



U.S. Department of Treasury
Community Development Financial Institutions Fund

QEI Closeout Report

CIIS 12.1
April 1, 2015

GUIDANCE ON DATA POINTS IN THE QEI CLOSEOUT
REPORT



GENERAL INFORMATION ABOUT THE CLOSEOUT REPORT

The Closeout Report is the CDFI Fund's approach to aggregate an Allocatee's use of Qualified Equity Investment (QEI) proceeds and to gather additional information on the status of the Qualified Low-Income Community investment (QLICI) and Qualified Active Low-Income Community Business (QALICB) at the end of the tax credit compliance period.

Allocatees are now required to report on QEIs that have reached the end of the 7-year tax credit compliance period. The QEI Closeout Report must be filed **after** the final Transaction Level Report (TLR) and Institution Level Report (ILR) have been submitted for QEIs that have reached the end of their compliance period. The information entered into the TLR and ILR reports will then be used to prepopulate the QEI Closeout Report.

- During the 2014 reporting cycle, Allocatees will close out QEIs issued in their 2007 fiscal year.
- The link for the Closeout Report can be found on the menu bar of the Community Investment Impact System (CIIS) Homepage.

Who to contact for help

If you are experiencing any difficulties with the data entry portion of your report, including document errors, system errors, and basic questions, please contact:

CIIS Help Desk
703-373-1516
ciishelp@kearneyco.com

If discrepancies between the QEI Closeout Report and the TLR are identified, or if the two reports need to be reconciled, please contact the CIIS Help Desk. The CIIS Help Desk will notify the CDFI Fund if the TLR needs to be reopened to reconcile the two reports.

CLOSEOUT REPORT DATA POINTS

- Upon accessing the Closeout Report, confirm that the following fields are correct. The following *QEI level* fields will display prepopulated information. If any of the following fields are incorrect, contact the CIIS Help Desk.
- Multiple QEIs may be displayed depending on how many QEIs have reached the end of the 7-year reporting period for the selected fiscal year.
- Click on the QEI Identifier to view the associated transactions for the QEI.

QEI IDENTIFIER

The system will pre-populate the QEI Identifier

- Multiple QEIs may be displayed depending on how many QEIs have reached the end of the 7-year reporting period for the selected reporting year.

Click on the QEI Identifier to expand and view Originator Transaction IDs associated with the QEI Identifier.

AWARD CONTROL NUMBER

The system will pre-populate the Award Control Number

Contact the CIIS Help Desk if the Award Control Number is incorrect.

QEI ORIGINATION DATE

The system will pre-populate the QEI Origination Date

Contact the CIIS Help Desk if the QEI Origination Date is incorrect.

TOTAL ORIGINAL QEI AMOUNT

The system will pre-populate the Total Original QEI Amount

Contact the CIIS Help Desk if the Total Original QEI Amount is incorrect.

➤ **The following QEI Level fields require a response.**

LOAN LOSS RESERVES

Report the dollar amount of the QEI that was used for Loan Loss Reserves

- If this amount exceeds 5% of the Original QEI Amount a warning message will be displayed. The warning message will not prevent the amount from being submitted but serves as an advisory to review the amount entered for accuracy.

LOAN LOSS RESERVES USAGE AT CLOSEOUT

Select a response from the provided dropdown menu

- Retained as Loan Loss Reserves (for an active loan or additional loans)
- Retained by the CDE or an affiliate Distributed to Investor
- Provided to Borrower
- Other (A response in the text box is mandatory only if this option is selected)

This field will be disabled if a response of zero is provided for Loan Loss Reserves

ORIGINATOR TRANSACTION ID

The system will prepopulate all Originator Transaction IDs associated with the selected QEI.

Click on the Originator Transaction ID to expand and view the transaction level fields.

PROJECT NUMBER

The system will prepopulate the Project Number associated with the selected QEI.

Contact the CIIS Help Desk if the displayed Project Number is incorrect.

ORIGINAL LOAN/INVESTMENT AMOUNT

The system will prepopulate the Original Loan/Investment Amount associated with the selected Originator Transaction ID.

Contact the CIIS Help Desk if the displayed Original Loan/Investment Amount is incorrect.

AMOUNT OF QEI USED FOR TRANSACTION

The system will prepopulate the Amount of QEI Used for Transaction associated with the selected Originator Transaction ID.

Contact the CIIS Help Desk if the displayed Amount of QEI Used for Transaction is incorrect.

STATUS

The system will prepopulate the Status of the Transaction associated with the selected Originator Transaction ID.

Contact the CIIS Help Desk if the displayed Status is incorrect.

PURPOSE

The system will prepopulate the Purpose of the Transaction associated with the selected Originator Transaction ID.

Contact the CIIS Help Desk if the displayed Purpose is incorrect.

PERFORMING LOAN OR NON-PERFORMING LOAN

Select from the provided dropdown if the Loan is:

- Performing (payments for the loan have been made in full and on time)
- Non-Performing (payments for the loan have not been made for at least 90 days)

This field is only available for transactions with a status of Active or ActiveEnd

REFINANCED OR SOLD

Choose a response from the following options from the provided dropdown.

- Sold to Affiliated (with the CDE) Entity
- Sold to Non-Affiliated (with the CDE) Entity
- Refinanced by Affiliated (with the CDE) Entity (if this option is selected a response to the question below is required)
- Refinanced by Non-Affiliated (with the CDE) Entity (if this option is selected a response to the question below is required)

For transactions that have been “Refinanced by Affiliated Entity” or “Refinanced by Non-Affiliated Entity,” choose the source of capital used for refinancing from the following options. (Example: If the NMTC financial note was refinanced with bank debt from a market rate lender, select “Financing provided by private sector sources.” If it was refinanced with a loan from a CDFI with access to below market capital, select “Financing provided by philanthropic or other non-governmental sources.”)

- Financing provided by private sector sources
- Financing provided by philanthropic or other non-governmental sources
- Financing provided by state or local government program
- Financing provided by federal program
- Financing provided by multiple types of sources
- Other - If “Other” is selected, provide a response of up to 50 characters in the provided text box.

This field is only available for transactions with a status of Refinanced or Sold

CONVERTED TO EQUITY

Select YES or NO from the provided dropdown menu for Converted to Equity (selecting the NO option would indicate that the transaction was paid in full).

This field is only available for transactions with a status of Closed

REASON FOR THE QLICI CHARGE-OFF OR RESTRUCTURING

For Transactions with a ‘Status’ of “Charged Off” or “Restructured with Charge Off”, enter in the text box provided, the “Reason for the QLICI charge off or recovery”.

This field is only available for transactions with a status of Charged –Off or Restructured with Charge-Off

Considering the proposed products in the Allocatee’s original Allocation Application, was the overall financing package to this QALICB intended to allow the QALICB to acquire all or a portion of the residual value of the tax credit equity?

Select YES or NO from the provided drop-down menu.

Was this financial note structured to allow the QALICB to acquire all or a portion of the residual value of the tax credit equity?

Select YES or NO from the provided drop-down menu.

To the extent the investment was structured to allow the QALICB to acquire a portion of the QLICs at the end of the 7-year compliance period, quantify the value of the investment acquired by the QALICB at the end of the 7-year compliance period as a dollar amount

Enter the value of the investment acquired by the QALICB in dollars:

- The amount should not exceed the original QEI amount.
- The “value received” should be minus the “put price”, and “exit fees” paid by the QALICB

Status of QALICB at end of tax credit period or date of dissolution, termination, or write-off

If the ‘Purpose’ of the transaction equals “Real Estate” select from the following options:

- Placed into service
- Not placed into service (if this option is selected please elaborate below in ‘Comments on QALICB status’.

If the Purpose of the transaction equals Non – Real Estate – Business (BUSINESS) or Non – Real Estate – Microenterprise (MICRO) select from the following options:

- Continues as a going concern
- No longer in existence service (if this option is selected please elaborate below in ‘Comments) on QALICB status’.

COMMENTS ON QALICB STATUS

This field is required if “Not placed into service” or “No longer in existence” is selected for ‘Status of QALICB at end of tax credit compliance period or date of dissolution, termination, or write-off’.

- Provide the legal name of the business(s) and the state in which they are located.

BUSINESS DESCRIPTION

The system will pre-populate the business description provided in the most recently submitted TLR. Allocatees will have the option of providing additional details on the business description. Provide additional information to elaborate on the description of the business/ project and services in 300 characters or less.

Certification Statement - To the best of the Allocatee’s knowledge and belief, all information contained in this Closeout Report is true, accurate, and complete. The Allocatee hereby certifies that the Closeout Report accurately represents the activities and performance of the Allocatee and/or Subsidiary Allocatee that issued the QEI(s) described. Upon request from the CDFI Fund, the Allocatee agrees to provide any additional information to the CDFI Fund necessary to substantiate or clarify the information submitted in the Closeout Report. The submission of this Closeout Report has been duly authorized by all requisite corporate or partnership action of the Allocatee.

CIIS Help Desk

703.373.1516

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Monday – Friday 8:00am – 8:00pm EST