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FOR IMMEDIATE RELEASE

Washington, D.C., Top City for Investment in QOFs Tracked by Novogradac

Data Shows 54 Cities with at Least \$100 Million in Planned Opportunity Zones Investment

SAN FRANCISCO—Washington, D.C., is the leading city for planned investment by qualified opportunity funds (QOFs) tracked by national accounting and consulting firm Novogradac with \$1.38 billion in planned investment as of Dec. 31, 2022. A total of 54 cities (in 25 states, plus the District of Columbia) have \$100 million or more in planned investment.

California and Arizona continue to be the leading states for planned QOF investment, although Novogradac is tracking such investment in 48 states, plus the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

That information [comes from a report](#) that \$34.09 billion in QOF equity was raised by the 1,661 QOFs tracked by Novogradac (1,274 of which reported a specific equity amount) at the end of 2022. Novogradac's data is collected on a rolling basis from QOFs that voluntarily provide information. The data also includes information from public sources such as Security and Exchange Commission filings and press releases. Novogradac's figures don't include proprietary or private funds that are owned and operated by their principal investors.

Los Angeles and New York City join Washington as cities with at least \$1 billion in planned investment by QOFs tracked by Novogradac. Among the cities with the biggest increase in investment in 2022 were Dallas (with a 327.0% increase in 2022), Salt Lake City, Vancouver, Washington, and Aurora, Colorado.

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“In 2022, we again saw that investors in QOFs want to see investment in a variety of cities and states,” said Michael J. Novogradac, CPA, the managing partner at Novogradac and [author of a blog post](#) on the city and state investment trends. “That so many cities have \$100 million or more in planned investment and that they represent such a wide range of states is an indication that the opportunity zones (OZ) incentive is providing benefits across the nation.”

Novogradac also tracks QOF investment by the size of funds and by how much equity is managed by QOF managers. At the end of 2022, there were eight QOFs tracked by Novogradac that raised at least \$500 million in equity and those funds accounted for 22.2% of all equity raised. However, the vast majority of funds—821, or 64.4%—raised less than \$10 million, emphasizing the number of smaller, focused QOFs that often target investments in a single city.

“The 20% of largest QOFs have always accounted for at least 80% of total equity in our survey,” said John Sciarretti, CPA, partner at Novogradac, head of the Novogradac [Opportunity Zones Working Group](#) and author of [a blog post on QOF and QOF manager ranges](#). “But it’s important to note that more than 70% of the QOFs that we track are focused on a single investment. While they account for less money, we still report that more than \$2 billion is going to those smaller QOFs.”

The Novogradac QOF data also shows that there are 12 managers who oversee more than \$500 million in equity, an increase of seven from the number at the end of 2021. There are 62 QOF managers who oversee at least \$100 million in equity, but the median amount raised by all QOF managers is \$5 million, which highlights the number of lower-dollar, single-asset managers.

Novogradac maintains the [Opportunity Funds List](#) and publishes the [Introduction to Opportunity Zones](#) booklet, the monthly [Novogradac Journal of Tax Credits](#) and the weekly [Tax Credit Tuesday](#) podcast, where the QOF investment update will be discussed on the Feb. 14 episode.

About Novogradac

Novogradac, which has been in business for more than 30 years, has grown to more than 720 employees and partners with offices in more than 25 cities. Tax, audit and consulting specialty practice areas for Novogradac include affordable housing, community development, historic rehabilitation and renewable energy. For additional information on Novogradac’s personnel and areas of expertise, visit www.novoco.com or call 415-356-8000.