

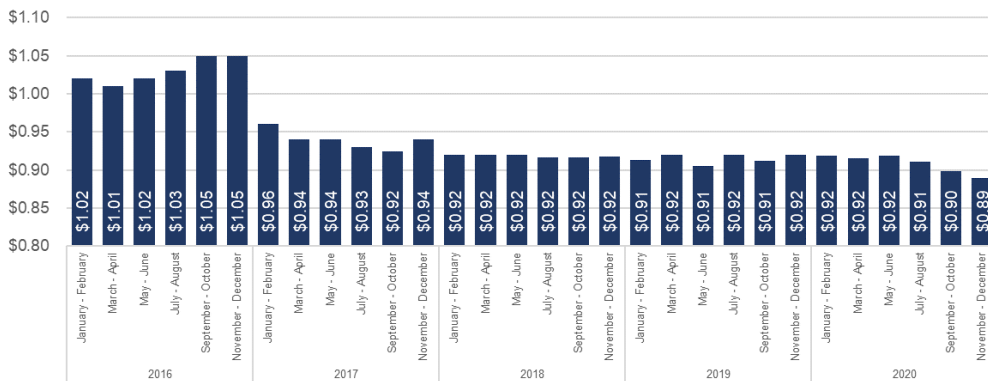
# HOUSING TAX CREDIT MONITOR

January 2021

## Housing Credit Investment Yield & Pricing Update

- Happy New Year! While 2020 was a challenging year for many businesses, the housing credit industry appears to have weathered the storm admirably. As the following graph of housing credit pricing illustrates, pricing has dropped slightly since the onset of the pandemic. However, the two-to-three cent drop pales in comparison to the nine-cent drop following the 2016 presidential election.
- Even with vaccines on the horizon, the pandemic's impact to the global economy is far from over. That said, unlike in 2017 when tax reform became a real possibility - the underlying economics of housing credit investments remains unchanged. Similarly constant, is the immense demand for affordable housing, which many would argue has only become more acute during the period of the pandemic.

Median Surveyed Housing Credit Pricing (2016-2020)



- Some unanswered questions still remain: How will the federal government pay for the unanticipated expenses brought upon by the pandemic – not least of all, three trillion of approved stimulus to date? How will community reinvestment act (“CRA”) reform impact the demand for housing credits among the industry’s largest equity investors?
- While 2021 will no doubt present additional challenges for the housing credit industry, with (as of the date of this writing) additional stimulus in doubt, and millions of Americans facing additional rent burden, if 2020 is any indication, the housing credit industry is up to the challenge.

## CURRENT NATIONAL MULTI-INVESTOR FUNDS

Syndicator / Fund Name	Estimated Fund Size (millions)	After-Tax Cash Needs IRR	Net Equity Price	Target Closing
Alliant Alliant Fund 104	\$165	5.15%- 6.4%	\$0.85 - \$0.935	January 2021
Alliant Alliant Fund 107	\$150	TBD	TBD	June 2021
BFIM BFIM Fund 54	\$180	5%- 6.4%	\$0.85 - \$0.95	March 2021
CREA CREA Corporate Tax Credit Fund 85	\$200	TBD	TBD	May 2021
Hunt Hunt Capital Partners Fund 41	\$150	TBD	TBD	April 2021
NDC NDC Corporate Equity Fund XVII	\$120	4.50%	TBD	April 2021
PNC PNC LHFC Fund 80	\$150	TBD	TBD	June 2021
R4 R4 Housing Partners XVII LP	\$250	TBD	TBD	July 2021
Raymond James RJTCF 47	\$200	TBD	TBD	March 2021
RBC Community Investments RBC National Fund-31	\$193.9	4.15%- 6.25%	\$0.83 - \$0.9744	April 2021
Redstone Fund 84 Limited Partnership	\$150	5%- 6.25%	TBD	March 2021
Regions Regions Corporate Partners Fund 57 LL	\$110	4.75%- 6.25%	\$0.86 - \$0.89	April 2021
Richman U.S.A. Institutional Tax Credit Fund 135	\$200	TBD	TBD	April 2021
WNC WNC Institutional Tax Credit Fund 50	\$125	6%- 6.4%	\$0.8799	TBD

- On an equity-weighted basis, participants in our latest survey (November-December 2020) reported a **5.51%** blended IRR among the national multi-investor funds currently offered.
- The median reported housing credit price in the last 60 days was **\$0.890 cents** across 140 properties, which is roughly consistent with the previous survey result of \$0.898 cents and is reflect the COVID impact (a reduction of 3 cents compared to the previous long-standing \$0.92 median).
- The price distribution in 2020 compared to 2019 consistently indicates more deals now in the lower end of the pricing range, returning to the level in 2018.

## CURRENT REGIONAL MULTI-INVESTOR FUNDS

Syndicator / Fund Name	Region	Estimated Fund Size (millions)	After-Tax Cash Needs IRR	Net Equity Price	Target Closing
Cinnaire Cinnaire Fund for Housing LP 36	MI, IN, IL, WI, MN	\$50	TBD	TBD	July 2021
Cinnaire Cinnaire Mid-Atlantic Capital Fund 6	DE, MD, PA, NJ	\$41.5	TBD	TBD	June 2021
CREA CREA Corporate Tax Credit Fund 84	CA	\$140	4.5%- 6.25%	TBD	March 2021
M HEG M HEG Fund 53, LP	Midwest	\$100	TBD	TBD	April 2021
M HIC M HEF XXVII	MA	\$60	4.00%	TBD	June 2021
Raymond James CAHOF X	CA	\$120	TBD	TBD	March 2021
RBC Community Investments RBC CA Fund-7	CA	\$70	TBD	TBD	Q1 2021
Richman Institutional Tax Credit Fund TBD	CA	\$60	TBD	TBD	August 2021
WNC Fund X CA Series 19	CA	\$95	6.00%	\$0.91	TBD

Note: All fund data was provided by fund sponsors and compiled by CohnReznick. Neither CohnReznick nor the Tax Credit Advisor takes responsibility for the accuracy of the data represented by the sponsors. If you would like a fund included in the next Housing Tax Credit Monitor, please contact [TCIS@cohnreznick.com](mailto:TCIS@cohnreznick.com) or 617.648.1414 to speak with a professional with CohnReznick's Tax Credit Investment Services practice. Visit CohnReznick's website at [cohnreznick.com](http://cohnreznick.com).