|  |  |
| --- | --- |
| **Newsletter**  **2021 NMTC Financing Trends**  *Issued: June 30, 2021*  *Volume: 5 / Issue: 2* | Community Reinvestment Associates, LLC |

**NMTC Pricing**

COVID19 had a dramatic impact on the pricing of NMTCs, which is currently $0.71 to $0.73 per $1.00 of NMTC. Previously, the 5-year average was approximately $0.83 to $0.86.

**Manufacturing**

Manufacturing was once again the most popular use of NMTC allocation (**32% of projects**) followed by healthcare (12.5%), nonprofit hubs and social service campuses (12.5%) and mixed-use (9.5%).

In 2020, NMTC Financing was provided to:

|  |  |
| --- | --- |
| **Type** | **Number of Financings** |
| Manufacturing, Industrial, and Timber | 78 |
| Nonprofits | 50 |
| Vocational Training and Workforce Development | 44 |
| Retail (Non-Grocery) | 42 |
| Federally Qualified Health Centers and Free Clinics | 41 |
| Affordable Housing (either For-Sale or part of Mixed-Use Projects) | 33 |
| Childcare and Early Childhood Development | 24 |
| Grocery Stores | 22 |
| Business Incubators and Makerspaces | 21 |
| Food Banks, Pantries, and Community Food | 20 |
| Health Clinics and Healthcare Offices | 18 |
| Recreational Facilities | 17 |
| General Office Space | 15 |
| Market Rate Housing (as part of Mixed-Use Projects) | 16 |
| Emergency Shelters | 14 |
| Professional Services | 13 |
| Youth Centers and Youth Programs | 13 |
| Higher Education | 13 |
| Community Centers | 12 |
| Schools | 12 |
| Supportive Housing | 12 |
| Community Kitchens | 11 |
| Art-Focused Nonprofits | 8 |
| Addiction Treatment | 7 |
| Parking Garages | 7 |
| Parks and Green Spaces | 7 |
| Restaurants | 7 |
| Theaters and Event Spaces | 7 |
| Warehouse and Wholesale | 7 |
| Hospitals | 6 |
| Museums and Galleries | 6 |
| Healthcare IT | 5 |
| Municipal Facilities | 5 |
| Transportation, Rail, and Freight | 5 |
| Libraries | 4 |
| YMCA and YWCAs | 4 |
| Clean Energy | 4 |
| Health Advocacy | 4 |
| Water, Utilities, and Waste Management | 5 |
| Research Centers | 4 |
| Hotels | 3 |
| Farmer’s Markets and Food Halls | 3 |
| Home Healthcare | 1 |
| **Total** | **650** |

**Rural Projects**

In 2020, rural borrowers and projects were targeted for NMTC Financings in order for Allocatees to fulfill their obligations to so pursuant to their Allocation Agreements. 24% of borrower were located in rural communities.

**Historic Renovation Projects**

In 2020, historic renovation projects decreased to 12.6% of NMTC Financing, which is significantly less than the 5-year running average of approximately 20%. COVID19 is believed to have one reason for such decline.

**Real Estate Financings**

In 2020, 52 real estate projects involved a commitment by the borrower/landlord to offer affordable rental space and other concessions for nonprofit or minority-owned businesses. The vast majority of the remaining real estate projects were exclusively occupied by the borrower and not rented to third parties.

**Community Impacts**

In 2020, NMTC Financings generated:

* approximately 45,000 jobs (including approximately 28,300 full-time equivalent jobs and 16,800 temporary construction jobs);
* healthcare access to approximately 1.3 million individuals;
* education or youth services to approximately 84,000 children;
* vocational training to approximately 78,000 individuals;
* approximately 188 million meals to the food insecure;
* food access to approximately 10 million individuals; and
* cultural or recreational venues for approximately 200,000 individuals.