

# Thanks to all our 2017 Developer Partners

ACTION Housing, Inc.  
Affirmative Investments, Inc.  
Affordable Housing Unlimited  
Attention Homes, Inc.  
Austin Travis County Integral Care  
Bear Development, LLC  
Bickerdike Redevelopment Corporation  
BRIDGE Housing Corporation  
Buffalo Neighborhood Stabilization Corp.  
BWI  
C&C Development Company  
Christian Community Health Center  
Clinton County Chapter NYSARC, Inc.  
Colliers International  
Commonwealth Development Corporation  
Community HousingWorks, Inc.  
Community Services for the Developmentally Disabled  
Compass Housing Alliance  
CSG Advisors  
DePaul Properties, Inc.  
Dwelling Place of Grand Rapids  
EAH, Inc.  
Evergreen Real Estate Group  
Friendship New Vision  
Full Circle Communities, Inc.  
Gardner Capital  
Genesis Non-Profit Housing Corporation  
HELP USA  
Highbridge Community Development Corporation  
Housing Authority of San Luis Obispo  
Housing Trust Group, LLC  
Housing Visions  
Illinois Community Action Development Corp.  
Integrated Real Estate Group  
IREG Firewheel Investors, LLC  
Jonathan Rose Companies  
Lightengale Group  
Lincoln Avenue Capital, LLC LUCHA  
Mercy Housing California  
Metropolitan Housing Development Corporation  
Monadnock Development  
Mt. Baker Housing Association  
National Church Residences  
Nehemiah Housing Development Fund  
NHT-Enterprise  
North River Commission  
Nuestra Comunidad Development Corporation  
Old Orchard Consulting  
Orange Housing Development Corporation  
Orlando Housing Authority  
Pacific Crest Affordable Housing, LLC  
PATH Ventures  
Pawtucket Central Falls Development Corporation  
Peninsula Housing Authority  
Peoples' Self-Help Housing Corporation  
PPL YouthLink, LLC  
RCH Consulting & SCB Consulting  
Sac Mutual Housing  
Satellite Affordable Housing Associates  
Self Help Enterprises  
So Others Might Eat  
Southwest Boston CDC  
Summit Housing Group  
SWAP, Inc.  
The Boston Home  
Thomas Safran & Associates  
Traggorth Companies  
Tropicana Homes  
Trout Brook Realty Advisors  
TWG Development, LLC  
UP Development, LLC  
Village Capital Corporation  
West Side Federation for Senior & Supportive Housing, Inc.  
Windale Developers, Inc.  
Worforce Housing Advisors  
Volunteers of America – National

# Thanks to all our 2017 Investor Partners

Ally Bank

American Savings Bank

Associated Bank

Bank of America

Bank of Hawaii

BBVA Compass

BNY Mellon

Capital One

Cathay Bank

Charles Schwab

Central Pacific Bank

CIBC

CIT Bank

Citizens Bank

City National Bank

Comerica Bank

JPMorgan

Key Community Development Corporation

Morgan Stanley

Northern Trust

Silicon Valley Bank

Sterling National Bank

SunTrust

TD Bank

Umpqua Bank

USAA

U.S. Bank

Webster Bank

Wells Fargo

# Thanks to our Board of Directors and our parent company LISC

**Edward Sigler, Chairperson**

Retired Managing Director  
JPMorgan Chase Bank

**Maurice Jones, Vice-Chairperson**

President & CEO  
Local Initiatives Support Corporation

**Keith Burgess**

SVP -- Director  
BBVA Compass Bank  
Community Development Capital

**John Lindell**

Retired Partner  
KPMG, LLP

**Andrew Ditton**

Head of CRA Business  
Strategy and Execution  
Citibank N.A.

**Mike Mantle**

Managing Director  
Morgan Stanley Global Sustainable Finance

**Helen Dunlap**

President  
Independent Housing Consultant

**Michael May**

Executive Managing Director-Vice Chairman  
Berkeley Point Capital

**Eldridge Edgecombe**

Retired SVP  
Federal Home Loan Bank of Chicago

**Patrick Nash**

Retired Managing Director  
JPMorgan Capital Corporation

**Jane Graf**

President & CEO  
Mercy Housing

**Sindy Spivak**

Senior Vice President  
Bank of America Merrill Lynch

**Joe Hagan**

President & CEO  
National Equity Fund, Inc.

**Kristen Switzer**

Head of Asset Management  
U.S. Bancorp Community Development Corp.

**Michael Hearne**

Executive VP/CFO  
Local Initiatives Support Corporation

# 2017 Properties

1437 Shakespeare Avenue	Bronx, NY
616 New Park Avenue	West Hartford, CT
Allapattah Gardens	Miami, FL
Anathoth Gardens	Chicago, IL
Attention Homes	Boulder, CO
Azimuth 315	Bend, OR
Bartlett Place	Boston, MA
Brainerd Park Apartments	Chicago, IL
Branch Street Revival	Pawtucket, RI
Britton Court	San Francisco, CA
Brookpark Place	Wheeling, WV
Cameron Creek	Florida City, FL
Casa Ramon	Orange, CA
Chemung Crossing	Elmira, NY
Citrus Square	Orlando, FL
Compass Broadview	Seattle, WA
Connecticut Court Apartments	Plattsburg, NY
Diversey Manor Apartments	Chicago, IL
Dix Avenue	Far Rockaway, NY
Douglas Pointe	Miami Gardens, FL
Dunwoodie Place	Orlando, FL
El Zocalo	Chicago, IL
Enclave at Firewheel	Garland, TX
Florence Fay School	Indianapolis, IN
Forest Hills	Pittsburgh, PA
Fulton Commons	Fulton, IL
Geneseo Apartments	Geneseo, NY
Grayson Street Apartments	Berkeley, CA
Harmon Apartments	Boston, MA
HELP Perry Point Veterans Village	Perryville, MD
Hoover Place	Dayton, OH
Housing First Oak Springs	Austin, TX
Huffman Place	Dayton, OH
Iron Works	San Luis Obispo, CA
Las Palmas Combined	Miami, FL
Littleton Crossing Apartments	Littleton, CO
Los Robles Terrace	Pasa Robles, CA
Maplewoods	Providence, RI
Mayfair Commons	Chicago, IL

Mill Brook Terrace	Bronx, NY
Mount Angeles View	Port Angeles, WA
Mt. Baker Village Apartments	Seattle, WA
Nehemiah Spring Creek Apartments 4B-1	Brooklyn, NY
Owendale	Davis, CA
Palm Terrace	Lindsay Village, CA
Parish School Apartments	Fond du Lac, WI
Park Place Morgan Hill	Morgan Hill, CA
Parkside Terrace	San Jose, CA
PATH Metro Villas Phase II	Los Angeles, CA
Posterity Scholar House	Fort Wayne, IN
PPL YouthLink Supportive Housing	Minneapolis, MN
Prairie Meadows II	Hoopston, IL
Princeton Park	Miami, FL
Residences at Fairmount Station	Boston, MA
Ridge Road	Lackawanna, NY
River Glen Apartments	Rochester, MN
RiverPlace Parcel 3	Portland, OR
Santa Clara II	Miami, FL
School 77	Buffalo, NY
Solinas Village - Almond Court	Wasco, CA
South Homestead Palms	El Paso, TX
Spring Road	Washington, DC
Squirrel Hill Gateway Lofts	Pittsburgh, PA
St. James Apartments	Grand Rapids, MI
Sun Ridge	Concord, CA
The Landings of St. Andrew	New Port Richey, FL
Tierra Linda	Chicago, IL
Tuscany Lakes	Ellenton, FL
Valentine Court	Santa Maria, CA
Valley Bridge	Toledo, OH
Veterans Village	Colma, CA
Veterans Village of Carson	Carson, CA
Villa Pacifica II	Rancho Cucamonga, CA
Village Center	Detroit, MI
West Town Phase I & II	Chicago, IL
Westview Gardens	Miami, FL
Wright Place	Xenia, OH

**NATIONAL EQUITY FUND, INC. AND SUBSIDIARIES**

**Special Purpose Consolidated Statements of Financial Position**

**December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b><u>Assets</u></b>		
Cash and Cash Equivalents	\$ 56,513,452	\$ 48,767,838
Restricted Cash	380,755	3,738,481
Notes and Other Receivables, Net	6,706,128	4,121,682
Notes and Other Receivables from Affiliates, Net	4,221,064	8,456,886
Due from Funds, Net	5,604,726	8,832,381
Temporary Investments in Project Partnerships, Net	68,360,264	162,024,919
Other Assets, Net	1,032,201	1,046,078
Investment in Funds	3,363,455	1,596,654
Furniture, Equipment, Leasehold Improvements and Software	7,344,242	7,132,747
Less: Accumulated Depreciation and Amortization	<u>(4,920,013)</u>	<u>(4,155,825)</u>
Total Assets	<u>\$ 148,606,274</u>	<u>\$ 241,561,841</u>
<b><u>Liabilities and Net Assets</u></b>		
Accounts Payable and Other Liabilities	\$ 13,414,380	\$ 15,683,645
Due to Affiliates	1,201,292	141,858
Service Fee Payable	10,000	95,000
Grant Payable to Parent	2,350,000	1,600,000
Notes Payable	-	16,108,530
Guaranty Payable	1,250,000	-
Capital Contributions Due to Temporary Investments in Project Partnerships	57,616,465	139,903,798
Deferred Revenue	<u>7,288,620</u>	<u>5,309,970</u>
Total Liabilities	83,130,757	178,842,801
Commitments and Contingencies		
Total Net Assets - Unrestricted	65,475,517	62,709,045
Total Net Assets - Temporarily Restricted	-	9,995
Total Net Assets	<u>65,475,517</u>	<u>62,719,040</u>
Total Liabilities and Net Assets	<u>\$ 148,606,274</u>	<u>\$ 241,561,841</u>

\*Note that these financial statements account for NEF, Inc.'s general partner or managing member interests in limited partnerships and limited liability companies using the equity method of accounting rather than the consolidation method as required by GAAP for certain entities. In addition, the recording of pass-through income or losses from investments in limited partnerships or limited liability companies and their investees in which NEF or its affiliates has general partnership or managing member interests is limited to NEF's or its affiliate's percentage interest in the limited partnerships or limited liability companies and their investees. In certain circumstances, GAAP requires that general partners and managing members record losses in excess of percentage interests when other partners have limited liability ownership interests, have exhausted their investment basis, and it is probable that one or more of the investors cannot bear their share of losses.

GAAP financial statements are available by contacting Alex Denja, CFO at [adenja@nefinc.org](mailto:adenja@nefinc.org).

NATIONAL EQUITY FUND, INC. AND SUBSIDIARIES

Special Purpose Consolidated Statements of Activities and Changes in Net Assets

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b><u>Revenues</u></b>		
Syndication Fee Income, Net	\$ 28,034,996	\$ 29,561,406
Asset Management Fee Income	16,791,804	16,607,107
New Markets Support Company Cost Reimbursement	4,805,554	3,949,662
Disposition Income	3,153,649	674,866
Miscellaneous Income	1,858,067	1,648,095
Total Revenues	<u>54,644,070</u>	<u>52,441,136</u>
<b><u>Expenses</u></b>		
Personnel	25,626,989	25,030,647
Professional Services	3,616,814	4,069,234
Office and Administrative	5,384,102	5,975,650
Legal	833,918	777,492
New Markets Support Company Reimbursable Costs	4,805,554	3,949,662
Service Fees	130,000	265,000
Sponsor Grants	1,030,000	180,000
Provision for Loss on Temporary Investments in Project Partnerships	-	1,507,098
Provision for Loss on Receivables	513,859	397,146
Depreciation and Amortization	838,151	800,117
Total Expenses	<u>42,779,387</u>	<u>42,952,046</u>
Change in Net Assets Before Other Activity	11,864,683	9,489,090
Gain on Transfer of Temporary Investments in Project Partnerships	(241,794)	-
Equity in Losses on Temporary Investments in Project Partnerships	-	241,794
Grant to Parent	<u>9,350,000</u>	<u>7,600,000</u>
Change in Net Assets	<u>2,756,477</u>	<u>1,647,296</u>
Net Assets - Unrestricted, December 31, 2016 and 2015	62,709,045	60,020,029
Net Assets - Temporarily Restricted, December 31, 2016 and 2015	<u>9,995</u>	<u>1,051,715</u>
Net Assets, December 31, 2017 and 2016	<u>\$ 65,475,517</u>	<u>\$ 62,719,040</u>

\*Note that these financial statements account for NEF, Inc.'s general partner or managing member interests in limited partnerships and limited liability companies using the equity method of accounting rather than the consolidation method as required by GAAP for certain entities. In addition, the recording of pass-through income or losses from investments in limited partnerships or limited liability companies and their investees in which NEF or its affiliates has general partnership or managing member interests is limited to NEF's or its affiliate's percentage interest in the limited partnerships or limited liability companies and their investees. In certain circumstances, GAAP requires that general partners and managing members record losses in excess of percentage interests when other partners have limited liability ownership interests, have exhausted their investment basis, and it is probable that one or more of the investors cannot bear their share of losses.

GAAP financial statements are available by contacting Alex Denja, CFO at [adenja@nefinc.org](mailto:adenja@nefinc.org).