

LIHTC Post-15 Underlying Transfer of Ownership

Overview	<p>This Factsheet is provided to summarize the basic documentation associated with an “underlying” transfer of ownership. This type of transfer usually affects Low-Income Housing Tax Credit (LIHTC) properties and may occur when the Limited Partner (or Equity Investor) exits the Limit Partnership ownership entity. Common underlying transfers that occur when the Limited Partner exits include:</p> <ul style="list-style-type: none"> ❖ Limited Partner is replaced by another entity (usually newly formed entity related to the general partner). ❖ Limited Partnership is converted to a Limited Liability Company (LLC).
Getting Started	<p>The Owner must notify OHCS of a proposed underlying transfer of ownership for Properties that received LIHTC. Notifications in writing or by email are acceptable. OHCS will respond to the notification in writing detailing the proposed change to the ownership entity as provided by the Owner.</p> <p>Notification needs to include the following basic information:</p> <ol style="list-style-type: none"> (1) Exact entity name of exiting Limited Partner (2) Name of entity replacing Limited Partner (3) Name of new LLC (if applicable) (4) Organizational chart after change of ownership (5) Verification new entity has filed with Oregon Secretary of State (if applicable)
OHCS Response	<p>Upon notification, OHCS will review the information provided, plus review documentation related to all resources from the Department for the Property affected. OHCS will respond in writing regarding the notification. So that Owners will be aware of any potential documentation issues, the OHCS letter may include OHCS findings. Follow-up on findings will not delay a response regarding the proposed underlying transfer notification.</p>
For more information, please contact:	<p>Dolores Vance, Portfolio Loan Officer Salem: (503) 986-0966 Email: dolores.vance@oregon.gov</p> <p>Sherene Dennis, Asset Management Specialist Salem: (503) 986-0956 Email: sherene.dennis@oregon.gov</p>