Housing Credit Pricing Update

- On an equity-weighted average basis, participants in our latest survey (April 2017) reported a $0.92 net equity price and a 5.51% IRR among surveyed national multi-investor funds. Average IRR increased from the 4.61% level reported in the May 2016 issue of this publication.

- The graph to the right represents the distribution of lower tier pricing for participating syndicators in the last 60 days based on 117 properties, presented in comparison to survey data from a year ago. The median reported housing credit price in the last 60 days was $0.94 across the 117 deals, $0.02 lower than the average reported price two months ago.

Historical Median Pricing Trend

- The following graph represents the historical net equity pricing range and median price of housing credits since January 2015. The current median net equity price of $0.94 is $0.11 lower than the maximum median price reported in October 2016 and is $0.075 lower than the reported median from one year ago in April 2016.

- The current median price is at the lowest level since August 2015. The top end of the current pricing range of $1.06 is the lowest we have observed over the past two year period. A short period of high pricing volatility observed in Q1 of 2017 (where the spread between the top and bottom pricing was $0.50) has appeared to have passed, and pricing has returned to historical average spreads (the two year average spread across all periods was $0.32).