October 10

Per the assistance agreement, Allocatees are also required to report annually to the CDFI Fund through the Community Investment Impact System (CIIS).

<u>Completing the QNMR</u>:

The QNMR Excel workbook requires responses to all applicable questions, data fields, and tables. When appropriate, please use "Don't Know" and/or "Not Applicable" as valid responses.

- Don't Know: Use "Don't Know" when the question is valid for the Allocatee but the answer is unknown or unavailable.
- Not Applicable: Use "Not Applicable" when the question is not valid or not applicable to the Allocatee. Do not use "Not Applicable" for a "$0" or "0" response. Please note that "Not Applicable" does NOT mean unavailable (use "Don't Know" for unavailable).

If a table has a check box, it should be checked to indicate that the Allocatee has provided all relevant information that should have been included in the table.

I. ORGANIZATIONAL INFORMATION

A. General Information

Enter the following information based on the information associated with the Recovery Act award:

1. Organization Name

2. Organization EIN

3. Award Number of NMTC Recovery Act Allocation

4. Website Address

5. Name of Person Responsible for Completing the QNMR

   Enter the name of the person from the Allocatee who is primarily responsible for the QNMR. The CDFI Fund will contact this individual during the data cleansing process if clarification or explanations are required.

6. Telephone Number of Person Responsible for Completing the QNMR

   Enter the business telephone number of the person entered in Question 5.

7. Email Address of Person Responsible for Completing the QNMR

   Enter the business email address of the person entered in Question 5. Use all lower case letters, unless the address is case sensitive.

B. Human Resources Dedicated to the Allocatee's NMTC Program – RECOVERY ACT SPECIFIC

For the purposes of completing the QNMR, use the following definitions of jobs created and retained during the reporting period:

- A job created is a new position created and filled or an existing unfilled position that is filled as a result of the Recovery Act.
- A job retained is an existing position that would not have been continued to be filled were it not for Recovery Act funding.

One FTE equals a work week of 35 hours or more. In calculating the number of FTEs, the hours of part-time employees should be combined. In the following examples, one FTE is equal to 35 hours of work per week.

Example: Two part-time employees who each work 17.5 hours per week should be combined to count as one FTE. (17.5 hours X 2 = 35 hours)

8. Total FTEs as a result of Recovery Act Allocation

Enter the total number of FTEs created or retained by the Allocatee to manage the additional workload related to Recovery Act activities during the reporting period.

- *Include* the human resources of the Allocatee, the Parent, any Sub-Allocatees, and any other organizations that support the Allocatee's NMTC strategy.
- *Include* FTEs dedicated to loan/investment underwriting and outreach, loan administration, servicing and collections, financial counseling and other services (FCOS), and any other activities not covered in the categories above, including finance, compliance management, human resources, fundraising, policy, administration, and other overall management at the reporting period end.
- *Include* all full-time and part-time employees.
- *Include* contractors, consultants, and volunteers that perform ongoing operations.
- *Exclude* temporary employees.
- *Exclude* professional services conducted outside of the office by third parties such as accounting, bookkeeping, and legal counsel.

a. Retained
b. Created

9. Consultant/Contractor FTEs as a result of Recovery Act Allocation

Enter the number of consultant/contractor FTEs (if any) included in Q. 8 Total FTEs.

a. Retained
b. Created

Review the FTE numbers for accuracy.

C. Qualified Equity Investments – RECOVERY ACT SPECIFIC

10. Has your organization issued any Qualified Equity Investments (QEIs) in the current reporting period relating to its NMTC Recovery Act allocation award? (Yes/No)

    If yes and the organization has made Loans or Investments in a QALICB or Other CDE or a Loan Purchase from Other CDE, complete the tables in Sections II and III.

II. FINANCING – RECOVERY ACT SPECIFIC

For *Venture Capital funds*, all financial questions pertain to the investing entity(ies), not the managing entity, unless otherwise noted.

11. Loans/Investments Originated Table – RECOVERY ACT SPECIFIC
    - Loans to and Investments in Qualified Active Low-Income Community Businesses (QALICBs); and
    - Advance Purchase Commitments (categorized and reported as "QALICBs" in the TLR).

    If the Allocatee is providing a Loan to or an Investment in another CDE, report the details of both the Loan to/or Investment in the CDE as well as the details of the resulting funding to the QALICB(s). In other words, for each Investment in a CDE, the Allocatee must report a minimum of two transactions: (1) The Investment in the CDE and (2) the resulting Loan or Investment in the QALICB(s). The two transactions may occur during different quarters.

    All data must be reported as of the reporting period end date unless otherwise noted.

    Excluded from QNMR (the following are reported in the Annual Institution Level Report (ILR)):
    - Loan purchases (except Advance Purchase Commitments);
    - Financial Counseling and Other Services (FCOS); and
    - Transfers of Allocation to Sub-Allocatee(s).

    a. Project Type (MANDATORY)

    Report whether each QLICI is an Investment in Other CDE, a Loan or Investment in a QALICB, or a Loan Purchase from Other CDE. Report non-profit businesses (except CDEs) as QALICBs. Report advance purchases as QALICBs.
    - *Exclude* Loan Purchases (except Advance Purchases) from the QNMR.
    - *Exclude* Financial Counseling and Other Services (FCOS) from the QNMR.

    For each Investment in Other CDE or Loan Purchase from Other CDE, also complete the Project Number, Date Closed, Purpose, and Original QLICI Amount fields. For each Loan or Investment in a QALICB, complete all fields.

b. Project Number (MANDATORY)

Assign a unique identifier to each Project. The Project Number is used to link a Financial Note(s) to a distinct Project and to track Projects across reporting periods. Therefore, the Project Number MUST be identical across all reporting periods. The project-level data should only be entered once for each Project, regardless of the number of associated Financial Notes.

- Each Project Number MUST only be used for one Project per reporting period.
- Allocatees MUST use the same Project Number for each reporting period that a particular Project is submitted.

c. Date Closed (MANDATORY)

Provide closing date of Organization's actual QLICI investments as of the end of the reporting period.

d. Purpose (MANDATORY)

Identify the primary purpose of the Financial Note. If there are multiple purposes (for example, a loan funding both the purchase of a fixed asset and a facility improvement), select the purpose with the largest percent of the transaction. Classify loans/investments in CDEs as "Other".

BUSINESS	Business • Financing to for-profit and nonprofit businesses with more than five employees <u>or</u> in an amount greater than $35,000 for the purpose of expansion, working capital, equipment purchase or rental, or commercial real estate development or improvement.
MICRO	Microenterprise • Financing to for-profit or nonprofit enterprise that has five or fewer employees (including the proprietor) <u>and</u> in an amount no more than $35,000 for the purpose of expansion, working capital, equipment purchase or rental, or commercial real estate development or improvement.
RECOCOM	Real Estate - Construction/Permanent/Acquisition without Rehabilitation - Commercial • Financial Note is for 1) predevelopment financing; 2) construction or permanent financing; or 3) acquisition without rehabilitation of office, retail, manufacturing, or community facility space. • *Include* mixed-use real estate that combines both commercial and residential use.
RECOMULTI	Real Estate - Construction - Housing - Multi Family • Financial Note is for predevelopment financing, or construction of multifamily housing.
RECOSINGLE	Real Estate - Construction - Housing - Single Family • Financial Note is for predevelopment financing, or construction of single family housing.

RERHCOM	Real Estate - Rehabilitation - Commercial • Financial Note is to rehabilitate office, retail, manufacturing, or community facility space. Financial Note may include acquisition costs. • *Include* mixed-use real estate that combines both commercial and residential uses. • *Exclude* acquisitions without rehabilitation.
RERHMULTI	Real Estate - Rehabilitation-Housing - Multi Family • Financial Note is to rehabilitate or acquire multifamily housing.
RERHSINGLE	Real Estate - Rehabilitation - Housing - Single Family • Financial Note is to rehabilitate or acquire single family housing.
OTHER	Other • Financial Note purpose does not match any of the purposes defined above.

e. **Original QLICI Amount (MANDATORY)**

The amount the User enters in this field should be the sum of the amounts of actual QLICIs the Organization made by the end of the reporting period, including QALICB Loans and Investments, Loans and Investments in Other CDEs, and Loan Purchases from Other CDEs.

Do not include Advance Commitment Loan Purchases as Loan Purchase QLICIs. Advance Commitment Loan Purchases should be treated as QALICBs.

QALICB Loans and Investments	For each QEI, enter the dollar amount of the proceeds that were used to make loans and investments in QALICBs as of the reporting period end (include advance commitment loan purchases) *Include* loans and investments made to both real estate and non-real estate QALICBs. If the Organization did not use the QEI to make QALICB loans or investments, enter zero.
Loans and Investments in Other CDEs	For each QEI, enter the dollar amount of the proceeds that were used to make loans and investments in other CDEs as of the reporting period end. If the Organization did not use the QEI to make loans or investments to other CDEs, enter zero.

Loan Purchases from Other CDEs	For each QEI, enter the dollar amount of the proceeds that were used to purchase loans from other CDEs, as of the reporting period end. If the Organization did not use the QEI to purchase loans from other CDEs, enter zero.

f. **Total Project Costs (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the total cost of the Project being financed.
- Include all sources of financing
- Include the CDE's portion of the financing.

g. **Total Project Cost - Public Sources (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the portion (in dollars) of the Total Project Cost provided by public sources.
- Include federal, state, and local government funds.
- Exclude foundation grants.
- Exclude NMTC funds (including unaffiliated CDEs co-investing in the project)

h. **Total Project Cost - Affiliates & Related Programs (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the portion (in dollars) of the Total Project Cost provided by the CDE's affiliates and related project investments by unaffiliated CDEs.

i. **Project Street Address (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the project's street address.

j. **Project City (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the project's city.

k. **Project State (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the project's two-letter state abbreviation.

l. **Project Zip Code (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the project's five-digit zip code.

m. **Project FIPS Code (MANDATORY FOR LOANS/INVESTMENTS IN QALICB)**

Report the project's 11-digit Federal Information Processing Standards code (FIPS). FIPS Code refers to the 11-digit code that indicates state (first 2 digits), county (next 3 digits), and census tract (last 6 digits). FIPS codes must be provided. For additional information about FIPS codes, visit www.census.gov/geo/www/fips/fips.html.

The QNMR collects an 11-digit FIPS:

- State: The first **two digits** of the FIPS represent the state.
  - A list of state codes is available at:
    www.census.gov/geo/www/cenpop/statecenters.txt

- County: The next **three digits** of the FIPS represent the county.
  - A list of county codes available at:
    www.census.gov/geo/www/cenpop/county/ctyctrpg.html

- Tract: The last **six digits** of the FIPS represent the census tract.
  - The directions below provide one option for identifying the census tract using the U.S. Census Bureau's website.
    - § If only four digits are provided for the census tract code, add two zeros after the tract number.
    - § If only three digits are provided for the census tract code, add one zero before the tract number and two zeros after.
    - § If only two digits are provided for the census tract code, add two zeros before the tract number and two zeros after the tract number.
  - How to Obtain a Census Tract for the FIPS Code
    The Fund offers the following suggestions for obtaining a FIPS:
    - § Visit the U.S. Census Bureau's website at www.census.gov.
    - § Select "American Fact Finder" from the left column of the Census Bureau's Homepage.
    - § Select the "street address" hyperlink from the left column under "Address Search..."
    - § Enter the specific address and click the "Go" button.
    - § If the census is unable to geocode the address, you will need to enter the address of a nearby site.
    - § Continue to enter nearby addresses until the Census website is able to geocode the address.
    - § Select "Census Tract" from the list of geographic options and click the "Map It" button.
    - § Use the map provided to "eyeball" the desired location and census tract.
    - § Please print out a copy of the map for future reference.

n. NAICS

If applicable, report the 2-digit North American Industry Classifications (NAICS) Code. The NAICS code replaced the former Standard Industrial Classification (SIC) system and is used to report business revenue on the federal tax return. For additional information, see IRS Schedule C Form, question B or www.census.gov/epcd/www/naics.html.

11	Agriculture, Forestry, Fishing and Hunting	53	Real Estate and Rental and Leasing
21	Mining, Quarrying, and Oil and Gas Extraction	54	Professional, Scientific, and Technical Services
22	Utilities	55	Management of Companies and Enterprises
23	Construction	56	Administrative and Support and Waste Management and Remediation Services
31-33	Manufacturing	61	Educational Services
42	Wholesale Trade	62	Health Care and Social Assistance
44-45	Retail Trade	71	Arts, Entertainment, and Recreation
48-49	Transportation and Warehousing	72	Accommodation and Food Services
51	Information	81	Other Services (except Public Administration)
52	Finance and Insurance	92	Public Administration

III. COMMUNITY DEVELOPMENT BENEFITS – RECOVERY ACT SPECIFIC

12. The **Community Development Benefits Table – RECOVERY ACT SPECIFIC**

This table should include the following data points:

a. Business Description

If applicable, select a brief description of the business financed.
- Restaurants, hotels, food services, or other retail space
- Financial, professional, scientific, management, business, or other office space
- Industrial, manufacturing, transportation logistics, or warehousing space
- Housing
- Health, and human and social service facilities
- Educational and community facilities
- Facilities or space for the performing arts, cultural, entertainment, or other amenities
- Other

b. Projected Jobs to Be Created at Businesses Financed as a Result of Recovery Act Allocation

For business Projects, report the number of full-time equivalent (FTE) jobs projected to be created in the business as a result of business loan originations or investments associated with Recovery Act funding during the reporting period. One FTE is a 35-hour or more work week. In calculating FTEs, part-time employees should be combined.

- Exclude construction jobs.
- If the QALICB is a single-purpose entity (SPE) created by an operating business to lease back property to that parent business, report jobs for the parent business.

Enter the number of FTEs, "Don't Know", or "Not Applicable".

c. Jobs Retained as a Result of Recovery Act Allocation

For business Projects, enter the number of FTE jobs that are retained in the business as a result of business loan originations or investments associated with Recovery Act funding during the reporting period. One FTE is a 35-hour or more work week. In calculating FTEs, part-time employees should be combined.

- Exclude construction jobs.
- If the QALICB is a single-purpose entity (SPE) created by an operating business to lease back property to that parent business, report jobs for the parent business.

Enter the number of FTEs, "Don't Know", or "Not Applicable".

d. Projected Construction Jobs to Be Created as a Result of Recovery Act Allocation

For real estate Projects, report the number of construction jobs projected to be created due to the financing associated with Recovery Act funding during the reporting period.

Enter the number of FTEs, "Don't Know", or "Not Applicable".

e. Total Square Feet of Facility Development and Rehabilitation

For Real Estate, Manufacturing, Office and Retail Projects, report the total number of square feet that are expected to be constructed or rehabilitated with funding from the transaction.

Enter the number of square feet, "Don't Know", or "Not Applicable".