

Table A5 should match the *Applicant's* allocation request in *Allocation Application* Question 1 (unless the *Applicant* is proposing FCOS or loan purchases in Q.13(b)). In cases where the *Applicant* anticipates using a portion of their Allocation to invest in a small dollar (equal to or less than \$4MM) and/or revolving loan or equity fund, the *Applicant* may, in Table A5, indicate "Small Dollar Fund" or "Revolving Loan Fund" as a single project. See FAQ #53 for more information on describing transactions associated with a loan fund/pool structure.

49) In Table A5, what are the most important items to cover in Business Name and Description (row a)?

Per the instructions for Table A5, *Applicants* should provide a description of the transaction which links to the narrative in Question 17. *Applicants* should briefly discuss how the project or business aligns with its investment strategy.

For an investment in, or loan to, a *QALICB* that is an operating (non-Real Estate) business, *Applicants* should also provide a description of the type of business that is being financed (e.g. grocery store, Federally Qualified Health Center, charter school, manufacturing company, etc.) and of the products or services provided by the *operating business* (e.g. manufacture of farm equipment, early childhood education, primary healthcare, etc.).

For an investment in, or loan to, a *QALICB* that is a Real Estate business (where the real estate will be principally leased to third-party tenants or sold to a third-party), *Applicants* should also provide a description of the type of businesses that will be the anchor tenant(s), (e.g. grocery store, distribution center, commercial kitchen, etc.) and of the products or services provided by the anchor tenant(s) (e.g. retail groceries including fresh produce and pharmacy, wholesale distribution of meat and seafood to restaurants, commercial kitchen providing space for preparation and storage facilities for small food vendors, etc.).

If the *Applicant* is proposing to provide *QLICs* to other *CDEs*, the *Applicant* should indicate the name of the other *CDE(s)* (i.e. *Unrelated CDEs*). Additionally, the *Applicant* should clearly state how the *QLICs* will be used. For example, the *Applicant* should describe how the subsequent *QLICs* made by the *Unrelated CDE* will provide a loan or equity investment into one or more *QALICBs* as well as the, *business types of the QALICBs to be financed*.

Example 1 (Investment in, or loan to, *QALICB*): Southeast Housing: NMTCs will be used to acquire and rehab 50 homes as part of a 100-home scattered-site project. NMTC will be used to bridge the gap between the high cost of land and construction in the metro area and affordability for *LIC* residents earning at or below 80% of AMI. Thirty (30) of the 50 homes financed with NMTC will be sold to buyers with AMI below 80%.

Example 2 (Investments in, or loans to, other *CDEs*): ABC *CDE* will use \$15M *QEI* to make a *QLICI* in XYZ *CDE*, who in turn will use the *QLICI* to expand their lending to 4 to 5 education facilities in the city of Wright. The Evergreen School is an example of a borrower seeking financing for the construction of 31,000 SF addition to the existing school to provide additional programs for students in grades

5 through 8. The Evergreen school serves 500 students from the surrounding community facing a 39% poverty rate and incomes at 47% of the area median.

50) In Table A5, how should an *Applicant* respond if one *QLICI* will finance several business types (row n), the financing will be used for different purposes (row o), or produce several community outcomes (row p)?

Applicants should check all options that apply to the transactions. *Applicants* are encouraged to select a category, which most closely aligns with the *Applicant's QLICI*. However, if the *QLICI* does not align with the pre-existing categories, the *Applicant* has the option to select "Other" and briefly define the characteristic in Business Name and Description (row a). The CDFI Fund does not provide preference on one selection over another. However, the CDFI fund will evaluate how the *QLICIs* the *Applicant* intends to finance align with the overall business strategy described in the *Applicant's Allocation Application*.

51) In Table A5, how should an *Applicant* respond if a loan pool/loan fund will invest in multiple locations?

If the *Applicant* is proposing to fund a loan pool/loan fund financing *QALICBs* in multiple locations, *Applicants* should enter "Multi-City" for the City in row b, select the most likely state or the state where the largest portion of *QLICIs* will be located in row b, and select "Multi-Tract" for row c. *Applicants* should also explain the potential locations in Question 17, and how these transactions are consistent with the *Applicant's* service area.

52) In Table A5, what is the meaning of "Mixed-use real estate" (row n)? How should food-related businesses be classified in row n?

A *QALICB* may be classified as mixed-use real estate if it provides more than one of the following business uses: office, retail, housing, manufacturing/industrial, healthcare, hotel/hospitality, arts/cultural, and community (education, multi-service community organizations). For example, combinations of the following would qualify as mixed-use real estate: office and retail; housing, office, and community; or arts/cultural and retail. *Applicants* should only list the business types of the *QALICB* that will receive the *QLICI* funds. For example, if a mixed-use real estate includes rental housing, community facilities and a business incubator, but the *Applicant's QLICI* will only finance the community facility and business incubator, the description in Table A5 should not include rental housing.

Note: Multi-service community organizations alone are not equivalent to mixed-use real estate.

Food-related businesses such as groceries, bakeries, food wholesalers, and farmers' markets should be classified as retail in row n. Food banks providing goods free of charge should be classified as multi-service community organization in row n.