



'26 ARIZONA
DEVELOPMENT
FINANCE &
OPPORTUNITY ZONES
SUMMIT

MODERATOR

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OZ 1.0 – Where the Money Went (QOFs we track as of 12/31/25)

- Single Asset QOFs make up nearly 75% of all funds tracked by Novoco
- “Super QOFs” (typically multiple asset funds with > \$100M in equity) make up 60% of the \$42.76 billion in equity reported by 2,163 QOFs

Now 69 QOF Managers Overseeing at least \$100 Million

Equity Range	# of Fund Managers	Total Equity Raised	% of Total Equity Raised
\$1 Billion or More	7	\$13,467,980,066	31.5%
\$500 million up to \$1 billion	9	\$6,099,633,511	14.3%
\$250 million up to \$500 million	21	\$7,567,293,835	17.7%
\$100 million up to \$250 million	32	\$5,020,070,966	11.7%
\$75 million up to \$100 million	15	\$1,305,677,854	3.1%
\$50 million up to \$75 million	40	\$2,380,328,955	5.6%
\$25 million up to \$50 million	82	\$2,734,503,651	6.4%
\$10 million up to \$25 million	152	\$2,393,010,669	5.6%
Up to \$10 million	679	\$1,792,774,624	4.2%

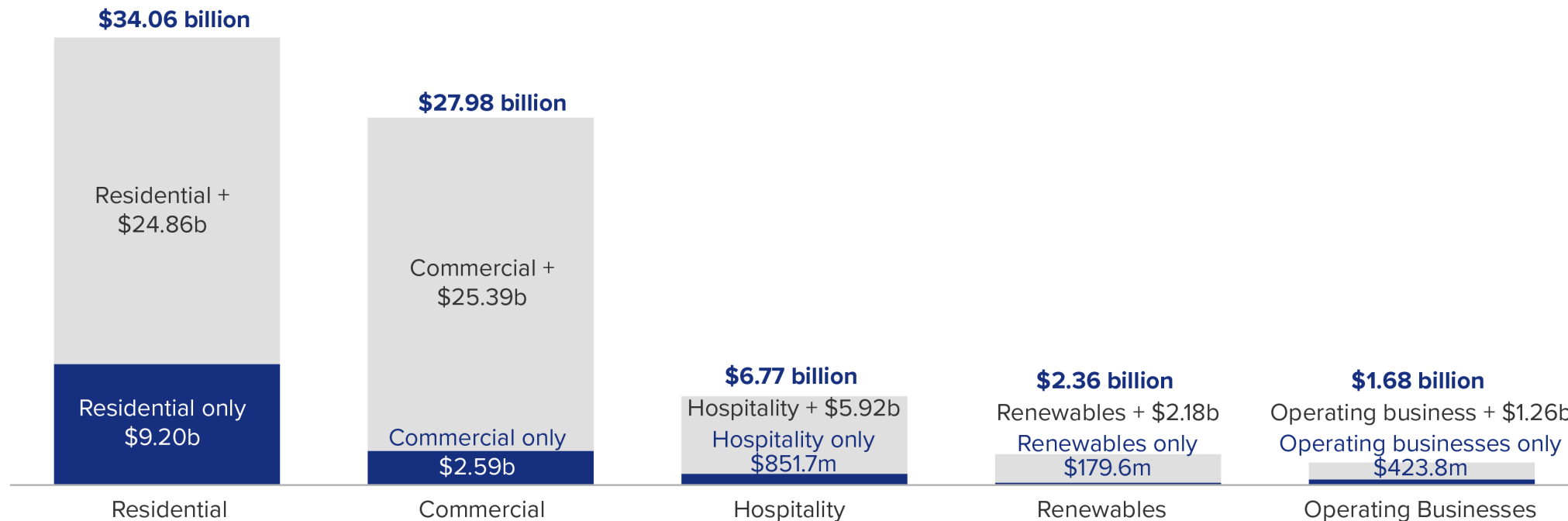
Source: Novogradac



OZ 1.0 – Where the Money Went (Asset Classes as of 12/31/25)

- Of \$42.76B raised, \$9.2B has been raised strictly for residential investment, while \$34.06B has been raised to develop property that includes a residential component as well as commercial

Residential Still Top Focus for Investment



Source: Novogradac



OZ 1.0 – Where the Money Went (Fund Assets as of 12/31/25)

Investment Categories	# of Investments	Equity Raised
Residential		
Affordable Housing	140	3,391,558,817
Multifamily	1,165	22,879,386,463
Single Family	69	316,816,977
Mixed-Use	115	2,059,819,160
Workforce Housing	95	1,186,777,760
Student Housing	50	698,543,006
Senior Housing	41	368,305,710
Commercial		
Office	290	5,655,884,666
Industrial	170	2,961,594,810
Mixed-Use	115	2,059,819,160
Retail	420	9,235,600,729

OZ 1.0 – Where the Money Went (State as of 12/31/25)

- Of 49 states, California is leader but Arizona saw more planned investment in 2025 than California and is coming on strong

Top 20 States for Planned Investment

State	Equity Investment Planned per State <i>Rounded to the nearest \$10,000</i>	# of Investments
1. California	\$5,021,230,000	157
2. Arizona	\$2,655,180,000	112
3. New York	\$2,127,780,000	62
4. Ohio	\$2,123,560,000	637
5. Florida	\$1,912,890,000	76
6. Texas	\$1,894,160,000	103
7. Washington, D.C.	\$1,598,270,000	38
8. Colorado	\$1,278,310,000	93
9. Washington	\$1,196,950,000	68
10. Tennessee	\$1,156,420,000	52

State	Equity Investment Planned per State <i>Rounded to the nearest \$10,000</i>	# of Investments
11. North Carolina	\$976,430,000	64
12. Maryland	\$909,700,000	33
13. Georgia	\$902,190,000	42
14. New Jersey	\$715,440,000	44
15. Utah	\$690,770,000	37
16. Nevada	\$643,950,000	29
17. Virginia	\$508,490,000	33
18. Pennsylvania	\$505,650,000	47
19. Oregon	\$457,130,000	24
20. Massachusetts	\$416,710,000	25

Source: Novogradac



OZ 1.0 – Where the Money Went (Cities as of 12/31/25)

- As expected, LA, DC and NYC are top three but Phoenix comes in a strong 4th and had the most investment in 2025 of all cities
- Arizona included in the top 50 are:
 - 4th – Phoenix with \$1.001B in 34 investments
 - 12th – Tempe with \$526.5M in 16 investments
 - 29th – Mesa with \$263.6M in 12 investments
 - 35th – Goodyear with \$217.8M in 8 investments
 - 36th – Scottsdale with \$212.8M in 10 investments
 - 46th – Tucson with \$143M in 7 investments
- With respect to known housing, Phoenix tops the list with 7,904 units

OZ 1.0 – Top 50 Cities as of 12/31/25

City	Equity Investment Planned per City <i>Rounded to the nearest \$10,000</i>	# of Investments
1. Los Angeles	\$1,757,090,000	58
2. Washington, D.C.	\$1,586,010,000	37
3. New York	\$1,395,120,000	32
4. Phoenix	\$1,001,120,000	34
5. Nashville, Tennessee	\$981,630,000	35
6. Atlanta	\$765,400,000	21
7. Cleveland	\$737,220,000	144
8. Austin, Texas	\$704,910,000	32
9. Columbus, Ohio	\$620,140,000	249
10. Salt Lake City	\$613,220,000	31
11. Charlotte, North Carolina	\$570,980,000	21
12. Tempe, Arizona	\$526,510,000	16
13. Baltimore	\$506,830,000	17
14. Sacramento, California	\$466,810,000	16
15. Miami	\$451,030,000	13
16. Denver	\$423,850,000	22
17. Las Vegas	\$419,730,000	15
18. Seattle	\$413,620,000	24
19. Dallas	\$406,540,000	15
20. Tampa, Florida	\$403,920,000	14
21. New Rochelle, New York	\$382,850,000	6
22. Oakland, California	\$358,270,000	17
23. Vancouver, Washington	\$347,650,000	14
24. St. Louis	\$347,650,000	13
25. San Jose, California	\$307,010,000	11

City	Equity Investment Planned per City <i>Rounded to the nearest \$10,000</i>	# of Investments
26. Portland, Oregon	\$306,960,000	14
27. Ft. Lauderdale, Florida	\$296,040,000	3
28. Philadelphia	\$280,860,000	27
29. Mesa, Arizona	\$263,590,000	12
30. Aurora, Colorado	\$263,220,000	9
31. Houston	\$260,270,000	12
32. Richmond, Virginia	\$251,800,000	18
33. Cincinnati	\$226,690,000	75
34. Newark, New Jersey	\$220,780,000	11
35. Goodyear, Arizona	\$217,770,000	8
36. Scottsdale, Arizona	\$212,830,000	10
37. Colorado Springs, Colorado	\$211,350,000	13
38. Mobile, Alabama	\$208,000,000	1
39. Jersey City, New Jersey	\$205,420,000	10
40. Reno, Nevada	\$200,740,000	11
41. Somerville, Massachusetts	\$193,060,000	6
42. San Antonio, Texas	\$170,020,000	13
43. Berkeley, California	\$156,170,000	9
44. St. Petersburg, Florida	\$155,580,000	5
45. Hyattsville, Maryland	\$147,310,000	4
46. Tucson, Arizona	\$142,970,000	7
47. Huntsville, Alabama	\$132,800,000	16
48. Raleigh, North Carolina	\$129,120,000	7
49. Hackensack, New Jersey	\$128,910,000	5
50. Tacoma, Washington	\$127,360,000	10

OZ 1.0 – Moral of the Incentive

- Typical investment timeline and QOZB tests and conditions make operating businesses sometimes less plausible or desirable
 - 5-year timeline standard – interim gain ask would have helped to mitigate
 - Carveouts for existing assets needed
- Real estate provides a seemingly more reliable return to investors, many of which come from the REIT and private equity worlds
- Many typically dominant geographical areas largely controlled the space during the earlier years but the fast-growing markets in Arizona are showing a huge comeback when compared to the larger markets in non-conforming states