

Tax Credits & Grants - Refinance

Factsheet

Overview

This factsheet is provided to summarize the required documentation associated with a refinance of a property that received resources from OHCS, including Low-Income Housing Tax Credits (LIHTC), Oregon Affordable Housing Tax Credits (OAHTC) and various grant program resources. Owners of affordable housing occasionally refinance their primary loan to reduce operating expenses. Owners are encouraged to contact OHCS as soon as they begin the refinance process. As a condition to funding of the new Loan it is common for lenders to request certain forms of document(s) from OHCS.

If a transfer of ownership is also involved, refer to the Tax Credits & Grants Transfer of Ownership Factsheet for more information.

Getting Started

To start the refinance documentation process, provide the following:

- 1) Complete submission of refinance request with all required document uploads. [Ownership Refinance Submission Form \(Click Here\)](#)
 - 2) Clarify if refinance includes payment-in-full of any OHCS loans.
 - 3) Preliminary Title Report, including escrow agent contact information.
 - 4) Lender Term Sheet, including lender contact information.
 - 5) Confirm all required financial reports have been submitted and upload YTD financial reports with form submission.
 - 6) Upload rehabilitation plan, scope of work, and schedule. (If applicable)
- **OHCS requires a minimum 90-day notice PRIOR to the estimated closing date.**

OHCS Response

OHCS will provide the necessary documents to cover the resources provided by OHCS as required by the new lender. Depending on the document(s), OHCS, Lender and/or Owner/Borrower may be required to sign. Draft documents will be provided to the Owner and/or Lender as soon as they are available. Final versions of the documents are subject to legal sufficiency review by the Department of Justice (OHCS' attorney). The OHCS documents have been standardized and are not generally open to modification. Any legal costs incurred by OHCS for modification will be billed and payable at closing. Once legal sufficiency is obtained, the original document(s) will be signed by OHCS and submitted to escrow agent for execution by the parties. Documents can be counter-signed if prior approval granted by OHCS.

Common refinance documents include:

- ❖ Subordination Agreement
- ❖ HUD Rider
- ❖ Release of OHCS loan instruments and other related documents
- ❖ If applicable, amendments to existing documents

- ***There is a \$750 document preparation charge applicable for a Subordination Agreement. Legal costs for modification to standard documents are in addition to this charge.***

For More Information, please contact:

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