

An affiliate of LISC



New Markets Support Company

CDE Services

TAPPING EXPERTISE

TO MANAGE PROJECTS
AND BUILD

STRONG PORTFOLIOS

The regulatory, compliance and investor reporting requirements of NMTC investments are unique and often fall outside of an organization's core business activities. But for New Markets Support Company (NMSC), it is our core business.

NMSC manages the Local Initiatives Support Corporation's (LISC) \$908 million NMTC investment authority, one of the largest in the country. Over the last decade, we have built an extensive risk management infrastructure, attracted a seasoned staff of asset management, accounting and legal professionals, and developed sound processes and IT systems focused specifically on managing NMTC risks.

We leverage all of that expertise to provide affordable third-party advisory services that help other allocatees effectively manage their projects and portfolios. You can tailor our services to your specific needs.

Services can include all or some of the following:

Compliance

Ideal for allocatees that have internal accounting and reporting staff but lack NMTC experience, or those that want a "second pair of eyes" in the compliance aspect of the NMTC program.

- Provide pre-closing consulting to ensure compliance and monitoring issues are vetted and addressed in NMTC closing documents.
- Compute, test and document compliance with substantially all requirements, and monitor CDE distributions to document compliance with the NMTC Code requirements. Provide periodic sub-CDE compliance reports to allocatees.
- Provide oversight to ensure continued CDE status and allocation agreement compliance.
- Manage all aspects of data collection, analysis, and submission of Transaction Level Reports (TLR) and Institutional Level Reports (ILR) to satisfy CDFI Fund reporting requirements.



Washington Park, Cincinnati, Ohio

NMSC SERVICES for CDEs

- NMTC Compliance
- Accounting, Loan Servicing and Cash Management
- Asset Management
- Compliance Process Reviews and Training
- NMTC Software
- Other Consulting as Needed

Accounting/Loan Servicing/Cash Management

Ideal for allocatees that would like to outsource the accounting, reporting and servicing aspects of their NMTC investments.

- Prepare and maintain GAAP and tax-basis books and records for sub-CDEs and investment funds. Prepare quarterly and annual financial statements. Manage and oversee the annual audit and tax return process.
- Manage billing and collection of debt service and fees as required per loan documents. Direct and manage transfer of funds between NMTC entities. Perform collateral agent duties as necessary.

Asset Management

Ideal for allocatees that would like to outsource the construction and operational oversight of real estate investments.

- Actively manage projects under construction, including pre-closing construction budget and closing draw reviews, detailed post-closing construction draw reviews and progress summaries.
- Oversee operating projects by collecting and reviewing quarterly and annual financial statements from QALICBs, having quarterly discussions with borrowers and providing progress summaries.
- Perform project site visits as necessary.
- Prepare quarterly reports assessing the financial position and stability of each project, and detail issues identified by NMSC.

Compliance Process Reviews & Training

Ideal for allocatees who want independent third-party review of their policies, procedures and processes or would like supplemental training to increase staff's understanding of the NMTC program and its nuances.

- Documentation and assessment of your organization's NMTC allocation lifecycle, from deal intake through the seven-year compliance period.
- Provide process improvement recommendations.
- Custom tailored staff training covering NMTC rules, regulations and industry best practices.

Contact

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Visit us at www.newmarkets.org for information on our projects, services, specialty funds and staff.

Follow us on Twitter @LISCNewmarkets.



Verso Paper Quinnesec Mill, Quinnesec, MI

NMTC Software

Ideal for allocatees with experienced staff, processes and oversight but with a need for effective software to help manage their portfolios.

Our state-of-the-art software, New Markets Data Link (NewDL), was designed from the ground up by NMTC CDE practitioners to provide the tools to effectively manage your NMTC allocation. By leasing NewDL, you can save time, reduce risks and gain quick access to all aspects of your NMTC investments. More specifically, NewDL works for you to:

- Capture all QEI, QLICI, and QALICB data on a secure, web-based platform so comprehensive NMTC data is available to your team from anywhere.
- Streamline management of Community Impact Information System (CIIS) data. NewDL provides integrity testing of data and offers direct uploading of CIIS data to the CDFI Fund.
- Protect your data with password-only access to reports, financial statements, tax returns and any other documents or information you need managed. Share access to documents and data with internal team members, investors and other third parties through a secure external web portal. Automatically notify investors when required reporting is available for access through the portal.
- Track loan status and automate invoicing to borrowers to facilitate loan servicing.
- Enhance asset management by tracking borrowers' construction progress, analyzing operating performance, tracking reporting compliance, sending reporting reminders to borrowers and more.
- Customize reports by user to track your portfolio's community impact, construction progress, operating performance, loan status, QLICI rates and terms, allocation status, investment concentration, substantially all requirements and much more.