

## **Impact Community Capital affiliate awarded New Markets Tax Credit allocation**

*San Francisco-based Impact invests in communities for insurers*

**SAN FRANCISCO** – Impact Community Capital, through its affiliate ICC CDE, today was awarded \$40 million in federal tax credits in the first round of allocations of the federal New Markets Tax Credit program. Impact is one of just 66 qualified Community Development Entities (CDE) nationwide to receive an allocation and one of only two to have a statewide focus solely on California. U.S. Treasury Secretary John Snow made the announcement during a trip to Columbus, Ohio, today.

Impact invests in low-income communities throughout California and elsewhere on behalf of its insurance company members. Impact President and CEO Daniel F. Sheehy said the tax credits will be utilized as part of a new program, called the Impact Community Real Estate (CRE) Initiative, that will help revitalize communities. The Impact CRE Initiative will invest directly in commercial real estate to help new and existing businesses and other enterprises provide needed jobs, vital services such as childcare or medical care and infrastructure development.

“The Impact CRE Initiative is an important and logical step for Impact,” Sheehy said. “Impact is a major investor in both single-family and multi-family affordable housing developments throughout the state and this program will make us major investors in the real estate that supports businesses and services that are the lifeblood of our communities,” Sheehy said.

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In addition to making real estate loans directly to businesses, the CRE Initiative also will invest in existing community development funds that provide much needed equity for development of low-income communities.

The New Markets Tax Credit Program, administered by the Department of the Treasury, was created in 2000 to redirect up to \$15 billion in new private capital loans and equity investments in communities frequently overlooked by traditional investors. The initial round of allocations distributed \$2.5 billion in tax credits to qualified CDEs across the country. As a qualified CDE, Impact investments are eligible for tax credits of up to 39 percent of the value of the investments over seven years.

Impact was one of just 10 California entities to receive an allocation. Nearly 350 entities across the nation applied for allocations under the program.

Since its creation, Impact has invested more than \$170 million in affordable housing mortgages. Impact has pioneered the pooling and securitization of affordable housing mortgages to meet the needs of its insurance company members. The insurers that created Impact are Allstate, Farmers, Nationwide, Pacific Life, PMI, SAFECO, State Farm, TIAA/CREF and 21st Century. For additional information on Impact, go to [www.impactcapital.net](http://www.impactcapital.net). For additional information on the New Markets Tax Credit Program, go to [www.cdfifund.gov/programs/nmtc](http://www.cdfifund.gov/programs/nmtc).

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