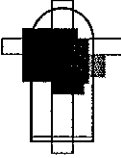


HOT TOPICS IN AFFORDABLE HOUSING




National ChurchResidences
Michelle Norris
SVP - Acquisitions and Development

NCR CORE VALUES


MISSION

We are driven by a deep sense that our work should serve God and always produce good for others.




PROFESSIONALISM

We strive to be excellent at what we do and to be sound managers of resources with solid, ethical business practices.



COMPASSION

We truly care about people and seek to treat residents, employees, and neighbors with dignity, respect, and fairness.

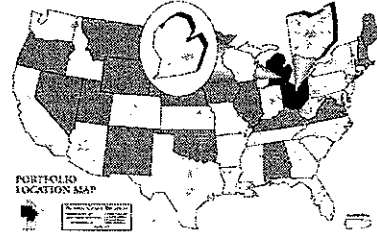


LEADERSHIP

We will be leaders in our fields setting a good example for others, visionary, growing, and constantly improving.

NCR Footprint

Over 300 affordable housing properties throughout the U.S. and Puerto Rico



NCR Rankings

- Nation's largest not-for-profit developer of affordable housing (AAHSA: 2006, 2007, 2008, and 2009)
- #4 on Top 50 Affordable Housing Owners list (AHF: 2009)
- #7 on Top 50 Affordable Housing Developers list (AHF: 2008)
- #10 on 2009 NAHMA Affordable 100 (NAHMA: 2009)

TCAP FUNDING

(UPDATED FROM HUD JANUARY 2010)

- 75% of funds must be committed by February 16, 2010
- 75% of funds must be SPENT/EXPENDED by February 16, 2011
- Commitments are tallied on the number of TCAP Agreements/Conditional Commitments signed and input into the HUD tracking system
- Only 7 states have entered commitments for 100% of their TCAP allocation
- 17 states have entered nothing as of January, 2010

Source - National Equity Fund

TCAP UPDATE

Of the \$2.25 Billion:

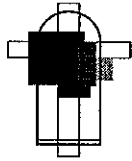
- \$758 Million (33.7%) has been committed to projects
- Number of units with committed TCAP money = 17,754
- \$69.8MM actually disbursed so far (3.1%)
- \$2.8MM average TCAP commitment per project
- 66 = average number of units in a TCAP project

Source - National Equity Fund

TAX CREDIT EXCHANGE

- o 99 applications have been made by states to exchange credits
- o 94 awards have been made (\$4.6B)
- o 32 Agencies have participated
- o Only \$261MM drawn
- o Treasury discouraged by awards made vs draws to date

Source - National Equity Fund



NCR'S EXPERIENCES

BAPTIST TOWERS

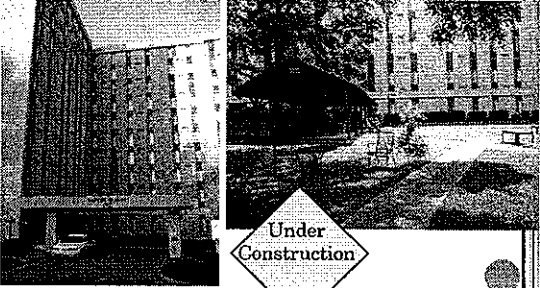
Atlanta, GA
300 Units



Corridors Before & After

BAPTIST TOWERS

Atlanta, GA
300 Units



Exterior

BAPTIST TOWERS

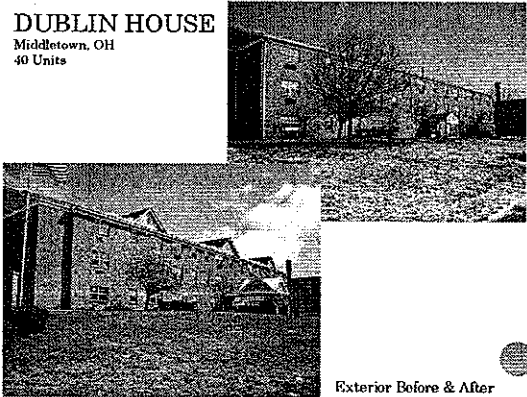
Atlanta, GA
300 Units



TCE	TCAP	Development Cost
\$0	\$1,860,000	\$16,950,484
0%	11%	

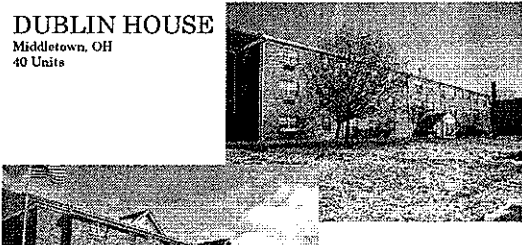
DUBLIN HOUSE

Middletown, OH
40 Units



Exterior Before & After


DUBLIN HOUSE
 Middletown, OH
 40 Units




TCE	TCAP	Development Cost
\$834,361	\$0	\$5,727,044
16%	0%	

fler

SUPERIOR ARBORETUM
 Superior, AZ
 42 Units



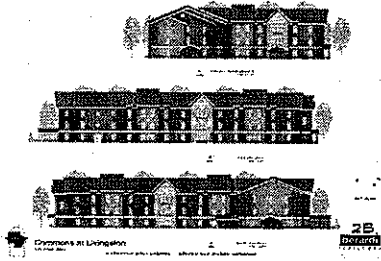
SUPERIOR ARBORETUM
 Superior, AZ
 42 Units



TCE	TCAP	Development Cost
\$2,164,654	\$0	\$4,884,502
44%	0%	

2009 OHIO TAX CREDIT PROJECTS

Commons at Livingston
Columbus, OH
50 Units



2009 OHIO TAX CREDIT PROJECTS

Kiwanis Village
Findlay, OH
45 Units



2009 OHIO TAX CREDIT PROJECTS

Lincoln Gardens
Columbus, OH
108 Units




2009 OHIO TAX CREDIT PROJECTS

Renaissance Senior Apartments
 Toledo, OH
 54 Units



2009 OHIO TAX CREDIT PROJECTS



Project	TCE	TCAP	Development Cost
Livingston	\$1,724,441 25%	\$500,000 7%	\$6,807,797
Kiwanis	\$1,236,906 20%	\$3,245,000 52%	\$6,182,039
Lincoln	\$3,719,738 31%	\$500,000 4%	\$11,842,300
Renaissance	\$2,303,216 22%	\$350,000 3%	\$10,479,267

**NEGATIVE LESSONS
 FROM THE GROUND**

- Fear of audits
- Arbitrary policies and/or retroactive policies
- Unpredictable "front door" to agency decisions
- Attempts to spread resources increases risk
- Public policy vs real estate

Source - National Equity Fund

**POSITIVE LESSONS
FROM THE GROUND**

- States trying to be good stewards of cash not just a credit allocation
- States had limited time to add capacity to take on the complicated requirements
- States pushed more money out the door faster than they ever have
- Owners were able to save projects that would have been dead without ARRA funds
- Creative solutions like debt product

Source - National Equity Fund