

National Equity Fund, Inc. is a leading non-profit mission-focused multifamily finance company based in Chicago. A pioneer in the affordable housing arena, NEF has grown into a billion dollar-a-year company with a focus on driving innovation, delivering financial solutions and utilizing its expertise in community development finance.

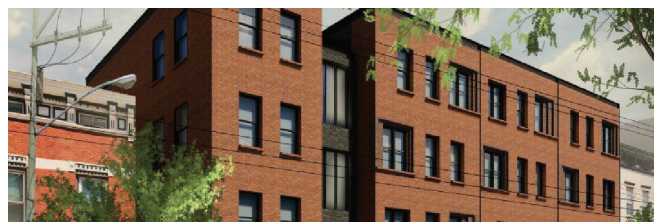
Over the last three decades, we've learned that every property and partnership is distinct and requires thoughtful customized solutions. And as the gap between the supply and demand for affordable housing across the country widens, NEF is ready with innovative opportunities for our developer and investor partners.

NEF'S WORKFORCE HOUSING FUND

Fund Level Highlights

Tranche Description	PWI/CRA Tranche
Minimum Commitment	\$20 million
Term	7-10 Years
Rent Targeting	Majority 80% AMI
Levered Target Return	8-10% Pretax IRR
Resident Services	25 bps
Management Fee	125 bps
LP Pref. (per deal)	7%
GP Catch-Up (per deal)	100%/20%
Profit Share	20%/80%

This fund is designed to match PWI/CRA motivated investors with economically motivated impact investors to provide flexible products to developers who are mission-aligned and focused on building high-quality LMI housing in key markets across the country, which includes adding homes for populations such as our nation's critical workers and others, who are priced out of sustainable rentals near employment hubs but do not qualify for LIHTC housing.



TYPES OF INVESTMENTS

A typical project in the fund will be with a mission-aligned developer that will achieve the fund's objective to create affordable housing for moderate-income households in compelling locations. The construction LTC should be between 60-70 percent and minimum stabilized DCR should be 1.25.

Products	
Unsecured Mezzanine Loan	
Rate	8% Preferred
LTV	65-85% LTV
Rent Restrictions	51% units @ 80% AMI
Term	4 Years
Capitalized Interest	Yes
Guarantee	Yes
Equity	
IRR	Varies
Term	~ 7-10 Years
Preferred Return	8%
GP Equity	5-10% of Equity
Guarantee	Development Complete

