

# National Trust Partners Referral Service

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

### 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, effective immediately, NTCIC will pay a “finder’s fee” for every historic rehabilitation project referral it receives from the National Trust’s Statewide and Local Partners that matures into an actual equity investment.

### How it Works

Say you’re the director of a statewide preservation organization 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 their online partner referral form, accessible here:

[www.ntcicfunds.com/partners/referral\\_log.html](http://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 is entitled to a finder’s fee equal to 1% of the net equity investment amount. For example, if the net equity amount is \$3 million, you would receive a check in the amount of \$30,000.

Alternately, you can earn the fee if a developer “discovers” NTCIC through your website. All developers that contact NTCIC directly with a potential investment opportunity are required to state how they heard about NTCIC. If that developer cites your organization’s web site, you are eligible to receive the referral fee (for more information on how to cite NTCIC, see the “Finding the Deals” section below.

### Payment

The fee will occur only if and when the project closes. In some cases, if the deal size is particularly small the project may be forwarded to the Small Deal Fund, in which case the referral would be paid at the time the project receives its certificate of occupancy. Payments will be based on 1% of the net equity invested in the project through NTCIC or the Small Deal Fund. Both Federal and State Historic Tax Credit and New Markets Tax Credit equity apply. NTCIC will provide a closing summary along with a check within 30 days of the closing date or the certificate of occupancy. Quarterly reports on the status of each referral will be mailed to all program participants.

### Eligible Participants

Profit sharing for referrals will be available to Regional and Field Offices of the National Trust and to Statewide and Local Partners in good standing with the National Trust at both the time of referral and at closing. Current and Emeritus members of the National Trust Board of Advisors are also eligible to make referrals but, because the fee cannot be

paid to individuals, the referrals will be split evenly between the Regional Office of the National Trust and appropriate partner organizations (see “Sharing and Sub-Sharing” section below).

### **Sharing and Sub-Sharing**

Eligible participants are encouraged to share the benefits of referrals with other non-profit 501(c)3 preservation organizations to generate leads from all levels of the preservation community. Under this arrangement, eligible participants may share up to 50% of the finder’s fee with other Partners, and with non-Partner organizations that refer projects through them. All sharing arrangements must be documented by the referring participants at the time of the initial referral.

### **Eligible Projects**

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% federal rehabilitation tax credit. The 20% credit requires that the building is listed individually on 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. 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 local 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](http://www.ntcicfunds.com) on your web site. NTCIC asks all prospects how they heard of NTCIC. If he/she cites your web site, **that would also qualify you for the referral fee** if that prospect turns into a closed investment.

Sample language for your web site is offered below:

*The National Trust Community Investment Corporation [make the name a hyperlink to [www.ntcicfunds.com](http://www.ntcicfunds.com)] makes equity investments in real estate projects that qualify for federal Rehabilitation 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. Contact NTCIC to discuss your project’s eligibility for rehabilitation tax credits and if NTCIC can turn those credits into cash.*

### **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](http://www.ntcicfunds.com) for full information on NTCIC and its portfolio of projects. Key talking points include:

- NTCIC is an industry leaders 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 provides technical advice to nonprofit developers inexperienced with tax credits
- 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.

### **Submitting the Lead**

Visit [www.ntcicfunds.com/partners/referral\\_log.html](http://www.ntcicfunds.com/partners/referral_log.html) to access an online form that asks for project information. A notification will automatically be sent to NTCIC and you will receive confirmation of the referral via email within five business days. This conformation will provide one of three possible responses:

1. the project is new to the NTCIC pipeline and a referral fee of 1 percent of the net tax credit equity will be paid if the project closes;
2. another entity has already referred the project and a promise of a fee has already been made; or
3. NTCIC has already made contact with this project through its own marketing efforts and no fee will be paid.

For more information on NTCIC contact [NTCIC\\_mail@ntcicfunds.com](mailto:NTCIC_mail@ntcicfunds.com) or call 202-588-6064.