

US Treasury Awards \$3.5 Billion in New Markets Tax Credit Allocation Awards for Economic Development and Community Revitalization

Total for Massachusetts is \$261 Million

MHIC Gets Biggest Award in Massachusetts at \$95 Million

BOSTON, February 23, 2011 – Deputy Treasury Secretary Neal Wolin today announced that 70 organizations have been selected to receive \$3.5 billion in tax credits under the 2011 program round of the New Markets Tax Credit program to stimulate private investment in distressed communities.

Four Massachusetts-based entities were among the recipients: **Massachusetts Housing Investment Corporation** (MHIC) received a New Markets Tax Credit allocation award of \$95 million; **Boston Community Capital** received \$75 million; **Rockland Trust Community Development Corporation** received \$66 million; and **The Community Builders** received \$25 million.

Today's announcement was made by Deputy Treasury Secretary Wolin at a retail complex in New Orleans that benefited from private sector investments made possible through the New Markets Tax Credit financing.

The 70 organizations receiving awards today were selected from a pool of over 250 applicants that requested over \$25 billion. The largest award made today was \$100 million and the average award was \$50 million. Award recipients are headquartered in 29 different states and the District of Columbia, but have identified principal service areas that will cover the entire country. These awards will leverage billions of dollars of investment into businesses and real estate projects to create jobs and promote growth in communities with high rates of poverty and unemployment.

"MHIC is truly excited about the size of today's award. It means that we can build on the expertise we have developed using New Markets Tax Credit financing for projects that create jobs and economic opportunity throughout New England," said MHIC President Joe Flatley.

Established by Congress in December 2000, the New Markets Tax Credit program allows individuals and corporations to receive a credit against their federal income tax liabilities. In turn, the taxpayers must invest in community-development entities that support real estate projects and job growth. The credit is equal to 39 percent of the cost of an investment, and the investor claims it over a seven-year period.

To date, over \$25 billion of private-sector capital has been invested through the NMTC into urban and rural communities throughout the country, helping to create or retain hundreds of thousands of jobs and to provide low-income community residents with access to quality education, health care, job training, housing and critical retail services in their communities.

Massachusetts Housing Investment Corporation (MHIC) will use its 2010 NMTC allocation to target the most disadvantaged communities - both urban and rural - in six New England states. Financing will be targeted to projects and businesses in distressed communities that will

maximize job creation, encourage private investment, initiate or accelerate community revitalization, and increase economic opportunity and services for Low-Income Persons and residents of Low-Income Communities.

Including today's tax credit allocation award, MHIC has received a total of \$612 million in tax credit authority under eight of the nine rounds of national competition. Under the program, MHIC has financed 51 projects and has invested a total of approximately \$430 million to date. Projects recently financed, among others, include: community health centers in Lowell and Codman Square in Boston, renovation of the Holyoke Public Library, a mixed-income housing and commercial complex in Boston, and an incubator business center in Boston's Seaport District.

A list of the organizations selected and additional information about today's announcement and the NMTC program can be found on the CDFI Fund's web site at: www.cdfifund.gov.