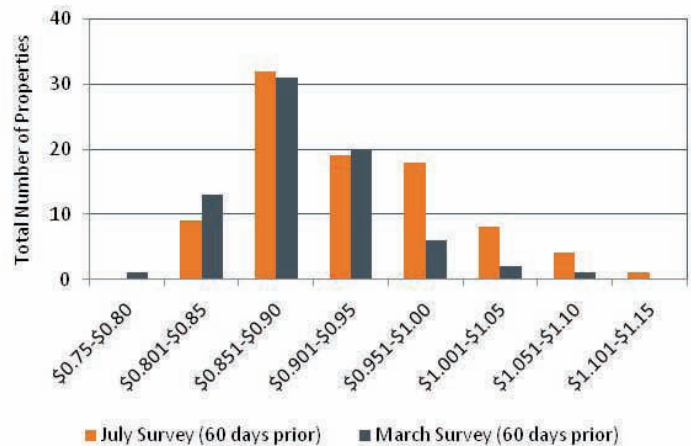


First Multi-Investor Funds Drop Below 7.00%

- For some time now CohnReznick expected to see fund yields decrease in response to elevated housing credit pricing at the lower tier, and syndicators' reluctance to operate with consistently thin margins. Until recently however, despite rising prices, multi-investor national fund yields had held a steady 7.00% floor. But as the table below illustrates, multi-investor national funds have begun to offer yields south of 7.00% for the first time in recent memory. Now that the 7.00% line has been crossed, we would expect more syndicators to follow course.
- The equity weighted average multi-investor national fund yield currently on the market is 7.10%, which is down from 7.19% reported in the prior housing credit monitor. State and regional (non-California) funds also reported an equity weighted average yield of 7.10%.
- After a slower than expected start to 2014, we have observed an increase in deal velocity in the last month as more states announced their 2014 allocations and investors aim to deploy their capital. While most Q1 and Q2 multi-investor national fund closings were delayed, we are confident that the second half of the year will more than make up for lost time.

Housing Credit Pricing Update

- The following graph represents the distribution of lower tier pricing for participating syndicators in the last 60 days.
- While the bulk of the properties provided continue to reside in the \$0.851 - \$0.90 category, the number of properties in the higher price categories has increased. Indeed, the average housing credit price reported by syndicators in the last 60 days is \$0.93, up from \$0.89 reported in the first quarter of 2014.



Current Multi-Investor Funds

National Funds

Syndicator/ Fund Name	Estimated Fund Size (millions)	Projected After- Tax Cash Needs IRR	Net Equity Price	Target Closing
Alliant Capital - Fund 76	\$127	7.10%	TBD	6/14
Boston Capital - Fund 39	\$120	6.75%	\$0.86	10/14
Boston Financial - Fund 41	\$161	7.10%	\$0.92	7/14
Boston Financial - Fund 42	\$125	6.75%	TBD	11/14
City Real Estate Advisors - Fund 39	\$113	7.25%	\$0.91	6/14
Enterprise - Housing Partners 25	\$270	TBD	TBD	7/14
Hunt Capital Partners - Fund 10	\$140	7.35% - 7.50%	\$0.88	5/14
Michel Associates - Fund 22	\$50	7.85%	\$0.85	Q3/14
R4 Housing Partners IV	\$125	TBD	TBD	11/14
Raymond James - Fund 41	\$150	TBD	TBD	TBD
Red Stone - 2014 National Fund	\$125	7.00%	\$0.90	7/14
Stratford Capital Group - Fund XV	\$125	7.15%	\$0.89	9/14
WNC Institutional Tax Credit Fund 39	\$110	7.25%	\$0.88	7/14

State / Regional Funds

Syndicator/ Fund Name	Regions	Estimated Fund Size (millions)	Projected After-Tax Cash Needs IRR	Net Equity Price	Target Closing
CAHEC - Community Equity Fund XIX	Southeast and Mid- Atlantic	\$108	7.15%	\$0.86	6/14
City Real Estate Advisors - Fund 38	HI	\$25.5	7.64%	\$0.74	7/14
Great Lakes Capital Fund - Fund 29	MI,IN,WI MN,IL,NY	\$130	7.00% - 7.26%	TBD	9/14
Housing Vermont - Green Mountain Hous- ing Equity Fund VI	VT	\$25	7.25%	\$0.88	7/14
Mass Housing Invest- ment Corp. - MHEF XXI	MA	\$40	6.75%	\$0.95	7/14
Midwest Housing Equity Group - Fund 42	Midwest	\$150	7.25%	TBD	9/14
WNC - Tax Credit Fund X California Series 12	CA	\$45	6.00% - 7.00%	\$0.96	4/14 - 7/14

Equity-weighted Average	Net Equity Price	Projected After Tax IRR
All National Funds	\$0.89	7.10%

Equity-Weighted Average	Net Equity Price	Projected After Tax IRR
State/Regional Funds Excluding CA	\$0.88	7.10%
California-only Funds	\$0.96	6.50%

Note: All fund data was provided by fund sponsors and compiled by CohnReznick. Neither CohnReznick nor the Tax Credit Advisor takes responsibility for the accuracy of the data represented by the sponsors. If you would like a fund included in the next Housing Tax Credit Monitor, please contact TCIS@cohnreznick.com or (617) 648-1414 to speak with a professional with CohnReznick's Tax Credit Investment Services practice. Visit CohnReznick's website at www.cohnreznick.com.