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**Assessment of the Low
Income Housing Tax
Credit (LIHTC) Program
After 15 Years**

C-CHI-01025, TO001

**OMB Paperwork Reduction
Act Submission**

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Prepared for

Regina C. Gray, Ph.D.

Social Science Analyst

Affordable Housing Research and
Technology Division

Office of Policy Development and
Research

U.S. Department of Housing and Urban
Development

451 7th Street, SW, Room 8132

Washington, D.C. 20410

Prepared by

Abt Associates Inc.

55 Wheeler St

Cambridge MA 02138



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Part A. Justification

A1 Circumstances That Make the Collection of Information Necessary

The Low Income Housing Tax Credit (LIHTC) was enacted in 1987 and has been in existence for more than 20 years. The LIHTC has become the federal government's largest program that subsidizes the development of affordable rental housing and has produced more than 1.8 million units, making it substantially larger than public housing. Rental housing produced using tax credits have use restrictions: the housing must be occupied by low income renters, usually those with incomes less than 60 percent of area median income, and they must be charged rents no greater than a program maximum, usually 18 percent (i.e., 30 percent of 60 percent) of area median income.

The LIHTC program is funded by the federal government through federal income tax credits that may be taken by investors in affordable housing, calculated as a percentage of "eligible basis" of a property's development costs over a period of 10 years. The tax credit is not an entitlement, but instead is subject to a ceiling controlled through annual per capita allocations of tax credit authority to the states by the Internal Revenue Service.

The U.S. Department of Housing and Urban Development (HUD) has overall responsibility for housing policy for low income renters within the federal government, but has a limited relationship to the LIHTC program. From the outset of the LIHTC program, policy-makers have been concerned about the period of time during which tax credit properties would continue to provide affordable housing. Mindful of the "preservation crisis" for the HUD multifamily assisted properties that was becoming evident in the earliest years of the LIHTC program, Congress in 1989 and 1990 changed the law governing the period of restricted use from 15 years to 30 years. Properties with LIHTC allocations prior to 1990 are subject to a 15 year period of restricted use. Those with allocations beginning in 1990 are subject to an additional 15-year restricted use period, for a total of 30 years. However, the owner of a LIHTC property can elect to leave the program by asking the HFA to find a purchaser for the property who would retain it use restrictions. The "qualified purchaser" must be offered the property at a sales price specified by formula. If the HFA finds no such purchaser, the original owner or a new owner to whom the property may be sold is no longer required to comply with tax credit rules. Since properties with allocations of tax credits made in 1990 and have only recently begun to pass their 15-year mark, experience with this process is limited. Properties that were placed in service during the earliest years of the LIHTC program have now passed their 15 year mark. As of the end 2009, 10,634 properties with 374,675 units will have been placed in service 15 years ago or more.¹

HUD has commissioned this study, an *Assessment of the LIHTC Program After 15 Years*, in order to understand whether projects that reach the 15 Year mark are remaining affordable, what types of properties are or are not remaining affordable, and what major factors contribute to these outcomes. The answers to these questions will help inform future policy and program design for affordable housing nationwide. HUD believes that this study will also be of great interest to people actively

¹ Source: HUD National LIHTC Database, 1986-2006.

working with tax credits, including syndicators, owners, investors, financial institutions, and public agencies.

The majority of LIHTC properties have complex ownership structures that include a managing general partner or “owner” and limited partners who buy ownership shares in the property so that they can take the tax credit and whose interests are represented by the syndicator of the tax credits. Some syndicators are for-profit companies, while others are entities set up to find limited investors for projects sponsored by non-profits. In addition, some projects are sold directly to large investors, with Fannie Mae an important example.

This study is designed to synthesize data through three main sources involved with the LIHTC Program to better assess the possible fates of tax credit units that reach the 15 year mark. The first source is a review of data from state tax credit allocation agencies. These data, submitted regularly to HUD for inclusion in the HUD National LIHTC Database, will provide the number of tax credit properties placed in service as well as basic characteristics and where available, locational data on tax credit properties. Second are in-depth interviews and site visits with approximately 4-5 syndicators active in the earliest years of the LIHTC Program. Third is a survey of approximately 40 tax credit owners. Owner entities play key roles in the maintenance and disposition of tax credit properties, making the final decisions on next steps with a property once it reaches the 15 year mark. Through the owner survey, project staff will learn more about the decision process undertaken when LIHTC projects reached the 15 year mark, gathering information on whether projects were sold and whether projects continued as affordable rental housing.

A2 How and by Whom the Data Will Be Used

A2.1 Project Overview

The study to assess the LIHTC Program after 15 years will document and analyze what has happened to tax credit projects that have reached the 15 year mark. At the 15 year mark, these projects have options that affect continuation as an affordable rental property. This study will use data from three main sources to get varied perspectives of the 15 year issue for tax credit properties. The first data source includes a review of data in the HUD National LIHTC Database. This source will provide basic descriptive and locational characteristics of tax credit projects. A second source of data will be in-depth interviews and site visits with tax credit syndicators. Interviewees may also include tax credit investors and brokers. The interviews will help to describe issues around the financial processes for tax credit projects at the 15 year mark. The third source of data is an owner survey. Through interviews with approximately 40 owners, the data will be used to describe the issues and decision-making process owners face as their tax credit projects reach the 15 year mark.

The **Owner Survey** is the subject for this request for approval. The HUD National LIHTC Database is an existing data source. The interviews with syndicators will not include a formal survey, and because respondents will be limited to less than ten, the interview guide is not subject to OMB approval. We have described these data collection elements because of their role in the study design and analysis.

A2.2 Purpose of the Data Collection

The goal of the LIHTC 15 Year Study is to document issues, processes, and options that relate to tax credit properties faced with the option to discontinue operating as affordable rental housing. It will provide HUD with data on the extent to which tax credit properties have continued or ceased to operate as affordable rental housing, and the outcomes for properties and residents under both scenarios. The study will also provide insight on the decision process owners face when their tax credit properties reach the 15 year mark.

A2.3 Who Will Use the Information

HUD will consider the information and findings as they formulate policy on affordable housing preservation.

A2.4 Instrument Item-by-Item Justification

Exhibit A-1 summarizes the respondents, content and reasons for inclusion for each section and sub-section of the Owner Survey. Appendix A provides an item-by-item justification of each survey question. A copy of the complete survey is provided in Appendix B.

A3 Use of Improved Technologies

The Owner Survey will be administered using CheckBox Online Survey software. CheckBox is a user-friendly survey tool through which researchers can replicate the survey into data entry screens to use while administering surveys. Data are entered into an electronic database as the survey is being conducted. Abt has successfully used this technology to conduct both internal and external surveys.

A4 Efforts to Avoid Duplication

As part of the design process for the study, the contractor has conducted a review of literature regarding LIHTC properties that have reached the 15 year mark. There have been studies that involved discussions with syndicators, and there was a study that included a survey with LIHTC property owners. These studies were completed over ten years ago. HUD is unaware of any other studies for which this study represents a duplicate research effort.

A5 Involvement of Small Entities

Respondents to the Owner Survey will include owners of rental properties. These owners could include small property-ownership entities.

A6 Consequences of Less Frequent Data Collection

The Owner Survey will be completed once only. There is no additional data collection from individuals or entities.

Exhibit A-1. Respondents, Content, and Reason for Inclusion by Survey and Section and Sub-Section

Survey Section	Sub-Section	Respondents, Content, and Reason for Inclusion
I. Screening and Basic Property Information		Respondents: All respondents.
	N/A	<p>Content:</p> <ul style="list-style-type: none"> • Screener questions to ensure that the respondent is the owner or representative of the owner of the subject rental housing property • Descriptive information on the property, including size (number of units), financing sources, sponsor type, construction type, and year placed in service. • Screener questions to determine whether the property continues to be monitored for compliance with LIHTC rules (Prog) or if the property is no longer monitored for compliance with LIHTC rules (Nonprog). • Screener questions to determine whether the respondent was the owner when the property was originally placed in service with tax credits (Continuing owner) or became the owner some time after the property was originally placed in service with tax credits (New owner). <p>Reason: The screener questions are necessary to ensure that the respondent is the correct person of interest. Basic property information will provide descriptive property characteristics and also filter for properties that received specific types of financing. The screener questions also classify the owner and the property and determine the correct survey section for the respondent.</p>
II. Nonprog/Continuing Owner		Respondents: Owners of LIHTC properties that are no longer monitored for compliance with LIHTC rules. These were the owners when the property was originally placed in service with tax credits.
	How and why left program	<p>Content:</p> <ul style="list-style-type: none"> • Description of the procedures undertaken to end the compliance monitoring relationship with the state housing finance agency (HFA). • Decision process, reasons, and financial concerns behind converting the property to a market rate property. • Reasons for keeping the property affordable <p>Reason: To provide descriptive information on how a property may end its monitoring relationship with the HFA and the reasons behind leaving the monitoring relationship. To provide reasons behind the decision to take these properties to market or continue operation as an affordable rental property.</p>
	Current status of project	<p>Content:</p> <ul style="list-style-type: none"> • Rent schedules and other financial data for the property. • Possible plans to apply for a new allocation of tax credits. <p>Reason: To provide information on the resulting and current financial situation of the property. To provide information on whether a new allocation of tax credit is being considered or planned for.</p>
	Plans for other LIHTC properties	<p>Content:</p> <ul style="list-style-type: none"> • Owner plans for other LIHTC properties. <p>Reason: To provide information on whether other LIHTC properties will be the subject of ending the monitoring relationship with the HFA and what the owner plans are for taking the property to market or continuing as an affordable rental property.</p>

Exhibit A-1. Respondents, Content, and Reason for Inclusion by Survey and Section and Sub-Section

Survey Section	Sub-Section	Respondents, Content, and Reason for Inclusion
III. Nonprog/New Owner		Respondents: Owners of LIHTC properties that are no longer monitored for compliance with LIHTC rules. These were not the owners when the property was originally placed in service with tax credits.
	Leaving the program and changing ownership	Content: <ul style="list-style-type: none"> • Description of the procedures undertaken to end the compliance monitoring relationship with the state housing finance agency (HFA). • Description of the procedures undertaken to change property ownership. • Information on the relationship of the former and current owner entities and investors. Reason: To provide descriptive information on when and how a property may end its monitoring relationship with the HFA. To provide descriptive information on the property sale process and the owner entities and investors involved with the change in ownership. To explore when and how the decision to change ownership was made.
	Repositioning the Property	Content: <ul style="list-style-type: none"> • Description of procedures undertaken while converting the property from affordable to market rate. • Description of repairs needed since the property reached the 15-year mark. • Decision process, reasons, and financial concerns behind converting the property to a market rate property. • Role of public and local organizations in the completing the property conversion • Possible reasons to have kept the property affordable Reason: To provide descriptive information on how the property was repositioned and converted to a market rate property. To explore the decision process behind market conversion.
	Current status of the project	Content: <ul style="list-style-type: none"> • Rent schedules and other financial data for the property. • Possible plans to apply for a new allocation of tax credits. Reason: To provide information on the resulting and current financial situation of the property. To provide information on whether a new allocation of tax credit is being considered or planned for.
	Plans for other LIHTC properties	Content: <ul style="list-style-type: none"> • Owner plans for other LIHTC properties. Reason: To provide information on whether other LIHTC properties will be the subject of ending the monitoring relationship with the HFA and what the owner plans are for taking the property to market or continuing as an affordable rental property.
IV. Prog/Continuing Owner		Respondents: Owners of LIHTC properties that continue to be monitored for compliance with LIHTC rules. These were the owners when the property was originally placed in service with tax credits.
	Remaining in the program	Content: <ul style="list-style-type: none"> • Reasons for continuing the monitoring relationship with the HFA under LIHTC rules • Reasons for not leaving the program and converting to a market rate property. Reason: To provide information on the reasons why properties would continue as an affordable rental property.

Exhibit A-1. Respondents, Content, and Reason for Inclusion by Survey and Section and Sub-Section

Survey Section	Sub-Section	Respondents, Content, and Reason for Inclusion
	Current status of the property	<p>Content:</p> <ul style="list-style-type: none"> • Description of changes in residential use, tenant mix, targeting to specific populations. • Rent schedules compared to when project was initially placed in service and other financial data for the property. • Description of any refinancing since the 15-year mark. • Description of repairs needed since the property reached the 15-year mark. • Potential plans for selling the property or applying for a new allocation of tax credits. <p>Reason: To provide information on the resulting and current status of the property. To explore the possibility of a change in status through sale or a possible new allocation of tax credits.</p>
V. Prog/New Owner		<p>Respondents: Owners of LIHTC properties that continue to be monitored for compliance with LIHTC rules. These were not the owners when the property was originally placed in service with tax credits.</p>
	Changing ownership	<p>Content:</p> <ul style="list-style-type: none"> • Description of the procedures undertaken to change property ownership. • Information on the relationship of the former and current owner entities and investors. <p>Reason: To provide descriptive information on the property sale process and on the owner entities and investors involved with the change in ownership. To explore when and how the decision to change ownership was made.</p>
	Remaining in the program after sale	<p>Content:</p> <ul style="list-style-type: none"> • Reasons for continuing the monitoring relationship with the HFA under LIHTC rules • Reasons for not leaving the program and converting to a market rate property. <p>Reason: To provide information on the reasons why properties would continue as an affordable rental property.</p>
	Current status of the property	<p>Content:</p> <ul style="list-style-type: none"> • Description of changes in residential use, tenant mix, targeting to specific populations. • Rent schedules compared to when project was initially placed in service and other financial data for the property. • Description of any refinancing since the 15-year mark. • Description of repairs needed since the property reached the 15-year mark. • Potential plans for selling the property or applying for a new allocation of tax credits. <p>Reason: To provide information on the resulting and current status of the property. To explore the possibility of a change in status through sale or a possible new allocation of tax credits.</p>
VI. Owner View of Neighborhood and Market (all respondents)		<p>Respondents: All respondents.</p>
	N/A	<p>Content:</p> <ul style="list-style-type: none"> • Description of subject property's neighborhood • Description of real estate market conditions in which the property is located, including physical and security concerns. <p>Reason: To provide information on local area conditions that may have factored into the owners' property and real estate disposition decision.</p>

A7 Special Circumstances

The proposed data collection activities are consistent with the guidelines set forth in 5 CFR 1320.6 (Controlling Paperwork Burden on the Public—General Information Collection Guidelines). There are no special circumstances that require deviation from these guidelines.

A8 Consultations Outside the Agency

In accordance with 5 CFR 1320.8 (Paperwork Reduction Act of 1995), HUD published a Notice of Proposed Information Collection in the Federal Register announcing the agency's intention to request an OMB review of data collection activities for the LIHTC 15 Year Study. The notice was published on **[INSERT DATE, PAGE, VOL., NO.]**. A copy of this notice is included with this Information Collection Request (ICR).

HUD's contractor, Abt Associates, Inc, developed this data collection instrument with input from HUD's Office of Policy Development and Research staff, and Abt's subcontractors VIVA Consulting..

A9 Payments to Respondents

There will be no use of incentive payments for this survey.

A10 Arrangements and Assurances Regarding Confidentiality

HUD's contractor, Abt Associates, takes seriously the responsibility to protect the subjects they interview. The data collection plan and survey instrument are being reviewed by Abt Associates' Institutional Review Board (IRB) to help ensure appropriate protection.

To protect the confidentiality of respondents, the findings from the study will be reported only at the aggregate level, and responding survey participants will not be identified in the study reports.

A11 Sensitive Questions

The Owner Survey does not contain any especially sensitive questions. If an owner experienced difficulties with a business relationship or financial hardship as a result of involvement with the LIHTC program, the survey respondent may be sensitive to questions about their tax credit ownership. Interviewers will be trained to be empathetic to respondents' concerns and to remind respondents during the interviews that their responses will be kept confidential.

A12 Estimate of Annualized Burden Hours

Exhibit A-1 provides information on the estimated time necessary to complete the data collection for each Owner Survey. Total burden for data collection for the study is estimated at 240 hours.

Exhibit A-1. Response Burden Summary

A	B	C	D	E
			Total Respondent Burden (Minutes)	Total Respondent Burden (Hours)
Data Collected	Number of Respondents	Burden per Respondent (Minutes)	(B*C)	D/60
Owner Survey	40	60	2,400	40

A13 Estimated Record Keeping and Reporting Cost Burden on Respondents

There is no cost to respondents other than the time required to respond to the survey.

A14 Estimated Cost to the Federal Government

The direct and indirect costs for a contractor to collect this information from the Owner Survey for the Office of Policy Development and Research at HUD are \$48,562. The total direct and indirect costs for a contractor to complete all data collection and analysis for this study for the Office of Policy Development and Research at HUD are \$499,714.

A15 Reasons for Changes in Burden

This submission to OMB is a new request for approval; there is no change in burden.

A16 Tabulation Plan, Statistical Analysis, and Study Schedule

Tabulation Plan and Statistical Analysis

The information collected as part of the proposed survey will be used in conjunction with tabulations from the HUD National LIHTC Database and data from in-depth interviews of tax credit syndicators and brokers to describe what has happened to low income housing tax credit properties as they reached the end of their tax credit compliance period. For properties that received a tax credit allocation before 1990, the end of their tax credit compliance period is at the 15 year mark. Properties that received allocations after 1989 have a 30 year compliance period, but they have options regarding the disposition of the property and continuation in the LIHTC Program at the 15 year mark.

The study includes research questions that align with four primary areas of inquiry:

- **What happened?** How many properties left the LIHTC program? How many stayed in? The answers to these questions will help policy-makers assess the extent of LIHTC properties leaving the stock of affordable housing, the importance of developing tools for

addressing it, and how to design use restrictions for future programs. These questions will be addressed using the HUD National LIHTC database, and will be displayed in table form, with numbers of properties and characteristics by year. Descriptive characteristics for which properties will be analyzed include project size (number of units), construction type, presence of a nonprofit sponsor, presence by types of funding, and targeting to specific populations. Locational characteristics by which properties will be analyzed include distribution by census region, distribution by metropolitan type, and location by neighborhood characteristics.

- **Why did it happen?** Which types of properties left the LIHTC program? Which types of properties remained under monitoring by HFAs for compliance with program rules? What were the owners' motivations for leaving or staying? The answers to these questions will help policy-makers target preservation resources on particular types of properties and devise mechanisms for preservation most suited to altering the financial or other incentives. These questions will be addressed using information from the owner survey and the in-depth interviews. The responses will be primarily in narrative form, with a number of tables summarizing survey data on characteristics of properties that are still being monitored and those that are not.
- **What was the result?** How are the properties that remained in the LIHTC program performing? What are the implications of properties leaving the LIHTC program for the rental market - that is, for the availability of affordable housing for low-income renters? Did some properties that formally left the LIHTC program nonetheless continue to provide affordable housing? The answers to these questions will help policy makers design preservation approaches for both LIHTC and future programs that are best tailored to providing and maintaining access to quality, affordable housing for low income families and individuals over time. These questions will be addressed using information from the owner survey and the in-depth interviews. The responses will include tables summarizing the financial performance and provision of affordable housing (property rents relative to local rents and local incomes).
- **How did it happen?** What was the process for leaving the LIHTC program? How did restructuring the ownership, refinancing the property, and/or selling the property relate to whether the project continues to be monitored by the HFA, whether the property continues to provide affordable rental housing, and whether the property is performing well financially? These questions will be addressed using information from the owner survey and the in-depth interviews. The responses will be primarily in narrative form, with a number of tables summarizing survey data on characteristics of properties that are still being monitored and those that are not.

Study Schedule

Under the current study schedule, the property Owner Survey data collection will last approximately three months. The data collection from LIHTC property owners will begin in August 2010 and end in October 2010. The analysis of these data will be carried out from October 2010 to January 2011. The final report will be prepared from February 2011 to March 2011.

A17 Expiration Date Display Exemption

All data collection instruments will prominently display the expiration date for OMB approval.

A18 Exceptions to Certification

This submission describing data collection requests no exceptions to the Certificate for Paperwork Reduction Act (5 CFR 1320.9).

Part B. Statistical Methods

B1 Potential Respondent Universe

The potential respondent universe for the Owner Survey for the LIHTC 15-year study includes owners of LIHTC projects placed in service from 1987 to 1994. Owners will be excluded from the potential universe if their LIHTC project includes either Rural Housing Service (RHS) Section 515 loans or project-based Section 8 rental assistance. Properties with RHS Section 515 loans were more typical of the earliest LIHTC projects and their outcomes would not be useful for future policy-making. Properties with project-based Section 8 rental assistance receive rental subsidies to cover projects costs. Survey questions regarding whether a property continues to provide affordable rental housing and regarding financial performance would have more relevance for understanding a capital-subsidy program like the LIHTC if the property did not have a stream of project-based rental assistance.

From the most recently updated HUD National LIHTC Database,² there were 10,910 projects placed in services from 1987 to 1994. Of these projects, 2,532 projects had RHS Section 515 loans, 105 projects had project-based rental assistance, and 37 projects had both. After excluding the projects with RHS Section 515 loans or project-based rental assistance, there are 8,236 LIHTC projects whose owners comprise the potential respondent universe for the Owner Survey.

B2 Statistical Methods

Owners selected to respond to the Owner Survey will be selected based on a profile of LIHTC projects placed in service from 1987 to 1994. The profile will be created from tabulations using the most recently available and updated HUD National LIHTC Database. While the owners selected to respond to the Owner Survey will be based on a profile of properties, the selection will not be based on a statistical sample. Selection will be done to best gather information for specific properties, thereby providing a more complete story focused on the specific properties.

B2.1 Sampling Plan

The owners selected to respond to the Owner Survey will not be based on a statistical sample. In previous research using a survey of LIHTC owners completed over 10 years ago, researchers faced a high rate of refusal, with nearly one third of owners contacted refusing to participate in the survey.³ To facilitate participation with the study and to provide more meaningful data for analysis, owners of LIHTC properties will be recruited based on their connection and referral by tax credit syndicators.

The selection of owner respondents will be based on a profile of LIHTC projects placed in service from 1987 to 1994. The profile, with categories based on descriptive and locational characteristics,

² The most recent HUD National Low Income Housing Tax Credit (LIHTC) Database includes projects placed in service from 1987 to 2007.

³ Abravanel, M.D., Johnson, Jennifer E.H. 1999. *The Low-Income Housing Tax Credit Program: A National Survey of Property Owners*. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.

will be created from tabulations using the most recently available and updated HUD National LIHTC Database. The project profile will be shared with the approximately 4-5 syndicators who will be interviewed for the study. Syndicators will recommend properties and owners who fit into profile categories, and study staff will review the recommendations and follow up with owners for recruitment. This non-statistical sample and selection method will allow analysis to be focused around specific properties for which data have been collected through syndicator interviews and the Owner Survey.

B2.2 Justification of Level of Accuracy

For reasons noted above, the owners selected to respond to the Owner Survey will not be based on a statistical sample. Justification of Level of Accuracy is not applicable for this Owner Survey.

B3 Maximizing Response Rates

Based on previous research using a survey of LIHTC owners completed over 10 years ago, initial response rates may be low. In this study, researchers will try to maximize response rates by working with syndicators and investors to identify owners who will likely be willing to participate in this study.

B4 Tests of Procedures or Methods

Early drafts of the instrument have been reviewed by HUD personnel, Abt Associates staff, and VIVA Consulting staff in order to ensure that the instrument is clear, flows well, and is as concise as possible. In addition, the Owner Survey instrument submitted in this package will be tested with up to nine respondents.

B5 Statistical Consultation and Information Collection Agents

HUD has contracted with Abt Associates, Inc. and VIVA Consulting to conduct the data collection. The data collection procedures will be similar to those used in other surveys conducted by Abt Associates. The HUD Government Technical Representative (GTR) reviewed all the procedures and had them reviewed by other subject matter experts at HUD. If there are any questions about this submission, please call either the HUD GTR, Regina Gray (202-402-2876) or the Abt Associates Principal Investigator, Jill Khadduri (301-634-1735).

APPENDIX A.

Owner Survey

LIHTC 15-YEAR STUDY: OWNER SURVEY

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I. SCREENING AND BASIC PROPERTY INFORMATION (ALL RESPONDENTS)

I-1. Are you/is your company the owner of [name of property] at [address of property]?

YES

IF YES, CURRENT OWNER: If the current owner, were you also the owner of the property when it was originally placed in service under LIHTC?

YES, CONTINUING OWNER

NO, NEW OWNER

If address is wrong, enter correct address:

NO

IF NO, NOT CURRENT OWNER: If not the current owner, were you the owner when the property was first placed in service?

YES, owner when property was first placed in service (NEW OWNER)

NO

*If neither current nor former owner, **terminate** the interview. Ask if the respondent can give you name and contact information for current or former owner and try to interview.*

Based on these questions, determine whether to treat this as a NEW OWNER property or a CONTINUING OWNER property when asking further questions. Note that even if you're talking to the old owner, you should treat the property as a NEW OWNER property if it has a new owner. But try to talk to the new owner, if possible.

NEW OWNER

CONTINUING OWNER

I-2. Are you/is your company either the sole owner of the property or the general partner or sponsor of an ownership entity that also includes limited partners?

YES, sole owner or the GP or sponsor

NO

IF NO, not the sole owner or the GP, confirm that the respondent is in a position to discuss the property's status and decisions made about it. If not a good informant, ask for name and contact information for someone more appropriate.

I-3. My information shows that this property was placed in service in [year]. Is that correct?

YES

NO, Correct placed in service year _____

*If placed in service later than 1994, ask if the property was originally placed in service 1994 or earlier under an earlier allocation of LIHTC. If so, confirm or record both that date and the new PIS date; **terminate** and find a replacement property.*

I-4. My information also shows that this property [is no longer monitored by [name of HFA] for compliance with LIHTC rules/ continues to be monitored by [name of HFA] for compliance with LIHTC rules]. Is that correct?

YES, property is no longer monitored by HFA for LIHTC compliance

NO

Correct answer if needed, code the project PROG or NONPROG and use that to determine which further questions to ask (whether to use Section II, III, IV, or V).

PROG

NONPROG

I-5. My information shows that when the property was placed in service in [year] it **did not** have a Rural Housing Service Section 515 loan. Is that correct?

YES, there was no Section 515 when placed in service

IF YES, Did the property get a 515 loan at some time after the original placed-in-service date?

YES

NO

*Go on with the interview if got a 515 loan after original PIS or if property is NONPROG. Otherwise, **terminate** and find a replacement property.*

NO

IF NO, that is, the property had a RHS 515 loan when placed in service; **terminate and find a replacement property.**

I-6. My information shows that the property did not have project-based Section 8 subsidies or subsidies from a similar state or local project –based rental assistance program? Is that correct?

YES, there was no project-based Section 8 or similar

IF YES, Was Section 8 or other rental assistance attached to the property after the original placed-in-service date?

YES

NO

Go on with the interview if got rental assistance after original PIS

NO, there was project-based Section 8 or similar

IF NO (i.e., there was rental assistance), **terminate** if PROG and find a replacement property; if NONPROG, go on with the interview

I-7. My information shows that the property had x units, including: [unit distribution by number of bedrooms]. Is that correct?

YES

NO (ask for the correct unit count and enter it here)

I-8. When originally placed in service, was the property targeting any particular population group —e.g., elderly, special needs?

YES

IF YES, what group? _____

NO

I-9. My information shows that the property was [new construction/rehabilitation]. Is that correct?

Note to interviewers: if a new owner does not know answers to some of these historical questions, you may have to seek an interview with the original owner. For data filled in from HFA records, accept the HFA information if new owner does not know.

YES

NO (corrected answer) _____

IF REHAB:

I-9a. Was the property converted from non-residential to residential use?

YES

NO

I-9b. Was the tax credit taken on acquisition costs or just on rehab?

ACQUISITION COSTS

JUST ON REHAB

I-9c. Was the rehab substantial or light?

SUBSTANTIAL

LIGHT

I9c1. Was it more than \$20,000 per unit?

YES

NO

I-10. My information shows that the sponsor of the property was a [for profit/non profit]. Is that correct?

YES

NO (corrected answer)

I-10a. Approximately how many units does the sponsor now own, altogether, including this property?

_____ Number of Units

I-10b. [If not sure of total units], was the sponsor an owner of more than 100 units? More than 400 units?

MORE THAN 100 UNITS

MORE THAN 400 UNITS

I-10c. If the sponsor was some other type of owner, please explain.

I-11. My information shows that the tax credit allocation/award for the property was made in [year]. Is that correct?

YES

NO (corrected answer) _____

I-12. When this property was financed under LIHTC, was it syndicated, sold to one or more corporate investors, or sold to individual investors?

SYNDICATED

IF SYNDICATED, Can you tell us the name of the firm which syndicated the tax credits in the property?

Name of Firm _____

CORPORATE INVESTORS

IF CORPORATE INVESTORS, Can you tell us the name(s) or the corporate investors?

Name of Firm _____

INDIVIDUAL INVESTOR FUND

IF INDIVIDUAL INVESTOR FUND, Can you tell us the name of the fund?

Name of Fund _____

I-13. Since the original LIHTC allocation was made [before 1990/after 1989], this property [was able to leave the program after 15 years with no further restrictions required by the Internal Revenue Service/was able to leave the program after 15 years but additional use restrictions applied up to year 30]. Is that correct?

- YES
- NO

Code as 15 year property or 30 year property and use that designation when choosing some of the questions in the following sections.

- 15 YEAR PROPERTY
- 30 YEAR PROPERTY

I-14. What financing was used in the original financing in addition to tax credits? For example, did it use HOME funds, CDBG funds, state or local own source funds, charitable funds, was it an RTC sale?

I-14a. Did any of these funding sources require longer terms of affordability than 15 years? Please explain.

I-14b. Were there any other regulatory restrictions on the length of time during which the property would be subject to affordability restrictions? For example, was there a land use restriction agreement? Please explain.

II. NONPROG/CONTINUING OWNER (PROPERTIES ONLY)

How and Why Left Program

II-1. How did you come to stop reporting data on compliance with LIHTC program rules to the HFA? How did that work? What notifications or approvals did you need? How long did it take? *[May have to explain that we're defining leaving the program as being no longer subject to LIHTC use restrictions and no longer reporting to the HFA]*

II-1a. [30 year properties] How were you able to leave the program if subject to the extended, 30-year use restrictions?

II-2. Have you taken all or part of the property to market since leaving the program—that is, have you altered the income mix of tenants, did you raise the rents beyond what LIHTC would have permitted, did you convert the property to condos rather than rental housing? Was all or any part of the property demolished or converted to non-residential use? Please explain. *If not taken to market, skip to question II10, but come back here if you decide later if the property was taken to market.*

II-2a. Was all or part of the property changed?

II-2b. Did taking the property to market include changing the target population—e.g., no longer intended to serve elderly, special needs, families, if one of those was the original target population?

II-3. Please describe how the decision to take the property to market was made. For example, who participated in this decision and how did that play out? Was the decision made when the property was first placed in service under LIHTC, as 15 years approached, at a later time?

II-4. What were the reasons for conversion? For example, was it done because of market opportunities (higher rents/more cash flow), to convert of the property to other residential or non-residential use? Were there other financial reasons, such as loss or change of rent subsidies or other financing? Please explain.

II-5. Did the conversion include refinancing? Did the property have unmet capital needs? What role did that play in the decision to convert? Please explain.

II-6. Were any approvals needed from the HFA, other public agencies, or other financing entities to change the use of the property? Were any approvals needed from local government? If so, explain how they worked.

II-6a. Did the HFA try to persuade you to keep the property affordable?

YES

IF YES, how?

NO

II-6b. Did you modify your plan as a result of their efforts?

YES

IF YES, how?

NO

II-7. Did local government try to influence the changes?

YES

IF YES, how?

NO

II-8. Did local community organizations and/or residents of the property play a role in the decision-making or approvals? Please explain.

II-9. Are there any circumstances in which you would have kept the entire property affordable rental housing? Please explain.

II-10. If you have not taken the property to market, why not? For example, rents already at market, sponsor mission, influence of local government or community groups. Explain what influenced your thinking and how.

Current Status of the Project

II-11. If the property has remained rental, what is the current residential rent schedule for the property?

RENTS FOR 0 BR UNITS _____

RENTS FOR 1 BR UNITS _____

RENTS FOR 2 BR UNITS _____

RENTS FOR 3 BR UNITS _____

RENTS FOR 4 BR UNITS _____

RENTS FOR OTHER _____

II-12. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?

YES

NO

II-13. Do you plan to request a new allocation of LIHTC?

YES

IF YES:

V-13a. When?

V-13b. Why?

V-13c. How will you go about doing that?

V-13d. Do you think you will succeed?

YES

NO

NO

Plans for Other LIHTC Properties

II-14. If you have other LIHTC projects which have not yet reached 15, do you think you will leave them under HFA monitoring or try to leave the LIHTC program? Will convert the properties to market or leave them affordable? Why?

III. NONPROG/ NEW OWNER (PROPERTIES ONLY)

Leaving the Program and Changing Ownership

III-1. What year did the property change ownership?

_____ YEAR

III-1a. Was that before or after the property passed its 15 year date?

BEFORE

AFTER

III-2. Was leaving the program [no longer being subject to LIHTC use restrictions and reporting to the HFA] part of changing ownership or done before the ownership was changed?

Note to interviewers: if the new owner does not know the answer to some of these historical questions, you may have to seek an interview with the original owner.

PART OF CHANGING OWNERSHIP

DONE BEFORE CHANGING OWNERSHIP

IF BEFORE CHANGING OWNERSHIP:

III-2a. How did that work? What notification or approvals were needed?

III-2b. How long did it take?

III-2c. **[30 YEAR PROPERTIES]** How was the property able to leave the program if subject to the extended, 30-year use restrictions?

III-3. Describe the mechanism used to accomplish the ownership transition in [year] (e.g., GP bought out LP; sale to a new entity)? Do you know whether this change was anticipated and agreed upon in the original agreements between the GP and the LP, such as in their partnership agreement?

III-4. What approvals, if any, were needed from the state tax credit regulatory agency or other public agencies for the disposition of the property? Were any approvals needed from local government? Explain how they worked.

III-5. Are you [is the new owner or its sponsoring affiliate] for profit or a non-profit?

- FOR PROFIT**
- NON-PROFIT**

III-5a. Approximately how many units do you own, altogether, including this property?

_____ Number of Units

III-5b. [If not sure of total units], are you an owner of more than 100 units? More than 400 units?

- MORE THAN 100 UNITS**
- MORE THAN 400 UNITS**

III-5c. If some other type of owner, please explain.

III-6. When ownership changed, was it syndicated or sold to one or more corporate investors or individual investors?

SYNDICATED

What is the identity of the new syndicator?

NAME _____

CORPORATE INVESTORS

What is the name of the new corporate investor?

NAME _____

INDIVIDUAL INVESTORS

OTHER. Please explain:

III-7. Is there any relationship between the previous sponsor(s) and current owners/sponsor(s)?

YES

IF YES, please explain:

NO

III-8. If the new GP or its sponsor was a nonprofit, was there a bargain sale to it?

YES

IF YES, Please explain:

NO

III-9. Did the LP have to pay exit taxes and, if so, were these covered through sales proceeds paid to it? Were there any sales proceeds net of expenses and, if so, how were they split between GC and LP?

III-10. Did the original documents on the property such as the partnership agreement or possibly an option-to-purchase or right of first refusal for the GP define how a 15 year sale/disposition would be handled? If so, what was originally defined and was this scenario followed at the disposition, or was something different done?

III-11. Other than syndication proceeds, what were the sources of refinancing for the acquisition? Was there property tax relief? Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements? Explain.

Repositioning the Property

III-12. Did you [the new owner] take all or part of the property to market— that is, have you altered the income mix of tenants, did you raise the rents beyond what LIHTC would have permitted, did you convert the property to condos rather than rental housing, did you demolish the original building and devote the site to another use? Please explain. *If not taken to market, skip to question III-20, but come back here if you decide later if the property was taken to market.*

III-12a. Was all or part of the property changed?

- ALL OF PROPERTY CHANGED
- PART OF PROPERTY CHANGED

III-12b. Did taking the property to market include changing the target population—e.g., no longer intended to serve elderly, special needs, families?

YES

NO

III-13. Did the property need significant repairs/rehab at 15 years or since then?

YES

IF YES:

III-13a. What kind of repairs/rehab were needed (e.g., updating systems, modernizing units to meet current standards, meeting current codes, etc.)?

III-13b. Were these completed?

YES

NO

III-13c. What was the approximate cost per unit?

_____ Cost Per Unit

III-13d. How were the repairs financed? Did this include any public subsidies? What were they?

III-13e. What role did the property's capital needs play in the decision to convert? Please explain.

III-14. Please describe how the decision to take the property to market was made. For example, who participated in this decision and how did that play out? Was the decision made at the time the property changed ownership or at a later time?

III-15. What were the reasons for conversion? For example, was it done because of market opportunities (higher rents/more cash flow), to convert of the property to other residential or non-residential use? Were there other financial reasons, such as loss or change of rent subsidies or other financing? Please explain

III-16. What approvals, if any, were needed from the state tax credit regulatory agency or other public agencies for the repositioning of the property? Were any approvals needed from local government?

III-16a. Did the HFA try to persuade you to keep the property affordable?

- YES
- NO

III-16b. How?

III-16c. Did you modify your plan as a result of their efforts?

- YES
- NO

III-17. Did local government try to influence the changes? If so, how?

YES, Explain:

NO

III-18. Did local community organizations and/or residents of the property play a role in the decision-making or approvals?

YES

NO

III-19. Are there any circumstances in which you would have kept the entire property affordable rental housing?

III-20. If you have not taken the property to market, why not? For example, rents already at market, sponsor mission, restrictions associated with the new financing, influence of local government or community groups.

Current Status of the Project

III-21. If the property has remained rental, what is the current rent schedule for the property?

RENTS FOR 0 BR UNITS _____

RENTS FOR 1 BR UNITS _____

RENTS FOR 2 BR UNITS _____

RENTS FOR 3 BR UNITS _____

RENTS FOR 4 BR UNITS _____

RENTS FOR OTHER _____

III-22. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?

YES

NO

III-23. Do you plan to request a new allocation of LIHTC?

YES

IF YES:

III-23a. When?

III-23b. Why?

III-23c. How will you go about doing that?

III-23d. Do you think you will succeed?

YES

NO

NO

Plans for Other LIHTC Properties

III-24. Do you own any properties currently monitored by an HFA for LIHTC compliance?

YES

NO

III-24a. What do you plan to do with those properties?

III-25. Do you plan to acquire other LIHTC properties?

YES

NO

III-25a. What do you plan to do with those properties?

IV. PROG/CONTINUING OWNER (PROPERTIES ONLY)

Remaining in the Program

- IV-1. **[15-YEAR PROPERTIES]** Given that the LIHTC use restrictions lasted only 15 years for this property, why did you decide to maintain the affordability of the property and continue to report to the HFA on program compliance? E.g., organizational mission, community commitment, formal or legal agreements other than LIHTC restrictions.

- IV-2. **[15 YEAR PROPERTIES]** Did you ever consider changing all or part of the property to market use? If you did, why didn't you pursue the change? Please explain. For example, market wouldn't support higher rents, HFA or other entity offered inducements to stay in, owner/sponsor commitment to affordable housing.

- IV-3. **[30-YEAR PROPERTIES]** Did you ever consider trying to leave the program and change all or part of the property to market use?

YES

IF YES, why didn't you pursue the change? Please explain. For example, market wouldn't support higher rents, process of finding a qualified borrower was too difficult, HFA or other entity offered inducements to stay in.

NO

IIF NO, why not? E.g., organizational mission, community commitment, formal or legal requirements.

IV-4. Did the original documents on the property such as the partnership agreement or possibly an option-to-purchase or right of first refusal for the GP define how a 15 year sale/disposition would be handled?

YES

IF YES, what was originally defined and was this scenario followed?

NO

Current Status of the Property

IV-5. Has the residential use of the property changed since it was created? E.g., was the income mix of tenants altered? (Note: if a property was initially mixed income, there might have been changes in the mix, even if the affordable portion has not altered).

IV-6. What is the current rent schedule for the property?

RENTS FOR 0 BR UNITS _____

RENTS FOR 1 BR UNITS _____

RENTS FOR 2 BR UNITS _____

RENTS FOR 3 BR UNITS _____

RENTS FOR 4 BR UNITS _____

RENTS FOR OTHER _____

IV-7. Is the current rent schedule higher relative to the LIHTC maximum rents [i.e., closer to the maximum] than when the property was first placed in service?

YES

IF YES, how and why did that happen?

NO

IV-8. Has the target population of the property changed—e.g., elderly, special needs, families?

YES

IF YES, how and why did that happen?

NO

IV-9. Has the property been refinanced since it was first placed in service under LIHTC 15?

YES

IF YES:

IV-9a. Why was it refinanced? (E.g., to pay for repairs, to qualify for rent subsidies, etc.)

IV-9b. Using what sources, including public sources (HOME, CDBG, etc.) and what amount from each source?

IV-9c. Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements?

NO

IV-10. Did the property need significant repairs/rehab at 15 years or since then?

YES

IF YES:

IV-10a. What kind of repairs/rehab were needed (e.g., updating systems, modernizing units to meet current standards, meeting current codes, etc.)?

IV-10b. Were these completed?

YES

NO

IV-10c. What was the approximate cost per unit?

_____ Cost Per Unit

IV-10d. How were the repairs financed?

NO

IV-11. Is the property meeting your expectations for cash flow or financially stable operations?

YES

NO

IV-12. Do you think the property reserves are adequate for its ongoing repair/rehab needs? Over what period of time do you think you will be able to meet the property's needs for further capital investments? Do you expect it will need to be refinanced in the next five to ten years?

IV-13. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?

YES

NO

IV-14. Do you plan to sell the property?

YES

IF YES, Explain:

NO

IV-15. Do you plan to request a new allocation of LIHTC?

YES

IF YES:

IV-15a. When?

IV-15b. How will you go about doing that?

IV-15c. Do you think you will succeed?

YES

NO

NO

V. PROG/NEW OWNER (PROPERTIES ONLY)

Changing Ownership

V-1. What year did the property change ownership?

_____ YEAR

V-1a. Was that before or after the property passed its 15 year date?

BEFORE

AFTER

V-2. Describe the mechanism used to accomplish the ownership transition in [year] (e.g., GP bought out LP; sale to a new entity)?

V-3. Do you know if the original documents on the property such as the partnership agreement or possibly an option-to-purchase or right of first refusal for the GP defined how a 15 year sale/disposition would be handled?

DON'T KNOW

YES

IF YES, what was originally defined and was this scenario followed at the disposition, or was something different done?

NO

V-4. What approvals, if any, were needed from the state tax credit regulatory agency or other public agencies for the disposition of the property? Were any approvals needed from local government?

V-5. Are you [is the new owner] for profit or a non-profit?

- FOR PROFIT**
- NON-PROFIT**

V-5a. Approximately how many units do you own, altogether, including this property?

_____ Number of Units

V-5b. [If not sure of total units], are you an owner of more than 100 units? More than 400 units?

- MORE THAN 100 UNITS**
- MORE THAN 400 UNITS**

V-5c. If some other type of owner, please explain.

V-6. When ownership changed, was it syndicated or sold to one or more corporate investors or individual investors?

SYNDICATED

What is the identity of the new syndicator?

NAME _____

CORPORATE INVESTORS

What is the name of the new corporate investor or investors?

NAME(s) _____

INDIVIDUAL INVESTORS

OTHER. Please explain:

V-7. Is there any relationship between the previous sponsor(s) and current owners?

- YES**
- NO**

V-8. If the new GP or its sponsor was a nonprofit, was there a bargain sale to it?

- YES
- NO

V-9. Did the LP have to pay exit taxes and, if so, were these covered through sales proceeds paid to it? Were there any sales proceeds net of expenses and, if so, how were they split between GC and LP?

V-10. Besides syndication proceeds, what were the other sources of financing when you bought the property, including public sources (HOME, CDBG, etc)?

V-10a. What was the amount from each source?

V-10b. Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements?

Remaining in the Program After Sale

V-11. **[15 YEAR PROPERTIES]** How did you make the decision to continue to maintain the affordability of the property and continue to report to the HFA on program compliance?

V-11a. Was that part of your purpose in buying the property?

- YES
- NO

V-11b. Is it part of your organizational mission or commitment to the community?

YES

NO

V-11c. Were there formal or legal agreements that influenced this decision?

YES

NO

V-12. **[15 YEAR PROPERTIES]** Did you ever consider changing all or part of the property to market use?

YES

IF YES, why didn't you pursue the change?

MARKET WOULDN'T SUPPORT HIGHER RENTS

HFA OR OTHER ENTITY OFFERED INDUCEMENTS TO STAY IN

OTHER REASONS

NO

V-13. **[30 YEAR PROPERTY]** Did you ever consider changing all or part of the property to market use?

YES

IF YES, why didn't you pursue the change? Please explain. For example, market wouldn't support higher rents, finding a qualified borrower was too difficult, HFA or other entity offered inducements to stay in.

NO

IF NO, why not? E.g., organizational mission, community commitment, formal or legal requirements.

Current Status of the Property

- V-14. Has the residential use of the property changed since it was first created as a LIHTC property? E.g., was the income mix of tenants altered when you bought the property? (Note: if a property was initially mixed income, there might have been changes in the mix, even if the affordable portion has not altered).

- V-15. What is the current rent schedule for the property?

RENTS FOR 0 BR UNITS _____

RENTS FOR 1 BR UNITS _____

RENTS FOR 2 BR UNITS _____

RENTS FOR 3 BR UNITS _____

RENTS FOR 4 BR UNITS _____

RENTS FOR OTHER _____

- V-16. Is the current rent schedule higher relative to the LIHTC maximum rents [i.e., closer to the maximum] than when the property was first placed in service? Has the rent schedule changed relative to the LIHTC maximum rents since you bought the property? If so, how and why did that happen?

- V-17. Has the target population of the property changed—e.g., elderly, special needs, families?

YES

IF YES, how and why did that happen?

NO

V-18. Has the property been refinanced since it was first placed in service under LIHTC 15?

YES

IF YES:

V-18a. Why was it refinanced? (E.g., to pay for repairs, to qualify for rent subsidies, etc.)

V-18b. Using what sources, including public sources (HOME, CDBG, etc.) and what amount from each source?

V-18c. Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements?

NO

V-19. Did the property need significant repairs/rehab at the time you bought it+ or has it needed significant repairs since then?

YES

IF YES:

V-19a. What kind of repairs/rehab were needed (e.g., updating systems, modernizing units to meet current standards, meeting current codes, etc.)?

V-19b. Were these completed?

YES

NO

V-19c. What was the approximate cost per unit?

_____ Cost Per Unit

V-19d. How were the repairs financed?

NO

V-20. Is the property meeting your expectations for cash flow or financially stable operations?

YES

NO

V-21. Do you think the property reserves are adequate for its ongoing repair/rehab needs? Over what period of time do you think you will be able to meet the property's needs for further capital investments? Do you expect it will need to be refinanced in the next five to ten years?

V-22. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?

YES

NO

V-23. Do you plan to sell the property?

YES

IF YES, Explain:

NO

V-24. Do you plan to request a new allocation of LIHTC?

YES

IF YES:

V-24a. When?

V-24b. How will you go about doing that?

V-24c. Do you think you will succeed?

YES

NO

NO

VI. OWNER VIEW OF NEIGHBORHOOD AND MARKET (ALL RESPONDENTS)

VI-1. How would you describe the location of the property? E.g., rural, suburban, inner city neighborhood, other central city neighborhood, small town?

VI-2. How would you generally describe the condition of the surrounding neighborhood with regard to:

Physical Conditions (Good, Deteriorated, Mixed)

Security (e.g., High, Medium Or Low Crime Rates)

VI-3. **[CONTINUING OWNERS]** Has the neighborhood changed significantly since the property was first placed in service under the LIHTC program?

- YES
 NO

VI-3a. If it has changed significantly, how has it changed?

VI-4. **[NEW OWNERS]** Has the neighborhood changed significantly since you bought the property?

YES

NO

VI-4a. If it has changed significantly, how has it changed?

VI-5. How would you describe the residential real estate market in which the property is located? E.g., not much demand, steady demand or weak demand for rental housing,

VI-5a. What are vacancy rates?

VI-5b. Are rents and values in the area stable, increasing, decreasing?

STABLE

INCREASING

DECREASING

VI-5c. Are tax credit rents lower, higher, or comparable to unrestricted rents?

LOWER

HIGHER

COMPARABLE

VI-6. Have market conditions changed [since the property was first placed in service under the LIHTC program/since you bought the property?]

YES

IF YES, How did they change and when did that happen?

NO

APPENDIX B.

Item-by-Item Justification for Owner Survey

Survey Section	Item	Justification
I. Screening and Basic Property Information (all respondents)	I-1. Are you/is your company the owner of [name of property] at [address of property]? IF YES: If the current owner, were you also the owner of the property when it was originally placed in service under LIHTC? IF NO: If not the current owner, were you the owner when the property was first placed in service?	Items I-1 to I-2 ensure that the respondent is the correct person of interest, namely the owner or the representative of the owner of the subject rental housing property.
	I-2. Are you/is your company either the sole owner of the property or the general partner or sponsor of an ownership entity that also includes limited partners?	
	I-3. My information shows that this property was placed in service in [year]. Is that correct?	Item I-3 confirms the year when the subject rental housing property was placed in service. Properties under study include those that were placed in service from 1987 to 1994 and have been operational for at least 15 years.
	I-4. My information also shows that this property [is no longer monitored by [name of HFA] for compliance with LIHTC rules/ continues to be monitored by [name of HFA] for compliance with LIHTC rules]. Is that correct?	Item I-4 confirms whether the subject rental property is still being monitored by the state administering agency. This status is a key classifier for properties under study.
	I-5. My information shows that when the property was placed in service in [year] it did not have a Rural Housing Service Section 515 loan. Is that correct? IF YES: Did the property get a 515 loan at some time after the original placed-in-service date? IF NO: Terminate interview.	Item I-5 confirms whether the subject property received an RHS Section 515 loan. Properties initially placed in service with these loans are being excluded from the survey analysis to control for affordability restrictions that are expected to be atypical for a LIHTC property.
	I-6. My information shows that the property did not have project-based Section 8 subsidies or subsidies from a similar state or local project-based rental assistance program? Is that correct? IF YES: Was Section 8 or other rental assistance attached to the property after the original placed-in-service date? IF NO: Terminate interview if PROG; continue if NONPROG	Item I-6 confirms whether the subject property received a project-based rental subsidy. Properties initially placed in service with a subsidy that are still being monitored by the state administering agency are being excluded from the survey analysis to control for underlying affordability restrictions that are expected to be atypical for a LIHTC property. Properties with a subsidy that are no longer being monitored by the state administering agency are being included in the survey analysis to obtain additional information on properties with project-based rental subsidies that have reached the LIHTC 15-year mark.

Survey Section	Item	Justification
	I-7. My information shows that the property had x units, including: [unit distribution by number of bedrooms]. Is that correct?	Item I-7 confirms the size of the property based on the number of units and the distribution of units by number of bedrooms. Property size is a characteristic by which properties will be categorized.
	I-8. When originally placed in service, was the property targeting any particular population group—e.g., elderly, special needs? IF YES: What group?	Item I-8 confirms whether the subject property originally targeted a specific population group. Project targeting is a characteristic by which properties will be categorized.
	I-9. My information shows that the property was [new construction/rehabilitation]. Is that correct? I-9a. IF REHAB: Was the property converted from non-residential to residential use? I-9b. IF REHAB: Was the tax credit taken on acquisition costs or just on rehab? I-9c. IF REHAB: Was the rehab substantial or light? I-9c1. Was it more than \$20,000 per unit?	Item I-9 confirms whether the subject property was originally placed in service as a new construction or a rehabilitated property. This information is a characteristic by which properties will be categorized. The rehabilitation-related questions gauge the degree of work done to the property as it was initially placed in service in the LIHTC program.
	I-10. My information shows that the sponsor of the property was a [for profit/non profit]. Is that correct? I-10a. Approximately how many units does the sponsor now own, altogether, including this property? I-10b. [If not sure of total units], was the sponsor an owner of more than 100 units? More than 400 units? I-10c. If the sponsor was some other type of owner, please explain.	Item I-10 confirms whether the original property sponsor was a non-profit organization. Non-profit sponsors are expected be influential in whether a property remains affordable to lower income populations. Questions regarding the number of units the sponsor owns allows a way to characterize sponsor organizations by size.
	I-11. My information shows that the tax credit allocation/award for the property was made in [year]. Is that correct?	Item I-11 confirms the tax credit allocation year. The allocation year is the key determinant for whether the LIHTC property is subject to a 15-year affordability period (allocation was prior to 1990) or a 30-year affordability period (allocation was made after 1989).
	I-12. When this property was financed under LIHTC, was it syndicated, sold to one or more corporate investors, or sold to individual investors? IF SYNDICATED: Can you tell us the name of the firm which syndicated the tax credits in the property? IF CORPORATE INVESTORS: Can you tell us the name(s) or the corporate investors?	Item I-12 identifies the original type of initial investors of the subject property. Investor type is a characteristic by which properties will be characterized. It is expected that the type of investor could influence the disposition of the property at the LIHTC 15-year mark.

Survey Section	Item	Justification
	<p>IF INDIVIDUAL INVESTOR FUND: Can you tell us the name of the fund?</p>	<p>The identity of the syndicator or the investor would allow for possible follow up regarding the processes for investment in LIHTC properties.</p>
	<p>I-13. Since the original LIHTC allocation was made [before 1990/after 1989], this property [was able to leave the program after 15 years with no further restrictions required by the Internal Revenue Service/was able to leave the program after 15 years but additional use restrictions applied up to year 30]. Is that correct?</p>	<p>Item I-13 confirms the affordability restrictions based on the year of the LIHTC allocation.</p>
	<p>I-14. What financing was used in the original financing in addition to tax credits? For example, did it use HOME funds, CDBG funds, state or local own source funds, charitable funds, was it an RTC sale? I-14a. Did any of these funding sources require longer terms of affordability than 15 years? Please explain. I-14b. Were there any other regulatory restrictions on the length of time during which the property would be subject to affordability restrictions? For example, was there a land use restriction agreement? Please explain.</p>	<p>Item I-14 gathers information about the original financing of the subject property. The information will help summarize the financing history of the property and document other financing and restrictions that affect on-going affordability.</p>
<p>II. Nonprog/Continuing Owner (properties only)</p> <p>How and why left program</p>	<p>II-1. How did you come to stop reporting data on compliance with LIHTC program rules to the HFA? How did that work? What notifications or approvals did you need? How long did it take? II-1a. [30 year properties] How were you able to leave the program if subject to the extended, 30-year use restrictions?</p>	<p>Section II is for a respondent who was the owner or who is the representative of the owner of the subject property when it was first placed in service with low income housing tax credits. These subject properties are also no longer being monitored by the HFA for compliance in the LIHTC program.</p> <p>Item II-1 will document the procedures undertaken to end the compliance monitoring relationship with the state housing finance agency (HFA).</p> <p>Item II-1a will document, for properties that had a 30-year affordability period through the LIHTC program, the procedures undertaken to end the compliance monitoring relationship with the state housing finance agency (HFA).</p>

Survey Section	Item	Justification
	<p>II-2. Have you taken all or part of the property to market since leaving the program—that is, have you altered the income mix of tenants, did you raise the rents beyond what LIHTC would have permitted, did you convert the property to condos rather than rental housing? Was all or any part of the property demolished or converted to non-residential use? Please explain.</p> <p>II-2a. Was all or part of the property changed?</p> <p>II-2b. Did taking the property to market include changing the target population—e.g., no longer intended to serve elderly, special needs, families, if one of those was the original target population?</p>	<p>Item II-2 will document the disposition of subject properties whose owners have converted them to market rate properties.</p>
	<p>II-3. Please describe how the decision to take the property to market was made. For example, who participated in this decision and how did that play out? Was the decision made when the property was first placed in service under LIHTC, as 15 years approached, at a later time?</p>	<p>Item II-3 will explore the decision process undertaken to convert the subject property to a market rate property.</p>
	<p>II-4. What were the reasons for conversion? For example, was it done because of market opportunities (higher rents/more cash flow), to convert of the property to other residential or non-residential use? Were there other financial reasons, such as loss or change of rent subsidies or other financing? Please explain.</p>	<p>Item II-4 will explore the reasons behind the decision to convert the subject property to a market rate property.</p>
	<p>II-5. Did the conversion include refinancing? Did the property have unmet capital needs? What role did that play in the decision to convert? Please explain.</p>	<p>Item II-5 will summarize the financing concerns as the subject property was converted to a market rate property.</p>
	<p>II-6. Were any approvals needed from the HFA, other public agencies, or other financing entities to change the use of the property? Were any approvals needed from local government? If so, explain how they worked.</p> <p>II-6a. Did the HFA try to persuade you to keep the property affordable? IF YES: How?</p> <p>II-6b. Did you modify your plan as a result of their efforts?</p>	<p>Items II-6 to II-8 ask about the approvals needed and influence from HFAs and other entities as the subject property was converted to a market rate property. This will help document the role of HFAs, public agencies, local governments, and community organizations in the owner decision process as LIHTC properties reach the 15-year mark.</p>
	<p>II-7. Did local government try to influence the changes? IF YES: How?</p>	
	<p>II-8. Did local community organizations and/or residents of the property play a role in the decision-making or approvals? Please explain.</p>	

Survey Section	Item	Justification
<p>Current status of project</p>	<p>II-9. Are there any circumstances in which you would have kept the entire property affordable rental housing? Please explain.</p>	<p>Item II-9 explores what other options the owner would have possibly considered to keep the subject property an affordable property.</p>
	<p>II-10. If you have not taken the property to market, why not? For example, rents already at market, sponsor mission, influence of local government or community groups. Explain what influenced your thinking and how.</p>	<p>Item II-10 explores the possible reasons a property no longer being monitored for LIHTC program compliance and with a continuing owner has not been repositioned by being taken to market.</p>
	<p>II-11. If the property has remained rental, what is the current residential rent schedule for the property?</p>	<p>Items II-11 to II-12 cover the current status of the subject property.</p>
	<p>II-12. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?</p>	<p>Item II-11 gathers information on rent levels for the subject property. These data will be used to assess and confirm affordability compared to the local market.</p> <p>Item II-12 requests additional financial data to assess financial performance of the subject property.</p>
	<p>II-13. Do you plan to request a new allocation of LIHTC? II-13a. IF YES: When? II-13b. IF YES: Why? II-13c. IF YES: How will you go about doing that? II-13d. IF YES: Do you think you will succeed?</p>	<p>Item II-13 asks about the owner’s plans for the subject property, in particular, whether there are plans to request a new LIHTC allocation.</p>
<p>Plans for other LIHTC properties</p>	<p>II-14. If you have other LIHTC projects which have not yet reached 15, do you think you will leave them under HFA monitoring or try to leave the LIHTC program? Will convert the properties to market or leave them affordable? Why?</p>	<p>Item II-14 asks about other LIHTC properties owned by the respondent. This information will be used to gauge what will happen to other LIHTC properties approaching the 15-year mark.</p>
<p>III. Nonprog/New Owner (properties only)</p>	<p>III-1. What year did the property change ownership? III-1a. Was that before or after the property passed its 15 year date?</p>	<p>Section III is for a respondent who was the owner or who is the representative of the owner of the subject property after it was first placed in service with low income housing tax credits. These subject properties are also no longer being monitored by the HFA for compliance in the LIHTC program.</p> <p>Item III-1 clarifies the year ownership of the subject property was transferred to the respondent and confirms whether the change in ownership occurred after the property reached its 15-year mark in the LIHTC program.</p>

Survey Section	Item	Justification
Leaving the program and changing ownership	<p>III-2. Was leaving the program [no longer being subject to LIHTC use restrictions and reporting to the HFA] part of changing ownership or done before the ownership was changed?</p> <p>III-2a. IF BEFORE: How did that work? What notification or approvals were needed?</p> <p>III-2b. IF BEFORE: How long did it take?</p> <p>III-2c. IF BEFORE: How was the property able to leave the program if subject to the extended, 30-year use restrictions?</p>	<p>Item III-2 clarifies whether ending the compliance monitoring relationship with the HFA was a condition for the change in property ownership and documents any needed notifications and approvals.</p> <p>Item III-2c will document, for properties that had a 30-year affordability period through the LIHTC program, the procedures undertaken to end the compliance monitoring relationship with the HFA.</p>
	<p>III-3. Describe the mechanism used to accomplish the ownership transition in [year] (e.g., GP bought out LP; sale to a new entity)? Do you know whether this change was anticipated and agreed upon in the original agreements between the GP and the LP, such as in their partnership agreement?</p>	<p>Item III-3 documents the mechanisms involved with the change in ownership of the subject property. The information will clarify whether the change in owner was planned at the outset when the project was first placed in service through the LIHTC program.</p>
	<p>III-4. What approvals, if any, were needed from the state tax credit regulatory agency or other public agencies for the disposition of the property? Were any approvals needed from local government? Explain how they worked.</p>	<p>Item III-4 asks about the approvals needed as the subject property changed ownership. This will help document the role of HFAs, public agencies, and local governments in the process.</p>
	<p>III-5. Are you [is the new owner or its sponsoring affiliate] for profit or a non-profit?</p> <p>III-5a. Approximately how many units do you own, altogether, including this property?</p> <p>III-5b. [If not sure of total units], are you an owner of more than 100 units? More than 400 units?</p> <p>III-5c. If some other type of owner, please explain.</p>	<p>Item III-5 confirms whether the current property sponsor was a non-profit organization. Non-profit sponsors are expected be influential in whether a property remains affordable to lower income populations. Questions regarding the number of units the sponsor owns allows a way to characterize sponsor organizations by size.</p>
	<p>III-6. When ownership changed, was it syndicated or sold to one or more corporate investors or individual investors? IF SYNDICATED: What is the identity of the new syndicator? IF CORPORATE INVESTOR: What is the name of the new corporate investor? IF OTHER: Please explain.</p>	<p>Items III-6 to III-7 identify the type of investors to which the subject property was sold when ownership changed. Investor type is a characteristic by which properties will be categorized. It is expected that the type of investor and the relationship with the current owner could influence the disposition of a LIHTC property.</p>
	<p>III-7. Is there any relationship between the previous sponsor(s) and current owners/sponsor(s)? IF YES: Please explain.</p>	<p>The identity of the syndicator or the investor would allow for possible follow up regarding the processes for investment in LIHTC properties and transferring ownership.</p>

Survey Section	Item	Justification
<p>Repositioning the Property</p>	<p>III-8. If the new GP or its sponsor was a nonprofit, was there a bargain sale to it? IF YES: Please explain.</p>	<p>Items III-8 to III-11 gather information on the financing and special documentation for the sale and change of ownership of the subject property. The information will help assess the role of financial incentives, regulations, and predetermined plans for property disposition in the transfer of ownership of LIHTC properties.</p>
	<p>III-9. Did the LP have to pay exit taxes and, if so, were these covered through sales proceeds paid to it? Were there any sales proceeds net of expenses and, if so, how were they split between GC and LP?</p>	
	<p>III-10. Did the original documents on the property such as the partnership agreement or possibly an option-to-purchase or right of first refusal for the GP define how a 15 year sale/disposition would be handled? If so, what was originally defined and was this scenario followed at the disposition, or was something different done?</p>	
	<p>III-11. Other than syndication proceeds, what were the sources of refinancing for the acquisition? Was there property tax relief? Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements? Explain.</p>	
	<p>III-12. Did you [the new owner] take all or part of the property to market—that is, have you altered the income mix of tenants, did you raise the rents beyond what LIHTC would have permitted, did you convert the property to condos rather than rental housing, did you demolish the original building and devote the site to another use? Please explain. III-12a. Was all or part of the property changed? III-12b. Did taking the property to market include changing the target population—e.g., no longer intended to serve elderly, special needs, families?</p>	<p>Items III-12 to III-20 cover issues around repositioning the subject property, or taking the property to market. These properties no longer have the same affordability profile as when it was being monitored in the LIHTC program.</p> <p>Item III-12 will document the disposition of subject properties whose owners have converted them to market rate properties.</p>
	<p>III-13. Did the property need significant repairs/rehab at 15 years or since then? III-13a. IF YES: What kind of repairs/rehab were needed (e.g., updating systems, modernizing units to meet current standards, meeting current codes, etc.)? III-13b. IF YES: Were these completed? III-13c. IF YES: What was the approximate cost per unit? III-13d. IF YES: How were the repairs financed? Did this include any public subsidies? What were they? III-13e. IF YES: What role did the property's capital needs play in the decision to convert? Please explain.</p>	<p>Item III-13 explores the physically condition of the subject property as it reached the 15-year mark since placed in service in the LIHTC program by asking about repairs and rehabilitation work needed and completed. Financing options and property capital needs may affect an owner's decision about property disposition, including continuing to stay an affordable rental property or bringing the property to market.</p>

Survey Section	Item	Justification
Current status of the project	III-14. Please describe how the decision to take the property to market was made. For example, who participated in this decision and how did that play out? Was the decision made at the time the property changed ownership or at a later time?	Item III-14 will explore the decision process undertaken to convert the subject property to a market rate property.
	III-15. What were the reasons for conversion? For example, was it done because of market opportunities (higher rents/more cash flow), to convert of the property to other residential or non-residential use? Were there other financial reasons, such as loss or change of rent subsidies or other financing? Please explain.	Item III-15 will explore the reasons behind the decision to convert the subject property to a market rate property.
	III-16. What approvals, if any, were needed from the state tax credit regulatory agency or other public agencies for the repositioning of the property? Were any approvals needed from local government? III-16a. Did the HFA try to persuade you to keep the property affordable? III-16b. How? III-16c. Did you modify your plan as a result of their efforts?	Items III-16 to III-18 ask about the approvals needed and influence from HFAs and other entities as the subject property was converted to a market rate property. This will help document the role of HFAs, public agencies, local governments, and community organizations in the owner decision process as LIHTC properties reach the 15-year mark.
	III-17. Did local government try to influence the changes? If so, how?	
	III-18. Did local community organizations and/or residents of the property play a role in the decision-making or approvals?	
	III-19. Are there any circumstances in which you would have kept the entire property affordable rental housing?	Item III-19 explores whether the respondent offers ideas on the circumstances by which the subject property could have continued as an affordable rental property.
	III-20. If you have not taken the property to market, why not? For example, rents already at market, sponsor mission, restrictions associated with the new financing, influence of local government or community groups.	Item III-20 explores the possible reasons a property that has changed ownership and is no longer being monitored for LIHTC program compliance has not been repositioned by being taken to market.
	III-21. If the property has remained rental, what is the current rent schedule for the property?	Items III-21 to III-22 cover the current status of the subject property.
	III-22. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?	Item III-21 gathers information on rent levels for the subject property. These data will be used to assess and confirm affordability compared to the local market. Item III-22 requests additional financial data to assess financial performance of the subject property.
	III-23. Do you plan to request a new allocation of LIHTC?	

Survey Section	Item	Justification
<p>Plans for other LIHTC properties</p>	<p>III-23a. IF YES: When? III-23b. IF YES: Why? III-23c. IF YES: How will you go about doing that? III-23d. IF YES: Do you think you will succeed?</p>	<p>Item III-23 asks about the owner’s plans for the subject property, in particular, whether there are plans to request a new LIHTC allocation.</p>
	<p>III-24. Do you own any properties currently monitored by an HFA for LIHTC compliance? III-24a. What do you plan to do with those properties?</p>	<p>Items III-24 to III-25 ask about other LIHTC properties owned by the respondent, as well as intention to acquire other LIHTC properties. This information will be used to gauge what will happen to other LIHTC properties approaching the 15-year mark.</p>
	<p>III-25. Do you plan to acquire other LIHTC properties? III-25a. What do you plan to do with those properties?</p>	
<p>IV. Prog/Continuing Owner (properties only)</p> <p>Remaining in the program</p>	<p>IV-1. [15-YEAR PROPERTIES] Given that the LIHTC use restrictions lasted only 15 years for this property, why did you decide to maintain the affordability of the property and continue to report to the HFA on program compliance? E.g., organizational mission, community commitment, formal or legal agreements other than LIHTC restrictions.</p>	<p>Section IV is for a respondent who was the owner or who is the representative of the owner of the subject property when it was first placed in service with low income housing tax credits. These subject properties continue as affordable rental properties and continue to be monitored by the HFA for compliance in the LIHTC program.</p> <p>Item IV-1 explores the reasons an LIHTC property with a 15-year affordability restriction that has passed the 15-year mark would continue operation as an affordable rental property.</p>
	<p>IV-2. [15 YEAR PROPERTIES] Did you ever consider changing all or part of the property to market use? If you did, why didn’t you pursue the change? Please explain. For example, market wouldn’t support higher rents, HFA or other entity offered inducements to stay in, owner/sponsor commitment to affordable housing.</p>	<p>Item IV-2 explores whether the owner of a LIHTC property with a 15-year affordability restriction that has passed the 15-year mark had considered the option to reposition the property by going to market.</p>
	<p>IV-3. [30-YEAR PROPERTIES] Did you ever consider trying to leave the program and change all or part of the property to market use? IF YES: Why didn’t you pursue the change? Please explain. For example, market wouldn’t support higher rents, process of finding a qualified borrower was too difficult, HFA or other entity offered inducements to stay in. IF NO: Why not? E.g., organizational mission, community commitment, formal or legal requirements.</p>	<p>Item IV-3 explores whether the owner of a LIHTC property with a 30-year affordability restriction that has passed the 15-year mark had considered the possible option to reposition the property by going to market.</p>
	<p>IV-4. Did the original documents on the property such as the partnership agreement or possibly an option-to-purchase or right of first refusal for the GP define how a 15 year sale/disposition would be handled?</p>	<p>Item IV-4 asks whether original documentation for the property specified a disposition plan at the 15-year mark. The information will help assess the role of</p>

Survey Section	Item	Justification
Current status of the property	IF YES: What was originally defined and was this scenario followed?	predetermined plans for property disposition of LIHTC properties.
	IV-5. Has the residential use of the property changed since it was created? E.g., was the income mix of tenants altered? (Note: if a property was initially mixed income, there might have been changes in the mix, even if the affordable portion has not altered).	Items IV-5 to IV-15 cover the current status of the subject property. These questions ask about rents, targeting to specified populations, and financing that are typically found in a LIHTC property. Item IV-5 asks whether the subject property, continuing as an affordable rental property being monitored for the LIHTC program, has changed in some way since reaching the 15-year mark.
	IV-6. What is the current rent schedule for the property?	Items IV-6 to IV-7 gather information on the rent levels of the subject property. Additionally, information on whether the rent structure has changed since the property was originally placed in service through the LIHTC program.
	IV-7. Is the current rent schedule higher relative to the LIHTC maximum rents [i.e., closer to the maximum] than when the property was first placed in service? IF YES: How and why did that happen?	
	IV-8. Has the target population of the property changed—e.g., elderly, special needs, families? IF YES: How and why did that happen?	Item IV-8 asks whether the target population has changed since the property was originally placed in service through the LIHTC program.
	IV-9. Has the property been refinanced since it was first placed in service under LIHTC 15? IV-9a. IF YES: Why was it refinanced? (E.g., to pay for repairs, to qualify for rent subsidies, etc.) IV-9b. IF YES: Using what sources, including public sources (HOME, CDBG, etc.) and what amount from each source? IV-9c. IF YES: Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements?	Item IV-9 explores the financial condition of the subject property. In addition to documenting the property's financial needs at the 15-year mark in the LIHTC program, this information will note the sources available to property owners as well as affordability requirements attached to specific funding sources.
	IV-10. Did the property need significant repairs/rehab at 15 years or since then? IV-10a. IF YES: What kind of repairs/rehab were needed (e.g., updating systems, modernizing units to meet current standards, meeting current codes, etc.)? IV-10b. IF YES: Were these completed? IV-10c. IF YES: What was the approximate cost per unit? IV-10d. IF YES: How were the repairs financed?	Item IV-10 explores the physically condition of the subject property as it reached the 15-year mark since placed in service in the LIHTC program by asking about repairs and rehabilitation work needed and completed.
	IV-11. Is the property meeting your expectations for cash flow or financially stable operations?	Items IV-11 to IV-14 address the owner's assessment of financial viability of the subject property.

Survey Section	Item	Justification
	IV-12. Do you think the property reserves are adequate for its ongoing repair/rehab needs? Over what period of time do you think you will be able to meet the property's needs for further capital investments? Do you expect it will need to be refinanced in the next five to ten years?	Item IV-13 requests additional financial data to assess financial performance of the subject property.
	IV-13. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?	
	IV-14. Do you plan to sell the property? IF YES: Explain	Items IV-14 and IV-15 ask about the owner's plans for the subject property. Options of interest for the study include selling the property or requesting a new LIHTC allocation.
	IV-15. Do you plan to request a new allocation of LIHTC? IV-15a. IF YES: When? IV-15b. IF YES: How will you go about doing that? IV-15c. IF YES: Do you think you will succeed?	
V. Prog/New Owner (properties only) Changing ownership	V-1. What year did the property change ownership? V-1a. Was that before or after the property passed its 15 year date?	Section V is for a respondent who was the owner or who is the representative of the owner of the subject property after it was first placed in service with low income housing tax credits. These subject properties continue to be monitored by the HFA for compliance in the LIHTC program. Item V-1a clarifies the year ownership of the subject property was transferred to the respondent and confirms whether the change in ownership occurred after the project reached the 15-year mark in the LIHTC program.
	V-2. Describe the mechanism used to accomplish the ownership transition in [year] (e.g., GP bought out LP; sale to a new entity)?	Items V-2 and V-3 document the mechanism involved with the change in ownership of the subject property. The information will clarify whether the change in owner was planned at the outset when the project was first placed in service through the LIHTC program, and whether the original plans were followed.
	V-3. Do you know if the original documents on the property such as the partnership agreement or possibly an option-to-purchase or right of first refusal for the GP defined how a 15 year sale/disposition would be handled? IF YES: What was originally defined and was this scenario followed at the disposition, or was something different done?	
	V-4. What approvals, if any, were needed from the state tax credit regulatory agency or other public agencies for the disposition of the property? Were any approvals needed from local government?	Item V-4 asks about the approvals needed as the subject property changed ownership. This will help document the role of HFAs, public agencies, and local governments in the process.

Survey Section	Item	Justification
<p>Remaining in the program after sale</p>	<p>V-5. Are you [is the new owner] for profit or a non-profit? V-5a. Approximately how many units do you own, altogether, including this property? V-5b. [If not sure of total units], are you an owner of more than 100 units? More than 400 units? V-5c. If some other type of owner, please explain.</p>	<p>Item V-5 confirms whether the current property sponsor was a non-profit organization. Non-profit sponsors are expected to be influential in whether a property remains affordable to lower income populations. Questions regarding the number of units the sponsor owns allows a way to characterize sponsor organizations by size.</p>
	<p>V-6. When ownership changed, was it syndicated or sold to one or more corporate investors or individual investors? IF SYNDICATED: What is the identity of the new syndicator? IF CORPORATE INVESTOR: What is the name of the new corporate investor? IF OTHER: Please explain.</p>	<p>Items V-6 to V-7 identify the type of investors to which the subject property was sold when ownership changed. Investor type is a characteristic by which properties will be categorized. It is expected that the type of investor and the relationship with the current owner could influence the disposition of a LIHTC property.</p>
	<p>V-7. Is there any relationship between the previous sponsor(s) and current owners?</p>	<p>The identity of the syndicator or the investor would allow for possible follow up regarding the processes for investment in LIHTC properties and transferring ownership.</p>
	<p>V-8. If the new GP or its sponsor was a nonprofit, was there a bargain sale to it?</p>	<p>Items V-8 to V-10 gather information on the financing for the sale and change of ownership of the subject property. The information will help assess the role of financial incentives and available financial sources for property disposition in the transfer of ownership of LIHTC properties.</p>
	<p>V-9. Did the LP have to pay exit taxes and, if so, were these covered through sales proceeds paid to it? Were there any sales proceeds net of expenses and, if so, how were they split between GC and LP?</p>	
	<p>V-10. Besides syndication proceeds, what were the other sources of financing when you bought the property, including public sources (HOME, CDBG, etc)? V-10a. What was the amount from each source? V-10b. Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements?</p>	
	<p>V-11. [15 YEAR PROPERTIES] How did you make the decision to continue to maintain the affordability of the property and continue to report to the HFA on program compliance? V-11a. Was that part of your purpose in buying the property? V-11b. Is it part of your organizational mission or commitment to the community?</p>	<p>Item V-11 explores the reasons an LIHTC property with a 15-year affordability restriction that has passed the 15-year mark would continue operation as an affordable rental property.</p>
	<p>V-11c. Were there formal or legal agreements that influenced this decision?</p>	

Survey Section	Item	Justification
Current status of the property	V-12. [15 YEAR PROPERTIES] Did you ever consider changing all or part of the property to market use? IF YES: Why didn't you pursue the change?	Item V-12 explores whether the owner of a LIHTC property with a 15-year affordability restriction that has passed the 15-year mark had considered the option to reposition the property by going to market.
	V-13. [30 YEAR PROPERTY] Did you ever consider changing all or part of the property to market use? IF YES: Why didn't you pursue the change? Please explain. For example, market wouldn't support higher rents, finding a qualified borrower was too difficult, HFA or other entity offered inducements to stay in. IF NO: Why not? E.g., organizational mission, community commitment, formal or legal requirements.	Item V-13 explores whether the owner of a LIHTC property with a 30-year affordability restriction that has passed the 15-year mark had considered the possible option to reposition the property by going to market.
	V-14. Has the residential use of the property changed since it was first created as a LIHTC property? E.g., was the income mix of tenants altered when you bought the property? (Note: if a property was initially mixed income, there might have been changes in the mix, even if the affordable portion has not altered).	Items V-14 to V-23 cover the current status of the subject property. These questions ask about rents, targeting to specified populations, and financing that are typically found in a LIHTC property. Item V-14 asks whether the subject property, continuing as an affordable rental property being monitored for the LIHTC program, has changed in some way since reaching the 15-year mark.
	V-15. What is the current rent schedule for the property?	Items V-15 to V-16 gather information on the rent levels of the subject property. Additionally, information on whether the rent structure has changed since the property was originally placed in service through the LIHTC program.
	V-16. Is the current rent schedule higher relative to the LIHTC maximum rents [i.e., closer to the maximum] than when the property was first placed in service? Has the rent schedule changed relative to the LIHTC maximum rents since you bought the property? If so, how and why did that happen?	
	V-17. Has the target population of the property changed—e.g., elderly, special needs, families? IF YES: How and why did that happen?	Item V-17 asks whether the target population has changed since the property was originally placed in service through the LIHTC program.
	V-18. Has the property been refinanced since it was first placed in service under LIHTC 15? V-18a. IF YES: Why was it refinanced? (E.g., to pay for repairs, to qualify for rent subsidies, etc.)	Item V-18 explores the financial condition of the subject property. In addition to documenting the property's financial needs at the 15-year mark in the LIHTC program, this information will note the sources available to property owners as well as affordability requirements attached to specific funding sources.
V-18b. IF YES: Using what sources, including public sources (HOME, CDBG, etc.) and what amount from each source?		

Survey Section	Item	Justification
	V-18c. IF YES: Did any of these sources carry with them any sort of new or extended regulatory limitations or requirements?	
	V-19. Did the property need significant repairs/rehab at the time you bought it or has it needed significant repairs since then? V-19a. IF YES: What kind of repairs/rehab were needed (e.g., updating systems, modernizing units to meet current standards, meeting current codes, etc.)? V-19b. IF YES: Were these completed? V-19c. IF YES: What was the approximate cost per unit? V-19d. IF YES: How were the repairs financed?	Item V-19 explores the physical condition of the subject property as it reached the 15-year mark since placed in service in the LIHTC program by asking about repairs and rehabilitation work needed and completed.
	V-20. Is the property meeting your expectations for cash flow or financially stable operations?	Items V-20 to V-22 address the owner's assessment of financial viability of the subject property.
	V-21. Do you think the property reserves are adequate for its ongoing repair/rehab needs? Over what period of time do you think you will be able to meet the property's needs for further capital investments? Do you expect it will need to be refinanced in the next five to ten years?	Item V-22 requests additional financial data to assess financial performance of the subject property.
	V-22. Can you provide financial performance information (one year of audited or year-end operating statements) for this property?	
	V-23. Do you plan to sell the property? IF YES: Explain.	Items V-23 and V-24 ask about the owner's plans for the subject property. Options of interest for the study include selling the property or requesting a new LIHTC allocation.
	V-24. Do you plan to request a new allocation of LIHTC? V-24a. IF YES: When? V-24b. IF YES: How will you go about doing that? V-24c. IF YES: Do you think you will succeed?	
VI. Owner View of Neighborhood and Market (all respondents)	VI-1. How would you describe the location of the property? E.g., rural, suburban, inner city neighborhood, other central city neighborhood, small town?	Section VI explores market conditions of the subject property neighborhoods. Local area characteristics factor into real estate disposition decisions.
	VI-2. How would you generally describe the condition of the surrounding neighborhood with regard to Physical Conditions (Good, Deteriorated, Mixed) How would you generally describe the condition of the surrounding neighborhood with regard to Security (e.g., High, Medium Or Low Crime Rates)	Items VI-1 and VI-2 provide a general description of the subject property's neighborhood, including location type, physical condition, and sense of security.
	VI-3. [CONTINUING OWNERS] Has the neighborhood changed significantly since the property was first placed in service under the LIHTC program?	Items VI-3 to VI-4 explore the respondents' perception to how the neighborhood has changed since the

Survey Section	Item	Justification
	VI-3a. If it has changed significantly, how has it changed? VI-4. [NEW OWNERS] Has the neighborhood changed significantly since you bought the property? VI-4a. If it has changed significantly, how has it changed?	subject property was first placed in service or since the new owner bought the property.
	VI-5. How would you describe the residential real estate market in which the property is located? E.g., not much demand, steady demand or weak demand for rental housing. VI-5a. What are vacancy rates? VI-5b. Are rents and values in the area stable, increasing, decreasing? VI-5c. Are tax credit rents lower, higher, or comparable to unrestricted rents?	Item VI-5 asks about current residential real estate market conditions. Demand for rental housing, vacancy rates, trends in rental costs and property values, and how rents fare relative to other housing in the area
	VI-6. Have market conditions changed [since the property was first placed in service under the LIHTC program/since you bought the property?] IF YES: How did they change and when did that happen?	Item VI-6 asks about changes in residential real estate market conditions since becoming the subject property's owner.

APPENDIX C.

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