

WORKFORCE HOUSING FUND I

National Equity Fund (NEF) is a non-profit real estate investment manager with a 35-year track record in the creation and preservation of affordable multi-family housing on a national scale. Our pioneering, principled team of experts helps our investors and developers finance, acquire, develop and asset manage affordable multi-family housing.

Through our diverse multi- and single- investor funds, we generate opportunities rooted in our vision for all individuals and families across the country to have access to stable, safe and affordable homes.

OVERVIEW

NEF Workforce Housing Fund I is a value-add fund that targets investment opportunities in the development and acquisition of affordable rental housing. The goal is to create and preserve housing that fulfills the need for moderate-income individuals and families that struggle to find affordable housing options in neighborhoods close to job opportunities.

WHAT IS WORKFORCE HOUSING?

In most metropolitan areas, many individuals and families struggle to buy or rent homes close to where they work. Workforce housing is largely defined as housing that is affordable to moderate income households earning between 60-120 percent AMI. Renters living in this type of housing represent workers in a variety of fields such as but not limited to construction, retail, food service, hospitality, education and healthcare.

INVESTMENT FUNDAMENTALS

STABLE OCCUPANCY RATES

More stable occupancy rates during the pandemic compared to luxury properties.

CONSISTENT INCOME GROWTH

Rents increased during height of COVID while luxury properties experienced an overall rent decrease.

INVESTOR OPPORTUNITIES

Workforce properties account for 82% of the rental market segment totaling over \$2.5 trillion in value.

DIVERSIFICATION

Smaller average investment sizes spreads risk across a larger project portfolio compared to luxury market.

Source: Harvard JCHS 2021 & 2022, Yardi, RealPage, CoStar

TARGETED INVESTMENTS

Workforce housing properties with equity investments between \$7-30 million.

Strong reliable developers, general contractors and property management companies.

Metropolitan areas with positive demographics and supply-constrained markets.

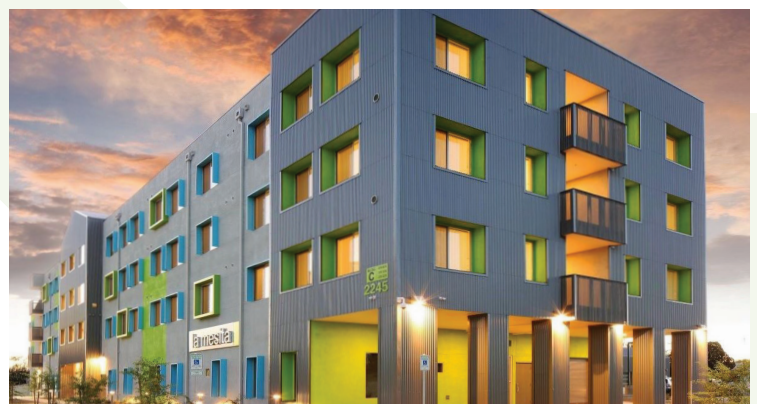
Assets may benefit from government programs providing tax abatements in exchange for long-term affordability.

INVESTING FOR IMPACT

Select partners committed to long-term affordability.

Focus on properties with access to job centers and transportation.

Emphasis on healthcare services, healthy food, educational opportunities and child care.



NATIONAL EQUITY FUND, INC.

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2022 Total Portfolio Highlights	
Units Under Management	120,487
Assets Under Management	\$18.76 billion
Funds Under Management	195
Average Physical Occupancy	95.5%

In the past 25 years, NEF has met or exceeded investor yield expectations and objectives.

2022 Stabilized Portfolio Highlights			
Region	# Projects	Total Units	Avg. Econ. Occ.
Central	291	21,729	91.20%
Northeast	355	25,915	92.46%
South	168	19,364	92.77%
Southwest	94	6,107	95.59%
West	242	16,534	95.41%
Total	1,150	89,649	93.21%

Term	Definition
Target Size	\$150,000,000
Target Returns*	11-13% net of all fees and expenses
Investment Minimum	\$5,000,000 except as agreed upon by the General Partner in its discretion
Term	8-10 years; funds invested in properties within thirty-six (36) months
Management Fee	1.5%
Distributions	8% preferred return to investors; pro-rata return of capital; pro-rata distributions until cumulative amount is sufficient to provide Investors with an amount equal to the minimum target return (11%); Thereafter, 85% to the Limited Partner and 15% to the General Partner in respect of its carried interest.

Fund Leadership

Matt Reilein, President & CEO

Alex Denja, COO/CFO

Judy Schneider, Chief Credit Officer

Thomas Bergin, CFA, MD Fund Management

Tracey Ferrara, MD Specialized Assets

Karen Przepyszny, MD Strategic Initiatives

Daryl Shore, MD Structured Financing

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