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LISC WINS LARGEST AWARD IN LATEST ROUND OF NEW MARKETS TAX CREDIT INVESTMENT AUTHORITY

Local Initiatives Support Corporation awarded \$133 million in new markets tax credits

FOR IMMEDIATE RELEASE

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NEW YORK (October 10, 2007) -- Local Initiatives Support Corporation (LISC) has been awarded \$133 million in new markets tax credit investment authority – the largest among the \$3.9 billion in new awards that the U.S. Treasury Department recently made to help 61 organizations spur economic development in disinvested communities across the country. LISC is the nation’s leading community development support organization.

“This new markets award builds on the \$7.8 billion LISC has already invested in low- and moderate-income neighborhoods over the last 27 years,” said Michael Rubinger, LISC’s president and CEO. LISC expects to make more than \$1 billion in community-focused grants, loans and equity investments in 2007.

“We have already deployed most of the \$295 million we raised from our previous new markets tax credit (NMTC) allocations to support the development of more than 2 million square feet of commercial space, 200 new homes and 7,500 jobs that otherwise would not exist,” Rubinger added. “We’re proud of those numbers and are thrilled that the Treasury Department sees the value of our expanded involvement in this important program.”

NMTCs—which were first allocated in 2002—have already proven themselves to be a highly efficient means of attracting additional private capital to community revitalization efforts, and represent a growing piece of the 30 million square feet of retail and community space LISC has financed over the years.

“Our funders and investors have been very supportive of the innovative NMTC projects on which we are focused,” said Rubinger. Specifically, LISC has closed on 27 NMTC projects to date, ranging from the financing of a motorcycle parts manufacturer in rural Wisconsin to a new grocery store east of the Anacostia River in Washington, DC, a public market in Minneapolis, a charter school in Albany, N.Y., a child care center in Woonsocket, R.I., and a food bank serving the state of Washington.

“The Washington, DC project illustrates how NMTCs, when coupled with other funding programs, can have a huge community impact,” Rubinger said. The Shops at Park Village, a 110,000-square-foot commercial development in southeast Washington, will bring the first new supermarket to the Congress Heights neighborhood in nearly a decade. In addition to the commercial work, redevelopment of the surrounding area – a vacant former army base – will include housing that’s affordable to people of modest means.

LISC’s affiliate, National Equity Fund (NEF), which syndicates low-income housing tax credits, administers LISC’s NMTC program.

“LISC and NEF have always been about innovation, about making sure private capital makes its way to the projects and the communities that need it most,” said Joseph S. Hagan, NEF president. “The scale of this new NMTC allocation is a clear endorsement of our focus on projects that are both financially sound and have a significant, lasting impact on the communities in which they are built.”

About LISC

Local Initiatives Support Corporation (LISC) combines corporate, government and philanthropic resources to help community-based organizations revitalize underserved neighborhoods. Since 1980, LISC has invested \$7.8 billion to build or rehabilitate more than 215,000 affordable homes and develop 30 million square feet of retail, community and educational space nationwide. For more information, visit www.lisc.org.

About NEF

National Equity Fund, Inc. is a Chicago-based affiliate of LISC and one of the nation’s largest syndicators of Low-Income Housing Tax Credits, Historic Tax Credits and New Markets Tax Credits. Over the last two decades, NEF has invested more than \$5.5 billion in 1,500 developments that have built and preserved some 80,000 homes. For more information, visit www.nefinc.org.

About NMTCs

New markets tax credits offer taxpayers a credit against federal income taxes in return for equity investments in designated community development entities (CDEs). The program is administered by the Community Development Financial Institutions Fund (CDFI Fund), an arm of the U.S. Treasury Department created to promote economic revitalization and community development. Since 2002, the CDFI Fund has allocated \$16 billion in NMTCs. For more information, visit www.cdfifund.gov.

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