

# National Trust Main Street Partner Referral Service

## Earn revenue for your program while helping 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 finder's 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, effective immediately, NTCIC will pay a “shared finder’s fee” for every Main Street rehabilitation project referral that matures into an actual equity investment. The 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 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, your state coordinating program, and the National Trust Main Street Center are entitled to an even split of a finder’s fee equal to 1% of the net equity investment amount. 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 (in some cases, if the deal size is particularly small, the referral may be paid at the time the project receives its certificate of occupancy). NTCIC will provide a closing summary along with a check to each entity 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.

NOTE: a local Main Street program can nominate a project even if 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. No referral fee will be paid for a project that NTCIC is already aware of and is in the pipeline.

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 website. 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:

*Help for your Main Street rehabilitation project is available. Contact the National Trust Community Investment Corporation [make the name a hyperlink to [www.ntcicfunds.com](http://www.ntcicfunds.com)] for technical assistance on utilizing federal rehabilitation tax credits to boost your project's financing and how to partner with NTCIC to turn those credits into cash for your project. NTCIC is the only source for tax credit equity for small deals such as those typically found on Main Street.*

### **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.

Thank you and happy hunting!

*\* Why a "shared finder's 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 and support successful applications for tax credit projects. While any level can take the lead on application submissions, each applicant should involve other levels in preparation.*