Many solar energy developers do early stage work to get a property ready for construction, then they sell the property to a developer who takes control, raises equity to fund the development and begins construction. However, more early stage solar developers are considering the option of maintaining control of the property and handling the construction, including receiving funding through equity from investment tax credits. In this episode of Tax Credit Tuesday, Michael Novogradac, CPA, and Rob Bryant, CPA, discuss the options and considerations for such developers. They examine the typical life cycle for a solar property and then look at the issues that developers should address when considering a long-term hold of the property. After that, they look at typical financing options, as well as tax and equity structuring issues for a developer who maintains control of a solar property as well as tools developers should consider while making a decision.

Summaries of each topic:

1. Typical Life Cycle of a Solar Development (2:41-9:18)
2. Considerations for Long-Term Hold of Property (9:19-12:00)
3. Financing Options; Tax and Equity Structuring Issues (12:01-21:08)
4. Tools to Help Make a Decision (21:09-24:59)
5. Additional Information (25:00-27:02)

Transcript

[00:00:11] **Michael Novogradac, CPA:** Hello, I'm Michael Novogradac. And this is Tax Credit Tuesday. This is the May 3, 2022, podcast.

Renewable energy developers often do a lot of early stage work getting a property to the point of being ready for construction. This is particularly true for solar developers. This early stage work can include arranging site control, working with the utility to get the right to connect to the grid and negotiating the terms of a power purchase agreement. At that point, many early stage developers will sell the development to a larger, more established renewable energy developer and that developer, in turn, takes over control, raises investment tax credit equity and arranges other sources of financing in order to fund the development and begin construction of the property.

However, more and more early stage developers are assessing whether they should retain ownership and handle the construction and management of the property themselves. This option entails a number of issues with which many early stage developers are unfamiliar.

In today's podcast, we're going to talk about some of the issues early stage developers need to consider before deciding to retain ownership and seeking to raise tax credit equity and other financing to fund the development. Joining me today's discussion is my partner, Rob Bryant. He's in our Dover, Ohio, office and works with a variety of community development incentives, including the new markets tax credit, historic rehabilitation tax credit and the opportunity zones incentive, but most applicable to today's discussion, he's an expert in renewable energy transactions. Rob works with developers in a variety of green energy transactions, assisting with all parts of their business, from consulting on the initial transaction to handling tax accounting and auditing services later on.

In today's podcast, Rob and I will discuss the common life cycle of a solar development and who is involved. Then we'll look at the considerations that early stage developers face. And lastly, how the financing and structure works in such transactions. Now we obviously won't discuss everything and each development has its own special, unique issues, but today's podcasts will provide an overview of the issues you should consider if you're an early stage renewable energy developer who plans to hold on to your solar development through construction and operation.

If you're ready, let's get started.

So Rob welcome to Tax Credit Tuesday.

[00:02:31] **Rob Bryant, CPA:** Thanks, Mike, excited to be here.

[00:02:32] **Michael Novogradac, CPA:** It's great to have you. Sorry it’s taken this long to have you as a guest, but we're glad that you're a guest for the first time.

[00:02:40] **Rob Bryant, CPA:** My pleasure.

Typical Life Cycle of a Solar Development

[00:02:41] **Michael Novogradac, CPA:** So let's start with a high-level overview for our listeners to maybe level set. If you could provide an overview of the typical life cycle of a solar development, including listing who the key participants are.

[00:2:56] **Rob Bryant, CPA:** Certainly, Mike. So as far as the life cycle of a solar development, this is typically seen in three phases. The first phase is the early stage development or the pre-NTP or notice to proceed phase. During this phase, the developer has their boots on the ground, so to speak. They're out there securing their revenue contract and then once that's in place, they're securing their site control, commencing their initial design and interconnection application studies. And then lastly getting their state and local permitting and environmental studies complete. Once these pieces of the puzzle are in place, these solar developments become very viable and have a high success rate of completion. I think I read in an article once that once these pieces are in place, the success rate is around 75%, so it goes to show how valuable this early stage development is. And then at this point, the development's ready for the next phase of the solar development life cycle, which is the notice to proceed phase to mechanical completion phase of the project. And during this phase, the project is ready to enter into its EPC contract and close on its project financing to get the project to a mechanically complete system, which then leads us to the last phase of the solar life cycle, which is substantial completion or placed service, in which the system is turned on. It starts commencing energy generation. Pretty minimal O and M needs to keep it operating at that point as the sun shines.

As far as key sponsor participants go, I think there's a good diversity in this mix and I think it keeps it fresh, especially from a service provider standpoint. You have the early stage developers out there doing Phase 1. And at this point, they typically sell that to what I call an acquiring developer. They will acquire the package at NTP, they'll close on the financing, they'll lock in their EPC, they'll construct it and they'll own it. But there are also acquiring developers out there who acquire the project at mechanical completion, so once the system is fully complete. And then there's also the operational acquiring developers who acquire assets after they'd been operational, either the legacy assets that are beyond their compliance period, if they were tax equity deals and they're purchased, or they're buying up the 1% managing interest in tax equity deals. So, there's a variety there with the acquiring developers.

There are also the nonsolar developers, or I refer to them as maybe synthetic investors, so to speak. So, they want to own solar property, but they're not in the solar space. So, they can often come in at NTP or mechanically, the MC phase of the deal and acquire the ownership, but they typically have more consulting needs. They'll get development consultants, then once it's operational, they'll have asset managers who help take care of it, they'll subcontract their O and M. So, there are those developers out there. And then lastly, the corporate investors, the big Fortune 500 companies who just want to own solar property that go out and acquire mechanically complete systems and they take all the benefits themselves, if they can use it, the tax benefits and owning it. So, there's a wide variety out there. And like I said, as a service provider, it makes it really interesting for us because we get to interact with so many different folks.

[00:06:13] **Michael Novogradac, CPA:** That's a great overview, let me help, our listeners and myself to a certain extent unpack some of these concepts that you just shared with us. One, you mentioned the concept of a notice to proceed, an NTP, which is a term of art within the renewable space. Maybe find our listeners what a notice to proceed is who you get it from and why it's important.

[00:06:34] **Rob Bryant, CPA:** Well, a notice to proceed is basically just to the point in which the project is ready to proceed with its construction. It is ground-break ready and typically you get an NTP from the developer and the contractor. It's just a term used to we're ready to proceed with building the system.

[00:06:53] **Michael Novogradac, CPA:** And maybe unpack the acronym EPC.

[00:06:57] **Rob Bryant, CPA:** So EPC is engineering, procurement and construction agreement, which is a pretty term in the solar world for your general contract, so to speak.

[00:07:09] **Michael Novogradac, CPA:** It's always the acronyms. Once you know the acronyms in any area, any focused area, you kind of start to understand the industry or that area. O and M is probably more common, because that's not just for renewable energy, but you can explain what O and M is.

[00:07:25] **Rob Bryant, CPA:** Sure. O and M is the operating and maintenance of the system. That's in the phase of when it's operational, there's, especially if you put it in a big field, you have the mowing, you've got to keep the brush down in. And if you're in the Northeast, maybe going out and knocking some snow off if it snows and then there are, I don't want to pretend to be an engineer, like the electrical, but keep keeping that all up and running as well.

[00:07:48] **Michael Novogradac, CPA:** Operation and maintenance. I think we get that and then maybe discuss the interaction between a mechanical completion and place in service.

[00:07:58] **Rob Bryant, CPA:** Sure. So mechanical completion, the system is completed. It's ready to go, but there are final inspections that are done. The utility comes out and gives approvals for you to flip it on and connect to your grid. And at the point of substantial completion, there are usually some final punch-list items that need to be done in the contracts to get to that point of flipping the system on.

[00:08:19] **Michael Novogradac, CPA:** Right. That was really helpful. That was a great overview. So thank you for that. And thank you for letting me follow up with a couple of questions to expand on it.

I'm sure some of our listeners will probably now hit replay and listen again because you covered a lot and it was really thorough. So thank you for that.

So you did mention as part of your overview the early stage developer, and as I mentioned earlier in the intro, the topic of today's podcast really is to focus on the early stage developer who's considering a long-term hold of the property and not selling to another developer to actually construct a property as well as arrange the balance of the financing needed. So when a client or potential client calls you, who is an early stage developer and says they're considering a long-term hold of the property and getting involved in those next steps, what's your advice to them?

Considerations for Long-Term Hold of Property

[00:09:19] **Rob Bryant, CPA:** Well, I think there are a lot of considerations, right? I mean, you can look at your business considerations: What's your business goals or your company's goals around social and environmental impact, climate impact? So you have those considerations. Are you having a shift in your business strategy? Are you wanting to shift from selling to holding? Are you expanding your business? So there's considerations there to think about. Market risk: Five years ago, we were seeing 20-, 25-year power purchase agreements and I'm working on some transactions now that are there five years. So you have appraisals out there saying these assets are a useful life of 35 to 40 years, and you have a contracted revenue stream of only five, so there's 30 to 35 years of risk out there of what that pricing's going to be after that contracted period. So there's market risk to consider. And the big topic right now is construction risk. With supply chain issues, inflation, the extended tariffs, there are considerations around “are my costs going to go up is my completion going to be delayed?” So there's considerations there as well, but coming from an accountant, from a pure financial deal-closing perspective. I think one of the main considerations is expanding your team. The pre-NTP phase is a lot of business development, but once you move over into that project finance phase, you need strong legal, strong accounting, strong project finance teams and maybe even like a deal closer or a consultant to get you through that point. Tax equity and lenders have specific ways they want to see things and it takes a pretty strong team to get to that point.

[00:10:51] **Michael Novogradac, CPA:** And do you see many early stage developers who are interested in maybe staying in longer, maybe joint venturing, initially for the first few transactions so they can learn the rules?

[00:11:02] **Rob Bryant, CPA:** Absolutely. Yeah. They’ll joint venture with a stronger developer who has a track record of closing these transactions. So they’ll joint venture with that sponsor and I've even seen transactions with a joint venture through the construction period. That other developer’s taken a developer fee or something along those lines for helping them get through that point to where that system is complete and then they can back away and let that early stage developer hold onto the asset after that point.

[00:11:29] **Michael Novogradac, CPA:** Which seems like a good intermediate step from one extreme to the other. So thank you for that. So maybe now if you could just share some of the financing and structuring details that these early stage developers need to understand if they do go forward with retaining the development, such for example, if you could share some of the types of financing that make up the capital stack and some of the tax and equity structuring issues that they would need to become familiar with.

Financing Options; Tax and Equity Structuring Issues

[00:12:01] **Rob Bryant, CPA:** Sure. A loaded question, right?

[00:12:05] **Michael Novogradac, CPA:** That's a simple question, right? How many different types of sources of equity and financing are there and how many different types of tax equity structures are there? For a high overview. We'll mention later about our conference coming up, if you want a much deeper dive into all of these issues.

[00:12:21] **Rob Bryant, CPA:** Certainly. So a typical capital stack of a solar transaction is a combination of or all of the above of tax equity, debt financing and sponsor equity. Tax equity is essentially an investor member looking to receive the tax credits, some depreciation benefit and some cashflow streams during the investment tax credit compliance period or a five-year period. I was listening to a podcast from one of the legal firms out there in the solar industry on the tax equity market for this year and I found it interesting that in 2017, the tax equity market was $10 billion. And last year it was $20 billion. So it doubled in five years and that split is like around 50-50 between wind and solar, so let's just say $10 billion of it as solar. There is a strong market out there for tax equity. And I think the consensus around the industry is there's more tax equity available than projects that are being done right now. So, it's highly competitive. As of right now, we're seeing LOIs and deals starting for 2023 placed-in-service assets, so they're already forward looking on the tax equity market. So that's widely available.

Debt is the same way. The solar lending market has expanded exponentially over the past five to 10 years. I remember, I feel like seven, 10 years ago when I was doing these models for these transactions, there was like three or four lenders I'd ever see in these models. It was the same three or four. And now we're seeing many different players out there and the lending products have expanded, too. There's pre-NTP financing now for these early stage developers, there's construction lending, there's tax equity bridge lending, which is available because tax equity typically doesn't bring in all their money up front, they bring in an over a phase or over a milestone period, so to speak. And then there's term loans available out there for the operational phase. So, the debt is also available for these projects and one of the issues or items for early stage developers to understand is how the tax equity and debt, if you're financing with both, interplay together. Typical lenders want to underwrite a transaction based on the cashflow. Is that a typical debt service coverage ratio, they look at 1x3, 1x3.5, or something like that in a loan-to-value ratio, whereas, tax equity looks at it a little bit differently. They say, well, OK, you're underwriting on a base case scenario or a production or a P 50 scenarios is how they call it in the industry. Tax equity kind of looks at it and says, OK, what if we're operating at the worst-expected production scenario, or the P 99 scenario, we want to make sure that the debt under that scenario is fully serviced and the priority return that we're expecting as an investor member can also be satisfied. So those two parties interplay together and help them in sizing that debt. So that is one thing for a developer to consider there.

And then I guess the last piece of the capital stack is the sponsor equity. You go out and you get those two pieces, what your budget is, you know what's left over from what you have to spend to complete the project compared to what you raise from tax equity and debt. That is the sponsor equity that you're putting in the deal. And, as you mentioned earlier, there is some JV aspects going on that we're seeing in the industry, there are some investors who are, like I said, not solar developers, but they want to own solar assets. So they're coming in as a cash equity joint venture member with some of these sponsors. So that financing is also out there and available.

[00:15:47] **Michael Novogradac, CPA:** And I would just a note as a note for our listeners, but I don't want us to spend any more time on this other sources. There's also the potential for state incentives and utility incentives and the rest. So there's a whole bundle of other potential sources to make up that capital stack, which leads to a bit of the added complexity to the capital stack and once again, we'll give you more details about it at the upcoming renewable energy tax credit conference that we're hosting that will go into a lot of these other matters in more detail, but maybe jump into the tax equity structures. Just a quick overview of a handful of the structures. You can't be exhaustive. And then some level of some of these structures can be merged together and be versions of each other, if you will.

[00:16:33] **Rob Bryant, CPA:** Certainly. So, as far as the high-level view on tax equity structures and things to consider, like you said, I think we can probably do an entire podcast on maybe each one of these structures and deep dive into it, but you have the sale leaseback structure, the partnership flip structure and the lease passthrough inversion structure. Those are the three tax equity structures out there.

I would say the sale leaseback structure is probably the getting-your-toe-wet, so to speak, structure that's utilized by initial or early developers and mainly because it's pretty efficient. The tax equity is a hybrid. Tax equity is not only putting in money for the tax incentives, the credits, depreciation, but there's also a financing component to that and it's typically just one party involved in these sale-leaseback deals. It's the developer and the investor. So it has an easy, efficient closing process to it, but the one thing about it is, like I said, it's a blended investment. So it's hard for a developer to split and see the different subsidy that they're getting, either the debt financing aspect of it and the tax equity subsidy of it. So after they get a couple of these under their belt, they're usually pretty interested in going to the partnership flip structure.

And that's mainly because you have tax equity coming in and then you can go out and find your own debt and you can easily see the true cost of capital between the two components. High level, if we want to go through structure, high level a partnership flip is essentially a partnership between tax equity and the developer. Traditionally tax equity is going to own 99% of that, the developer is going to own 1% of that for the five-year compliance period of the tax credit. And then they'll flip down if it's a time-based partnership flip or there is the yield-based partnership flip where they will flip down when they hit a target IRR. Both of those are out there and widely used.

It sounds conceptually simple, right? But there are very complex tax partnership tax rules that go into it. But that's the high level of a couple of the different partnership structures. Lease passthrough is there's some tax efficiencies there, so some developers really like to utilize that structure, but I don't know how in-depth we want to go into that structure.

[00:18:49] **Michael Novogradac, CPA:** So would you say that broadly speaking they're basically sell the property, joint venture the property or lease the property? Or how would you describe the three, if you were to put them in like three different buckets at a really high level?

[00:19:08] **Rob Bryant, CPA:** For the structures? Well, in a sale lease back there's selling the property to the investor and then leasing it back to operate it and typically under the lease, there is a fair market value repurchase option. So they are handing over the asset to the investor in that structure. But after a certain period of time, they would have the option to repurchase it and own it outright, which makes it feel like more of a partnership flip structure a little bit. Because in that structure, you don't relinquish ownership. It's a joint venture partnership, right? Two partners own the asset of the partnership. After the compliance period, that investor will flip its ownership down, the sponsor developer will then take the majority ownership of that and then there's buyout options available at that point in time, too.

[00:19:53] **Michael Novogradac, CPA:** Maybe a better way of me describing it is in one scenario, the investor owns the property. In another scenario, the investor leases the property. In another scenario, the investor joint ventures with the developer and that's from an ownership structure perspective. Obviously, there's a host of other sort of agreements in place that affect the various rights of the parties. So it's not as if they're and some of those rights can be similar across the different ones, but obviously there's different bundles of rights in each of the three different structures. So it was really helpful.

So if I am an early stage solar developer and I come in and you give me sort of this advice, then obviously that's not enough advice to make the decision. So if I'm an early stage developer, what are the additional steps? What's additional information, additional services that you end up providing and or others provide for them to start to evaluate the transaction, whether or not they'll decide to stay in by themselves or joint venture with somebody else as opposed to deciding to go ahead and sell it to a more experienced developer.

Tools to Help Make a Decision

[00:21:09] **Rob Bryant, CPA:** Sure. So from an accounting perspective, I think there's a couple of key deliverables that we can provide upfront for them to help assist with their decision-making process. First and foremost is a financial forecast and I like to call that the roadmap of a transaction to get to its final destination, which is closing of its project finance. So the forecast basically, what we do is we will work with the developer to receive the developer's input for its project, any terms of its financing from its equity partners or lending partners and then we'll run that information through various schedules, which could be the project sources and uses. They can see what their capital stack looks like. We run monthly net operating income and cashflow schedules, as we know these assets they have a seasonality to it. The sun is more productive in the summer than it is in the winter. So you can see how your cash flows go up and down in those periods throughout through the financial forecast. There are complex tax partnership accounting allocation rules out there that we run various capital account and tax basis capital account schedules that they can see how the depreciation benefit and losses are flowing to the partners.

From a lender's perspective, we can run debt amortization schedules and debt service coverage ratio analysis schedules, where they can see how, if they want to sculpt their debt based upon the seasonality, they can see that on a schedule and then ultimately, we run return schedules for the various partners in the partnership. We'll run return schedules for tax equity, so they can see what their return is on the deal and we'll run return schedules for the developer themselves. So, there's just a lot of information there in one deliverable that can assist the developer in making their decisions and that would be, I would say, the first thing that we can add.

Second is probably a little bit below the forecast, but a cost segregation study. We can run through their project uses with them and assist them in segregating them in the appropriate asset classes per the revenue code. So that would be the second item that we can help with upfront.

And maybe this is a plug for our evaluation partners, but they can also assist in providing the appraisal and determining the fair market value of your system, which is utilized sometimes in the structuring of, do we want to do a mechanically complete fair market value purchase into a tax equity partnership, or if you're using the lease passthrough structure, there's a provision that allows the tax credits to be generated based on the fair market value of the system. So, I think upfront those three main services that we can provide would be very helpful.

[00:23:49] **Michael Novogradac, CPA:** That's great. And obviously and our listeners I'm sure are tuning into this and it's true for most of these incentives where we work: it's pretty important to be working with experienced professionals. Obviously, we'd encourage you to work with us at Novogradac on the accounting, tax, valuation, cost segregation, a lot of those issues, but it's also important that they have experienced legal counsel with tax credit equity, as well as lenders and the like, because you don't want to be working with a professional that hasn't done a lot of these transactions. You want to get as much redundancy across the professionals, given all of the moving pieces. It helps avoid unexpected surprises and keeps costs down.

So this has been a really helpful overview and I'm sure it's been insightful for early stage solar developers and other green energy stakeholders. But before we close, I did want you to share any other additional information you think listeners should be aware of including information about our upcoming renewable energy conference in Denver.

Additional Information

[00:25:00] **Rob Bryant, CPA:** Sure. So I think the first piece is going back to the beginning, we talked about the various sponsor participants in the deal and if you're an early stage developer and you're considering trying your hat out and holding onto these assets and if it doesn't work out, there's still a market for it later down the road. So it's not a one fork in the road decision that you're making. So I think that's one thing for an early stage developer to really understand is it's not a this or this decision. You can take this right turn and you may be able to take a left turn a little bit later down the road. And then lastly, as you mentioned, if you are strongly considering this, please join us in Denver at the conference. Especially if you want a deep dive into these structures. Our project finance primer on Wednesday is an eight-hour session where they're going to go into many of the different incentives out there, they'll dive into the structures and some of the complex tax issues. So I think those are the two ending points that I have here, Mike.

[00:26:01] **Michael Novogradac, CPA:** That's a good point about the primer on Wednesday. It's something that early stage developers can learn a lot more about these various financing structures, but also for more experienced developers, this is a good refresher and there's always a tip or two that they'll find a very useful and valuable. And obviously if they're experienced and they have teams that they're building out, it's great for those that are new to renewable energy to come and attend that. And it's a great training class and it's obviously the eight hours makes it a pretty intense training class, but it's a great way to help educate your team. So I'm sure that there's going to be some of the listeners that want to reach out to you. You've already demonstrated your expertise and they'll have questions. So if you could just share your email address for our listeners and we'll include in the show notes as well.

[00:26:52] **Rob Bryant, CPA:** Sure. It's Rob.Bryant@Novoco.com.

[00:27:02] **Michael Novogradac, CPA:** Thank you, Rob. Please stay around for our Off-Mike section.

Next Week's Podcast

First to our listeners, you can register for the Novogradac 2022 Spring Renewable Energy and Environmental Tax Credits Conference in Denver on May 19 and 20. I'll include a registration link in today's show notes, as I previously mentioned.

I'd like to encourage you to join me for next week's podcast. My guest will be my partner Tabitha Jones. Tabitha's one of Novogradac's low-income housing tax credit experts. She and I will discuss what developers and investors should know about the differences between the 4% low-income housing tax credit and the 9% low-income housing tax credit as well as insights and financing trends and strategies. And I say 4% low-income housing tax credit, but I really mean tax-exempt bond low-income housing tax credits. And that 4% credit can be part of an allocated credit, but colloquially, we call it the 4% and 9% LIHTC. And hopefully, you know what I mean. The 9% low-income housing tax credit is awarded by states through a competitive application process and the 4% tax-exempt bond low-income housing tax credit was historically thought of an automatic or almost automatic credit, as it's supplied through a state's volume cap of private activity bonds, you basically compete for the productivity bonds and you're entitled to the credit or eligible for the credit, subject to other rules. But as many of in recent years demand for private activity bonds has risen dramatically, so the accessibility of the 4% low-income housing tax credit for that through tax-exempt bonds isn't as easy as it has been in prior years and it's definitely diverse across states. There's roughly 17 to 20 states that are highly competitive and a number of states that aren't. As demand for both the 4% LIHTC and the 9% LIHTC continue to grow, it's important for affordable housing developers and investors to understand their options with each credit. And that's what we'll discuss next week.

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Off-Mike Section

So now I'm pleased to reach our Off-Mike section, where listeners can get some off-topic advice and words of wisdom from our podcast guests. So I wanted to Rob first ask you what's your favorite podcast? And of course you can't say Tax Credit Tuesday.

[00:29:41] **Rob Bryant, CPA:** You always take the obvious answer away from us, every time. No, I would say I don't necessarily have a favorite podcast. I am a huge Atlanta Braves fan, so I listened to probably four or five different Braves-specific podcasts out there. So I don't necessarily have a favorite one, but any baseball-related podcast I'm happy to listen to.

[00:30:02] **Michael Novogradac, CPA:** Any baseball-related podcasts or any Braves related baseball podcast?

[00:30:07] **Rob Bryant, CPA:** Braves, we'll say we'll do 1a and 1b, how about that? And 1a will be Braves, 1b will be any baseball-related podcast.

[00:30:14] **Michael Novogradac, CPA:** So that next question is a question I love to ask guests to help me learn: What's your best or one of your best–it's always hard to say it the best, but if you wanted to share one of the best–leadership tips that you've learned over the years?

[00:30:32] **Rob Bryant, CPA:** I would say, this is the cliché answer, right? But lead by example. I've always said that I wouldn't ask my team to do anything that I wouldn't be willing to do myself. And I started with the firm as an intern and the firm is full of a lot of hardworking individuals from interns all the way up to the partners. So, as an early professional, seeing how hard the partners that I worked for worked, it really gave me the drive to do that as well. So it was really easy to work for a leader that was working as hard as I was.

[00:31:05] **Michael Novogradac, CPA:** No, I like that. And it might be a common for people to say that, but I'm not sure it's as much common practice as people would like, but I'm a big believer in that tip. So thank you for sharing that. And lastly, what do you enjoy most about your job?

[00:31:23] **Rob Bryant, CPA:** I think it's the industries that we work in and what our clients actually do. As an accountant, it's really easy to just get into the numbers and not realize what's actually behind those numbers. Shifting over to my new markets deals that I work on, there are a lot of amazing community development projects out there and I've closed a couple of transactions where they'll do a news release or something like that and the sponsors themselves, it's heartwarming to see what they're doing in their communities. So I would say that's the number one thing I love about this job is stepping away from the numbers and actually seeing what our clients are doing.

[00:32:02] **Michael Novogradac, CPA:** Thank you. I totally agree with that. And I do find myself sometimes not stepping away often enough, because you get so wrapped up in the deadlines and getting the transactions closed and dealing with the ongoing filing requirements and audits and all the rest that it is important to take a step back and see all the good that's happening. And it's extremely rewarding and fulfilling.

So thank you again for joining me, Rob, and to our listeners. I'm Mike Novogradac. Thanks for listening.

Additional Resources

Email

Rob Bryant

Conference

Register for the Novogradac 2022 Spring Renewable Energy and Environmental Tax Credits Conference