

National Trust Main Street Partner Referral Service

Earn revenue for your program while helping to restore a landmark!

Know of a potential Main Street building rehabilitation in your state or community that may qualify for historic tax credits? Work with your Main Street Network Partners, and you could earn your programs a referral fee!

The Opportunity

The National Trust Community Investment Corporation, (NTCIC), the for profit subsidiary of the National Trust for Historic Preservation, is pleased to announce that, NTCIC will pay a “shared referral fee” for confirmed Main Street rehabilitation project referrals that mature into actual equity investments. A referral may either come from a local Main Street organization, the state coordinating program or the National Trust Main Street Center, and will be shared equally among all three entities, regardless of which one made the referral*.

How it Works

Say you’re a local Main Street Manager and you are aware of a commercial rehabilitation project that plans to utilize either the 10% or the 20% federal rehabilitation tax credit. Submit information about this project to NTCIC using the online partner referral form, accessible here: www.ntcicfunds.com/partners/referral_log.html

If NTCIC ultimately pursues and closes on an equity investment in that project (and you were the first to tell them about it), your program, your state coordinating program, and the National Trust Main Street Center are entitled to an even split of a referral fee equal to 1% of the net equity investment amount (see limitations below). For example, if the net equity amount is \$3 million, each entity receives a check in the amount of \$10,000. The profit sharing will occur only if and when the project closes. NTCIC will provide a closing summary along with a check to each entity within 60 days of the closing date.

NOTE: a local Main Street program can nominate a project even if it is not located within its Main Street district. If a state coordinating program makes the referral, then the fee is shared with local program in the community where the project is located (if one exists) and the Center.

Eligibility

For a local Main Street program to benefit from the referral fee, it must be an Officially Designated Main Street program, per the standards of the National Trust Main Street Center. The program must also be in good standing with the National Trust at both the time of referral and at closing.

Generally speaking, the total development costs of the project must be at least \$1.2 million to qualify for an investment by NTCIC. The property must also be eligible for either the 10% or the 20% rehabilitation tax credit. The 20% credit (also called the

Federal Historic Tax Credit) requires that the building is listed in the National Register of Historic Places or as a contributing structure in a National Register, state or local historic district. The 10% credit requires that the building was placed-in-service before 1936, is ineligible for individual listing on the National Register and does not contribute to a National Register, state or local historic districts. Both credits also stipulate that the property be income-generating or used in trade or business (i.e. office, rental housing, retail). Thus, the rehabilitation of owner-occupied residential properties does not qualify for the tax credit.

Finding the Deals

Work your connections! Keep your eyes and ears out for historic real estate activity when reading local business journals, the real estate pages of the newspaper or when communicating with city planners, economic development officials and local developers. Also look to Historic Preservation Commissions and to the State Historic Preservation Office for project leads.

Also, help spread the word about NTCIC's tax credit equity services. For example, put a short description and link to NTCIC's website, www.ntcicfunds.com on your website. NTCIC asks all prospects how they heard of NTCIC. If he/she cites your website, **that may also qualify you for the referral fee** if that prospect turns into a closed investment.

Sample language for your website is offered below:

Help for your Main Street rehabilitation project is available. Contact the [National Trust Community Investment Corporation](http://www.ntcicfunds.com) for technical assistance on utilizing federal tax credits to boost your project's financing and how to partner with NTCIC to turn those credits into cash for your project. NTCIC makes equity investments in real estate projects that qualify for Federal Historic Tax Credits and when available, state historic and New Markets tax Credits. NTCIC works with a wide variety of property owners including for-profit developers, nonprofit organizations and local governments. Its focus is on projects that have a strong economic revitalization impact on the surrounding community.

Making the Pitch

Though it is not essential to securing the referral, any assistance in facilitating NTCIC's contact with the project development team is appreciated. Please refer to www.ntcicfunds.com for full information and its portfolio of projects. Key points include:

- NTCIC is an industry leader in the syndication of federal and state Historic Tax credits and New Markets Tax Credits
- NTCIC offers competitive tax credit pricing
- NTCIC provides advice to developers regarding how best to legally structure the deal
- NTCIC specializes in theater and other projects developed by non-profit entities
- NTCIC upstreams its profits to the National Trust for Historic Preservation, which in turn supports preservation development through public policy, technical services, loans and grants.

Notifications and Limitations

Once you submit your referral using the online form, you will receive confirmation of the referral via email within five business days. This confirmation will provide one of two possible responses:

1. The project is new to the NTCIC pipeline and your qualified organization may be paid a referral fee if the project closes;
2. NTCIC has already made contact with this project or another Partner has already referred the project to NTCIC; making your organization ineligible for a fee.

The amount of the referral fee will be based on NTCIC's policy in place at the time the confirmation is recorded. The NTCIC policy is subject to change at the sole discretion of NTCIC. If the project does not close within 24 months of the recorded referral date, the referral will become null and void, unless an extension is granted in writing. The referral fee amount will be the lesser of 1% of Federal Historic Tax Credit net equity placed through NTCIC or 10% of the net acquisition fees earned and received by NTCIC for Federal Historic Credits at the initial closing; however, in no event will it exceed \$50,000.

For more information on NTCIC please email ntcic_mail@ntcicfunds.com or call (202)-588-6001.

**Why a "shared referral fee"? Because the Main Street Network of national, state, and local partners are most effective when working together, the referral fee is structured for equal sharing, to motivate all levels to collaboratively seek support applications for tax credit projects. While any level can take the lead on application submissions, each applicant should involve other levels in preparation.*