**Appendix 16  
Organizational Chart for Lease Structure**

MF Housing currently requires the MAP Lender to provide a rendering of an organizational structure in the Underwriter Narrative for a loan application. Examples of two structures are below.

Organization Structure/Transaction Chart

(Federal Historic, State Historic, New Markets Tax Credits)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **State Historic Tax Credit Investor** 0.1% |  | **Managing Member** (Building Manager, LLC) 99.99% |  | **Managing Member** 94% |
|  |  |  |  |  |
| **Owner/Landlord Singe Asset Mortgagor Entity** (Owner, LLC) |  |  |  | **Member** 1% |
|  |  |  |  |  |
|  |  |  |  | **Member** 1.6665% **Member** 1.667% **Member** 1.6665% |
|  |  |  |  |  |
|  |  | HUD Insured Loan |  |  |
|  |  |  |  |  |
| Master Lease |  | **Master Commercial Sub-Lessor** (Operating Company, LLC) |  | Property Management Agreement |
|  |  |  |  |  |
| **Managing Member** (Building Manager, LLC) 0.01% |  |  |  | **Apartment Manager** |
|  |  |  |  |  |
| **New Markets/Federal Historic Tax Credit Investor Member** 99.99% |  |  |  | Residential Leases with Tenants |
|  |  |  |  |  |
| **Managing Member** (Building Manager, LLC) 100% |  | **Commercial Master Tenant** (Commercial Sub-lessor, LLC) |  |  |
|  |  |  |  |  |
| Leases with Commercial Tenants |  |  |  |  |

**16A Sample Master Lease Ownership Structure**

Organization Structure/Transaction Chart

(Federal Historic, State Historic, New Markets Tax Credits)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **State Historic Tax Credit Investor** 0.1% |  | **Managing Member** (Building Manager, LLC) 99.99% |  | **Managing Member** 94% |
|  |  |  |  |  |
| **Owner/Landlord** (Owner, LLC) |  |  |  | **Member** 1% |
|  |  |  |  |  |
|  |  |  |  | **Member** 1.6665% **Member** 1.667% **Member** 1.6665% |
|  |  |  |  |  |
|  |  | HUD Insured Loan |  |  |
|  |  |  |  |  |
| Master Lease |  | **MASTER TENANT** – Operating Company/Tenant (Operating Company, LLC) |  | Property Management Agreement |
|  |  |  |  |  |
| **Managing Member** (Building Manager, LLC) 0.01% |  |  |  | **Apartment Manager** |
|  |  |  |  |  |
| **New Markets/Federal Historic Tax Credit Investor Member** 99.99% |  |  |  | Residential Leases with Tenants |
|  |  |  |  |  |
| **Managing Member** (Building Manager, LLC) 100% |  | **Commercial Master Tenant** (Commercial Sublessor, LLC) |  |  |
|  |  |  |  |  |
| Leases with Commercial Tenants |  |  |  |  |