

NEF reports \$1.45B in 2019 affordable housing investments

Record year caps off decade of significant growth, with total NEF investments now topping \$16.75 billion

CHICAGO (February 12, 2020)—National Equity Fund, Inc. (NEF) invested more than \$1.45 billion to build and preserve affordable housing during 2019, a 21 percent increase over the prior year and a record for the national nonprofit.

Amid a national affordable housing crisis, NEF financed nearly 10,500 homes for low-income families, seniors and people with special needs and expanded its aggregate portfolio to \$16.75 billion in project investments – 52 percent of which was invested over the last decade.

“Conversations about affordable housing are often framed by high-cost markets like San Francisco or New York,” said Matt Reilein, president and CEO of NEF, which was created in 1987 to syndicate federal Low Income Housing Tax Credits. “In truth, nearly every county in the country—urban, rural and suburban—is facing a shortfall. It is an urgent national challenge with far-reaching economic and social implications, and we are working closely with investors, developers, community-based organizations and policymakers to help address it.”

NEF’s 2019 growth reflects a number of the organization’s priorities: consistent commitment to using LIHTC equity to drive the creation of affordable units, with nearly \$950 million of equity placed; an increased focus on affordable housing preservation, with more than \$500 million in preservation loans for the year; ongoing leadership in service-enriched housing, especially for homeless veterans and other highly vulnerable populations; keen attention to the needs of both urban and rural communities, including smaller cities and towns often overlooked by the conventional market; and new efforts to leverage Opportunity Zones with deliberate outcome objectives that help expand workforce housing—what some refer to as the “missing middle” of the housing market.

“Conventional capital is typically too expensive to support housing for people with low- and moderate-incomes,” Reilein explained. “Developers need flexible, affordable, long-term financing to make these deals work. That’s why programs like LIHTC are so important, but so is patient and creative debt and non-tax advantaged equity investment. We are committed to raising and deploying capital to make intentional investments that serve the residents and communities. When we educate investors about what it really takes to build quality, affordable homes, then we have the chance to meet both financial and community goals and have a lasting positive impact.”

Reilein said NEF is moving forward on a strong pipeline of 2020 housing deals, and he noted that the affordable housing sector, as a whole, continues to be a powerful catalyst for economic growth. NEF’s 2019 activity, for instance, is fueling an estimated 12,700 jobs, while also supporting a \$12.5 million grant to the Local Initiatives Support Corporation (LISC) to advance small business development, commercial corridor revitalization, health care, community safety, education, and jobs programs that help the unemployed and underemployed build career paths.

“As an affiliate of LISC, we leverage our success to help catalyze opportunity in hundreds of communities,” Reilein explained. “It’s part of our overarching goal to help people build a good quality of life, no matter where they live.”

About NEF

National Equity Fund, Inc., is a leading nonprofit investor in affordable housing and one of the nation's largest syndicators of federal Low Income Housing Tax Credits. Through partnerships with developers, community-based organizations, and corporations, NEF has invested nearly \$17 billion in 2,800 developments, creating more than 187,000 affordable homes for low-income individuals and families, as well as 228,400 jobs nationwide. NEF was launched by the Local Initiatives Support Corporation (LISC) in 1987, and since then used its net income to provide more than \$180 million in grants to support LISC's broad-based community development efforts. For more information, visit to www.nefinc.org.