

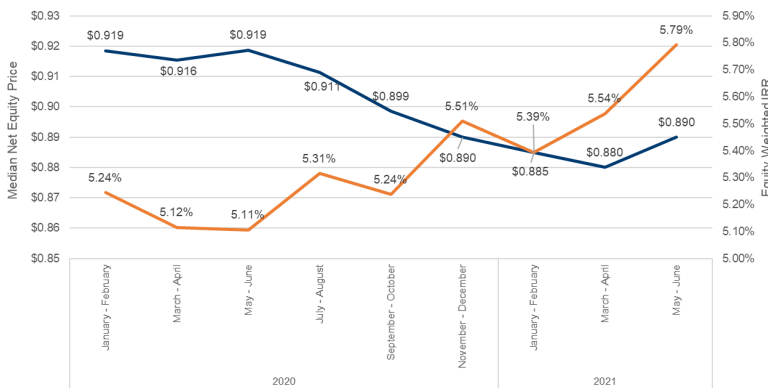
HOUSING TAX CREDIT MONITOR

July 2021

Housing Credit Investment Yield & Pricing Update

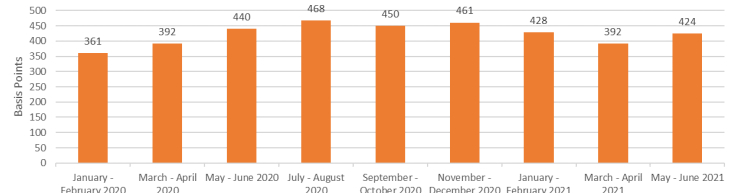
- On an equity-weighted basis and taking into consideration tiered pricing, participants in our latest survey reported a **5.79%** blended IRR among the national multi-investor funds currently offered (versus 5.54% in our May survey).
- The pricing update graph to the right represents the net equity price distribution of investments approved by the participating syndicators in the last 60 days. In our latest survey, the median reported housing credit price in the last 60 days was **\$0.89** across 147 properties, which represents a modest increase from the previous survey result of \$0.88.

Housing Tax Credit Pricing Trend 2020



- The following graph illustrates the median net equity price, and equity weighted IRRs from our survey between January 2020 and June 2021. While net equity pricing ticked up slightly in our most recent survey, the pricing downward trend line remains since the beginning of 2020.

National LIHTC IRR vs 10-Year Treasury Spread



- Equity weighted IRRs continue to increase, averaging +10bps between each survey period since 2020. Since survey respondents do not provide specific data regarding the equity committed to each IRR tier, the IRR for each fund listed is calculated as the midpoint between the spread indicated. Further, since the highest IRRs on the market are typically economically motivated investors taking advantage of volume-based discounts, the median industry IRR cited potentially understates the actual median.
- The top tier of the IRRs offered among multi-investor funds we surveyed currently range from 6.00% to 7.10%.
- Notably, the spread between median IRRs and the 10-year Treasury rate has exceeded 360 basis points since January 2020, and reached 424 basis points in the latest survey; the largest spreads since the recovery from the global financial crisis.

CURRENT NATIONAL MULTI-INVESTOR FUNDS

Syndicator / Fund Name	Estimated Fund Size (millions)	After-Tax Cash Needs IRR	Net Equity Price	Target Closing
Alliant Tax Credit Fund 107	\$160	4.75% - 6.6%	\$0.82 - \$0.90	July 2021
Boston Financial (BFIM) Institutional Tax Credits 55	\$208.5	4.75% - 6.45%	\$0.9345 - \$0.99	August 2021
CREA CREA Corporate Tax Credit Fund 85	\$397	4% - 6.65%	TBD	TBD
Enterprise Housing Affordability Partners I	\$140	TBD	TBD	September 2021
Hunt Hunt Capital Partners Fund 43	\$130	TBD	TBD	October 2021
Merchants Merchants Fund V	\$176	6.75% - 7.1%	\$0.87	December 2021
PNC PNC LIHTC Fund 81	\$175	TBD	TBD	TBD
R4 R4 Housing Partners XVI LP	\$312.3	TBD	TBD	July 2021
Raymond James RJTCF 49	\$300	TBD	TBD	September 2021
RBC Community Investments RBC National Fund-32	\$125 - \$150	TBD	TBD	November 2021
Red Stone Equity Fund 90 Limited Partnership	\$150	TBD	TBD	November 2021
Regions Regions Corporate Partners Fund 57 LLC	\$130	5% - 6.4%	\$0.84 - \$0.89	August 2021
WNC WNC Institutional Tax Credit Fund 51, L.P.	\$125	6% - 6.5%	\$0.8572	TBD

CURRENT REGIONAL MULTI-INVESTOR FUNDS

Syndicator / Fund Name	Region	Estimated Fund Size (millions)	After-Tax Cash Needs IRR	Net Equity Price	Target Closing
Boston Financial (BFIM) BF California Fund I	CA	\$80	4.88% - 6%	\$0.9614 - \$0.999	October 2021
Cinnaire Fund for Housing 36	IL, IN, MI, MN, WI	\$120	4.35% - 6.35%	\$0.847 - \$0.927	July 2021
Cinnaire Mid-Atlantic Capital Fund 6 LP	DE, MD, PA, NJ	\$52	4.85%	\$0.936	July 2021
Enterprise Housing Partners CalGreen VIII	CA	\$85	TBD	TBD	October 2021
Merritt Fund XXII	CA	\$150	TBD	TBD	August 2021
MHEG MHEG Fund 54, LP	Midwest	\$200	TBD	TBD	October 2021
MHIC MHEF XXVII	MA	\$55.5	4.00%	TBD	July 2021
R4 R4 California Housing Partners VII LP	CA	\$75	TBD	TBD	November 2021
Raymond James CAHOF XI	CA	\$120	TBD	TBD	September 2021
RBC Community Investments RBC CA Fund-7	CA	\$116.6	4% - 6%	\$0.7825 - \$1.025	September 2021
Red Stone Equity 2021 CA Regional Fund, L.P.	CA	\$120	TBD	TBD	October 2021
WNC Fund X California Series 19	CA	\$83	6% - 6.25%	\$0.8902	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 or 617.648.1414 to speak with a professional with CohnReznick's Tax Credit Investment Services practice. Visit CohnReznick's website at cohnreznick.com/tcis.