



Community Economic Development • Job Opportunities for Low-Income Individuals

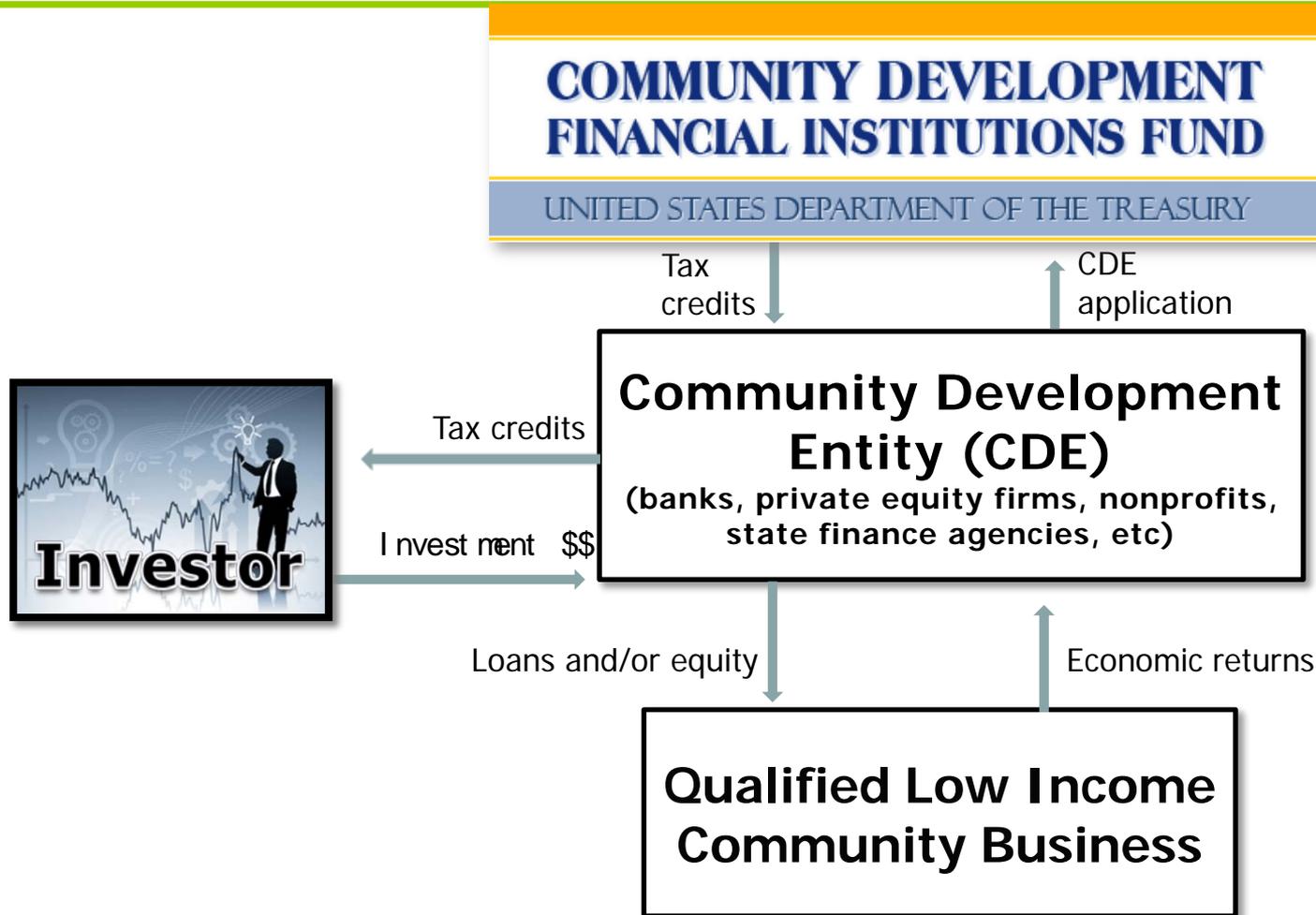
New Markets and Community Economic Development program

New Markets Tax Credit

- Authorized in 2000, first allocations in 2003
- Since its inception, NMTC has attracted over \$30 billion in private investment to low-income communities, creating 300,000 jobs
- Now the largest federal community economic development program

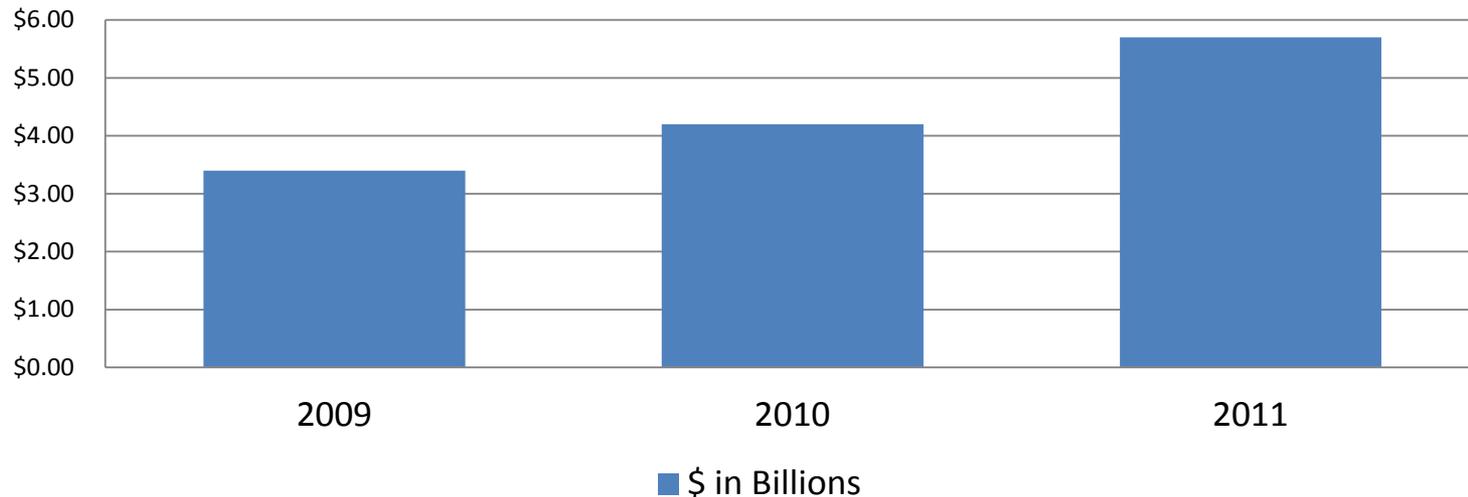


How the NMTC Works

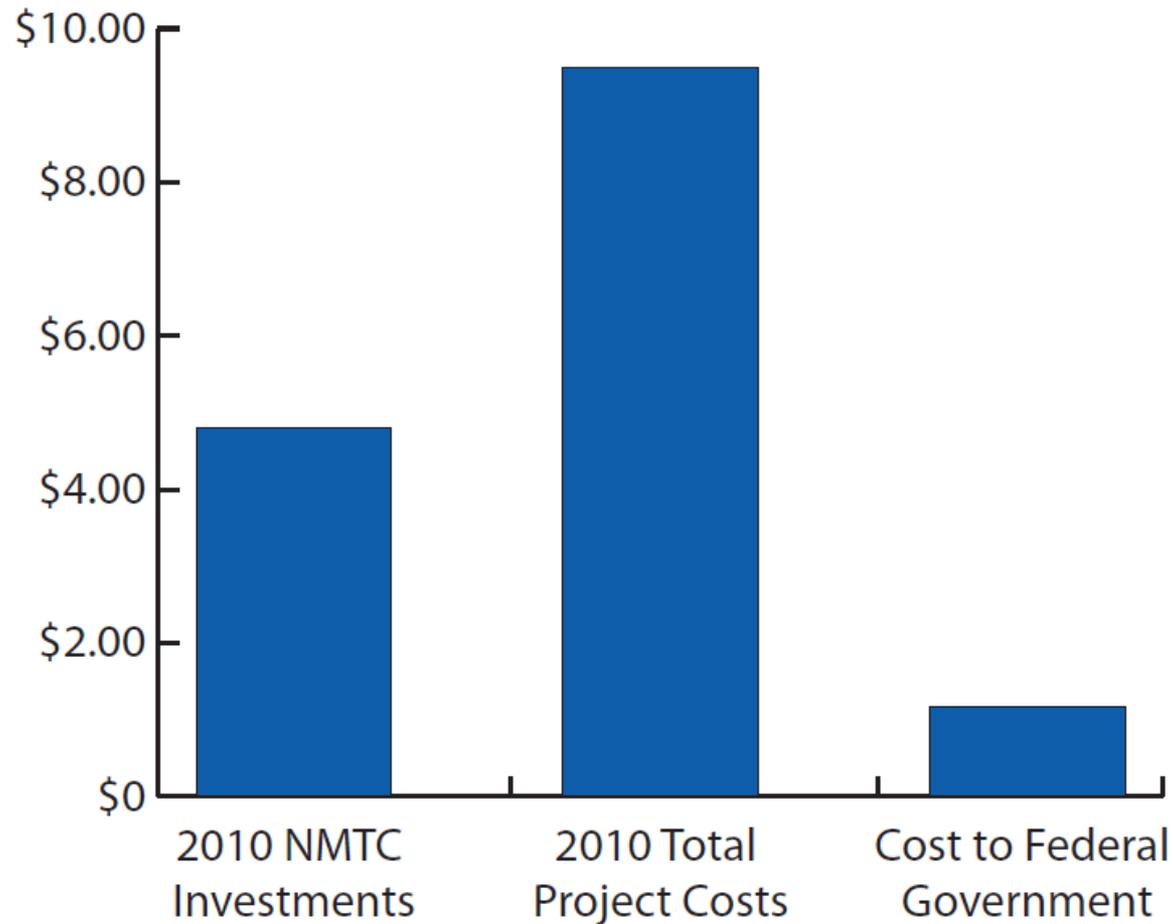


New Markets Program Growing

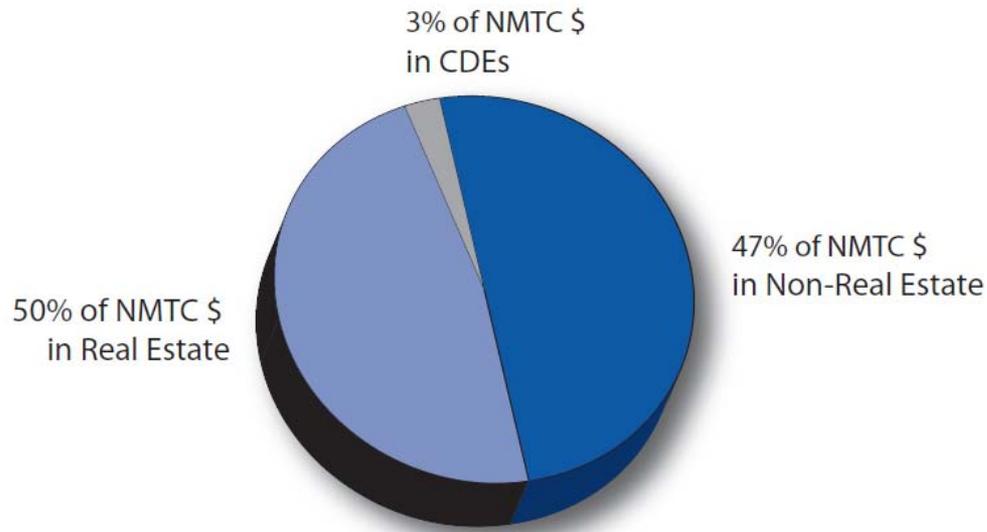
**NMTC Qualified Equity Investments
2009-2011**



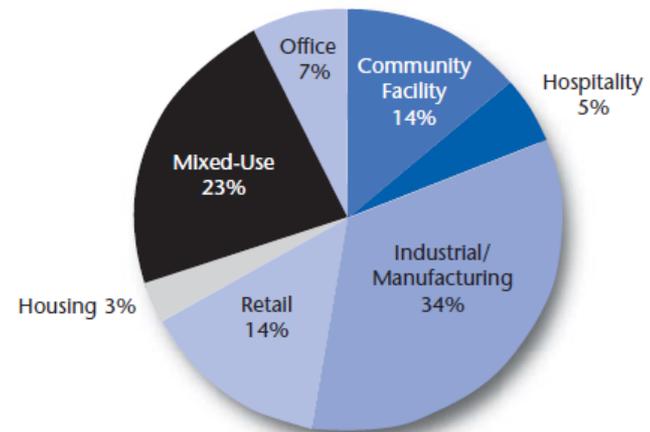
Cost Effectiveness of the NMTC



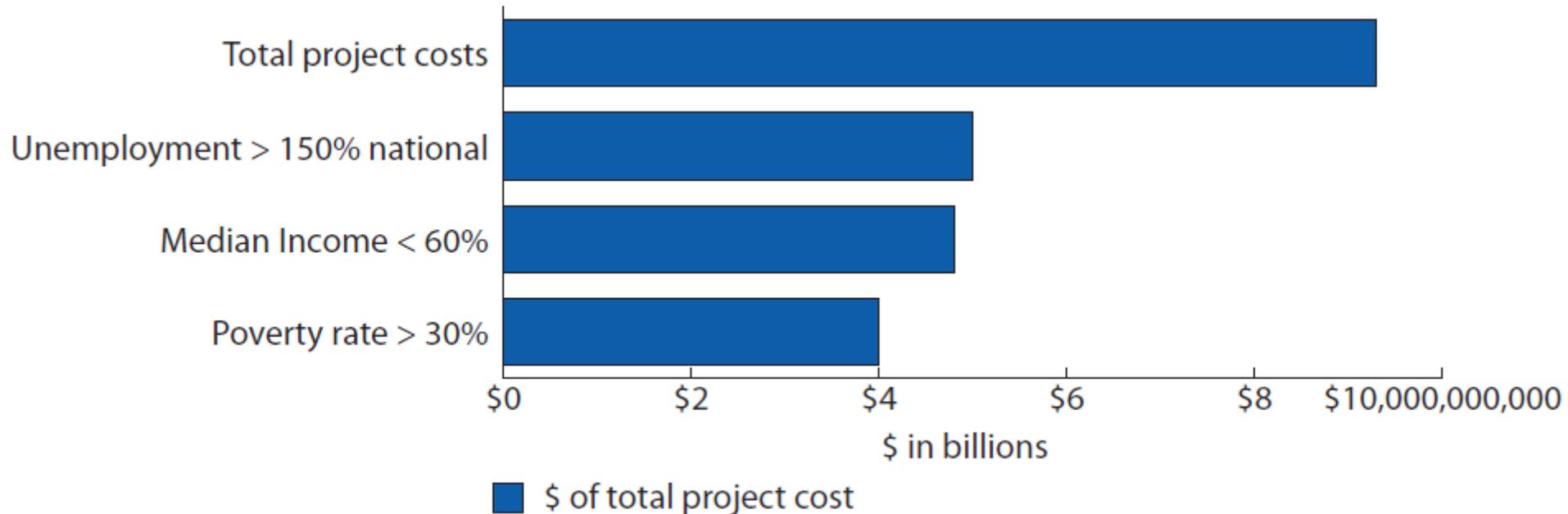
2010 NMTC Investments



Types of Real Estate Businesses Financed with NMTC (% of NMTC \$)



2010 NMTC Projects in Areas of Severe Distress



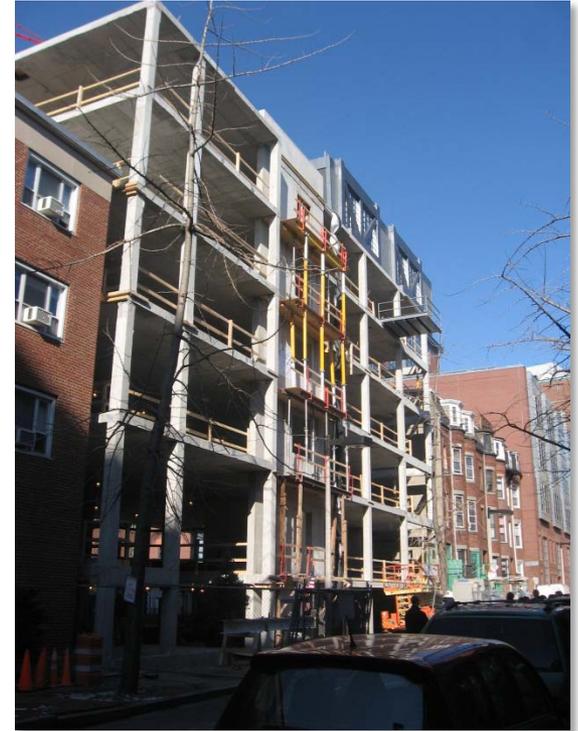
Legislative Overview

- Program receives broad bipartisan support
- NMTC not a permanent credit. Has been extended twice
- Program expired on December 31, 2011, but can be extended retroactively
- Next extension opportunity after '12 election
- President's \$2 billion manufacturing credit



NMTC and CED

- Congressional intent
- Delivery system
- Patient capital
- Flexibility
- Market driven
- Capacity
- Healthy Food Financing Initiative



NMTC vs CED: Targeting

- CED: Eligible CDCs must have as a principal purpose planning, developing, or managing low-income housing or community development activities
- NMTC: Investments made in low-income communities where the individual poverty rate is greater than 20% or median family income is less than 80% of the area median

