

# Finance Fund

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## MISSION

Finance Fund builds bridges between resources and the low-income community to improve the quality of life for people

### WHO WE ARE

Finance Fund is a statewide nonprofit community development entity (CDE) that enables the revitalization of economically distressed communities across Ohio.

Established in 1987, Finance Fund connects Ohio's underserved communities with public and private sources of capital. We simplify the complexities of the funding process and manage the flow of millions of public and private dollars to help good ideas come to life – ideas that change systems, create jobs, address community needs and improve the quality of life.

### WHAT WE DO

Since 1987, Finance Fund and its affiliates have **invested more than \$423.9 million** in housing, economic development and community facility projects **leveraging over \$1.76 billion**. This investment was accomplished through 3,088 grants and loans to nonprofit organizations and for-profit businesses throughout the state. Our partnerships have enabled low-income people access to **17,505 units of affordable housing**, **32,093 direct jobs**, health and medical services for **227,474 patients** and **3,079 early care and education spaces** (classrooms) for **74,180 children**.

### WHAT WE DO

Finance Fund's Core Programs include Pre-Development Grant, Economic Development Grant and Linked Deposit. Qualifying grant recipients are nonprofit CDCs that show evidence of their capacity to raise funds and manage resources effectively.

In addition, the New Markets Tax Credit program is a strong resource available from the US Department of the Treasury's CDFI Fund. Finance Fund puts it to work to create jobs and attract critical investment in economically distressed and low-income communities throughout Ohio.

### HOW WE DO IT

Finance Fund's statewide project portfolio is the result of successful partnerships with innovative clients and visionary funding partners. From state and federal governmental entities and financial institutions to foundations and corporations our partners share our mission. They trust Finance Fund to see the wisdom of supporting viable economic development initiatives that make sense and enliven communities while providing a financial return.

- It's what the community wants
- It's high impact
- It's catalytic

This institution is an equal opportunity provider.



# NEW MARKETS TAX CREDIT

Federal and state New Markets Tax Credit (NMTC) programs attract private investment in low-income and distressed communities to build economic capacity and create or retain jobs. Without the NMTC, many projects in low-income communities would not have been possible. Finance Fund participates in competitive application processes to receive federal and state NMTC allocation awards from the US Department of Treasury's CDFI Fund and Ohio Development Services Agency respectively.

## ADVANTAGES

- For investors, the NMTC helps mitigate financing risk by providing a 39% federal income tax credit over a seven-year period on the amount of their investment.
- For communities, NMTC projects serve as economic catalysts that generate jobs, attract other investment to the area and provide needed goods and services.
- For developers, the NMTC effectively reduces borrowing or financing costs and can bridge financing gaps.

## NMTC AND FINANCE FUND

As a certified nonprofit Community Development Entity (CDE), Finance Fund acts as a financial intermediary between investors and eligible NMTC projects. Our job is to identify the most impactful projects possible based on our first-hand knowledge of the needs of local communities.

## ELIGIBLE USES

Finance Fund awards NMTC allocation for a broad range of commercial real estate projects, operating businesses and nonprofit organizations located in low-income rural and urban areas throughout Ohio. Projects meet identified needs including job creation and increased access to healthy foods, community facilities, health and wellness centers, education and manufacturing.

## PARTICIPANTS

Most NMTC transactions are highly complex and involve a wide range of participants all united by a common vision. Participants may include multiple banks, credit investors, leveraged lenders, developers, regional development authorities, community leaders, and for-profit and not-for-profit organizations.

## NMTC OUTCOMES REPORT

Since 2004, Finance Fund has received ten federal NMTC allocation awards totaling **\$360 million**. In all seven rounds of Ohio's NMTC Program, Finance Fund has been awarded a total of **\$17 million** for a minimum of **\$46.1 million** in investments.

Through federal and state NMTC programs, Finance Fund has **leveraged \$1 billion** on an investment of **\$351.7 million for 73 projects** providing **881 housing units**, creating **14,571 direct jobs**, serving **2,867 children** and providing services to **179,950 patients**.

## FIND OUT MORE

If you would like to know more about investing or participating in a NMTC project, please contact **Andrew Swary**, EVP, General Counsel, at [aswary@financefund.org](mailto:aswary@financefund.org) or **(614) 568-5065**