

National Trust Statewide and Local Partners Referral Service

Earn revenue for your program while helping to 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, NTCIC will pay a “referral fee” for confirmed historic rehabilitation project referrals 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 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 is entitled to 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, your qualifying organization would receive a check in the amount of \$30,000.

Alternatively, 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 website, you may be eligible to receive the referral fee (for more information, see “Finding the Deals” section below).

Deal Size

In some cases, if the deal size is particularly small the project may be forwarded to the Small Deal Fund (which is not part of NTCIC); in which case the referral would be payable at the time the project receives its certificate of occupancy.

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 referral 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% 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 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.

NTCIC will provide a closing summary along with a check to each party within 60 days of the closing date.

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.