

**MAINE STATE HOUSING AUTHORITY
APPLICATION FOR TRANSFER OF OWNERSHIP INTEREST
PART II: PROPOSED NEW OWNER**

SECTION 1: DIRECTIONS

Who should complete Application Part II?

Generally speaking, if the Transfer will result in a new Owner of the Project, Application Part II is required as well. **Application Part II is for completion and signature by the proposed new Owner of the Project.**

Guidelines for completing and submitting Application:

- Submit completed and signed Application and applicable Attachment(s), as well as any supporting documents, by visiting [MaineHousing's Ownership Transfer Page](#) and clicking on the secure link to upload and submit your Application. Please use the following naming convention:
 - Begin each file name with the assigned MaineHousing project number.
 - Supporting documents should reference the Application item numbers to which they relate.
- For Part II, a \$750 Application fee is required, in addition to the Part I Application fee of \$750, at the time of your Application. If you are paying by check, the check must be made payable to **Maine State Housing Authority** and mailed to: Maine State Housing Authority, ATTN: Ownership Transfer, 26 Edison Drive, Augusta, ME 04330. If you are paying by ACH Debit or Wire Transfer, please contact [Ownership Transfers](#) for banking information.
 - For all payment types, please include the Project name and number for reference. Applications are considered incomplete until the fee is received.
- A separate Application must be completed for each Transfer, unless otherwise specified by MaineHousing, and a separate fee will apply to each Application.
- Definitions of capitalized terms used in this Application are included in Chapter 27, Transfer of Ownership Interests Rule available at www.mainehousing.org.
- Applicants will be required to provide all instruments and documents evidencing the Transfer and all consents required from third parties for the Transfer before MaineHousing consents to the Transfer.
- MaineHousing may request additional information it considers necessary in reviewing this Application.
- Please email any questions to [Ownership Transfers](#).
- Complete Appendix A – Conflicts of Interest Policy – MaineHousing Partners and Conflict of Interest Disclosure Form
- Reserve and escrow accounts must be brought in-house if additional financing is provided, ownership or primary obligor changes, or a workout is approved.

SECTION 2: APPLICATION DETAILS

Project Details

1. MaineHousing Project number _____
2. Project Name _____
3. Physical (street) address of Project, including town/city _____

New Owner Details

4. Legal entity name _____
5. Tax identification number _____
6. Mailing address _____
7. Principal contact:
Name and Title _____
Telephone number(s) _____
E-mail address _____
8. Management Agent _____
9. Name and contact information of attorney representing new Owner, if any

10. Describe the primary nature of your new Owner's business

11. Entity structure type – new Owner is (**check one**)
 - A. An individual or sole proprietorship
List any other name under which business is conducted _____
 - B. A business (for-profit) corporation
 - C. A non-profit corporation
501(c)(3) tax-exempt status? Yes No

- D. A general partnership
Names of all partners: _____
- E. A limited partnership
Names of all general partners: _____
Names of all limited partners: _____
- F. A limited liability company
Names of all members: _____
Names of all managers: _____
- G. A trust
Names of all trustees: _____
Names of all beneficiaries: _____

State and date of incorporation, if applicable: _____

12. New Owner is (***check all that apply***)

- A. An existing Owner or borrower for any Project
- B. An Affiliate of an existing Owner or borrower of a Project
Borrower's name: _____
- C. An existing Tax Credit Project Sponsor
- D. An Affiliate of an existing Tax Credit Project Sponsor
Sponsor's name: _____
- E. An Affiliate of any other for-profit or non-profit entity
Name of entity: _____

13. Does new Owner intend:

- A. to change its current business structure (ie, merger, change of control, entity type conversion, change in general or limited partners, etc.)?
 Yes (describe) _____ No

If yes, please attach an Organizational Chart for the new structure.

- B. to assume all of the existing MaineHousing loan and/or regulatory obligations for the Project?
 Yes No (indicate reason) _____

C. to seek or use additional financing or other funding for the Project, whether for the purpose of acquiring it, making any renovations, or any other reason?

Yes (*check all that apply below and provide details*): No

from MaineHousing Another lender Owner equity Other

Source	Amount	Timing	Purpose

Submit copies of any non-MaineHousing financing or funding commitments received

14. In the past 3 years, has new Owner:

A. Received any notice or citation from any federal, state or local governmental agency or office concerning any violation, deficiency, environmental condition, lien (including but not limited to a tax lien), or recapture event relating to any property owned in Maine or elsewhere?

Yes (*explain below*) No

B. Been the subject of a bankruptcy filing?

Yes (*provide court and docket number below*) No

C. Been the subject of any criminal, civil or administrative investigation or proceeding?

Yes (*explain below*) No

15. Does the new owner own any rental properties in Maine? Yes (*provide details below*) No

Type (ie, family, elderly, supportive housing)	Number of units	Property location (street and town)	Property management company

16. Proposed property management company information:

Name _____

Address _____

Is this proposed project management company affiliated with new Owner? Yes No

17. **New Owner's Debt Obligations and Financial Details**

A. Submit copies of financials for new owner or principal(s) for the past 3 fiscal years. MaineHousing reserves the right to request additional financial information.

NOTE: If this information has previously been provided to MaineHousing, check the box below and do not re-submit this information.

Information previously provided
For what years? _____

B. Were or are any audit adjustments proposed for any of the financial statements you provided, or if you submitted tax returns, has the IRS notified you of any issues for the past three years?

Yes (explain) No

CERTIFICATION OF NEW OWNER

I hereby certify that I have the authority to sign Part II of this Application on behalf of the proposed new Owner named above and that the responses above are true and complete to the best of my knowledge. I acknowledge and understand that any intentional misstatement may result in the rejection of this Application or of the imposition of additional conditions to the Transfer by MaineHousing. I hereby authorize MaineHousing to obtain any additional information necessary to assess this Application and accomplish the Transfer.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Entity: _____

APPENDIX A – Conflict of Interest Policy – MaineHousing Partners*

To maintain the continued confidence of Maine citizens in carrying out our joint mission to assist Maine people in obtaining and maintaining quality affordable housing, MaineHousing Partners must avoid situations which are, or appear to be, at odds with their responsibilities to MaineHousing. Maine law and federal regulations (when federal funding is involved) govern conflicts of interest.

MaineHousing Partners must ensure that **no** person who is an employee, agent, or consultant of the Partner – *and* who performs any functions with respect to any MaineHousing program – may obtain a personal or financial interest or benefit (other than their earnings) from MaineHousing programs, either for themselves or for those with whom they have family, business, or close personal ties. As soon as the Partner becomes aware of a potential conflict of interest:

- The Partner must disclose to MaineHousing all personal and business relationships between Partner’s employees and any contractors, agents, or consultants who work on MaineHousing programs.
- The Partner must disclose to MaineHousing all employees (including temporary employees and volunteers) of the Partner who are applicants for MaineHousing programs administered by the Partner.
- The Partner must disclose to MaineHousing anyone who will be paid for work on MaineHousing programs who is a current or former MaineHousing employee or commissioner – or has family, business, or close personal ties with a current or former MaineHousing employee or commissioner (within the last year.)

Conflict of Interest Definitions

A ***conflict of interest*** arises when the personal interest of an employee (or a family member, friend, or business associate of the employee) conflicts or potentially conflicts with the employee’s work duties or responsibilities to MaineHousing. Conflicts of interest can occur when actions may be improperly influenced by a secondary motive, such as:

- financial gain,
- professional advancement, or
- desire to do favors for family and friends.

An ***appearance of a conflict of interest*** exists if circumstances are believed to create a risk that decisions may be improperly influenced by other motives. It is important to note that a conflict of interest may exist, regardless of whether any unethical or improper act has taken place.

A ***direct interest*** occurs when the employee individually, or through a majority stakeholder position in an entity, owns or is a party to any contract, business agreement, project, or property. Individuals with management, control or other decision-making responsibilities, or voting rights for an entity, are also considered to have a direct interest.

* This policy applies to all individuals and organizations who receive funding from or who have a business or contractual relationship with MaineHousing. Pertinent partners include, but are not limited to: Grantees, Subgrantees, Sub-recipients, Community Action Agencies, Shelters, Developers, Applicants, Contractors, Administrators, and Vendors.

An *indirect interest* occurs when family members, friends, or business associates of the employee have ownership or contractual rights in any contract, business agreement, project, or property. Shares in an entity by the employee or commissioner through an investment vehicle, a trust or estate arrangement, mutual fund, or other intermediary also meets the definition of an indirect ownership interest. Additionally, any ownership interest in a related entity (such as a parent company or subcontractor) that plans to do business with MaineHousing is considered an indirect interest.

Family members are defined broadly, and include spouse/partner, mother, father, son, daughter, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, sister-in-law, nephew, niece, uncle, aunt, first cousin, grandparent, grandchild. Family members also include all "half" or "step" relatives (e.g. half-brother or step-daughter).

Conflict of Interest Procedures

Personal or Business Relationships Involving Employees

As soon as a Partner becomes aware of a personal or business relationship involving an employee that could give rise to perceived partiality, an appearance of a conflict of interest, or an actual conflict of interest in connection with MaineHousing programs, **the Partner shall disclose the relationship to MaineHousing in writing, with a description of the Partner's plan to manage the potential conflict.** Once reviewed and approved by MaineHousing's Director of Audit, the plan must be signed by the employee and representative(s) of the Partner and submitted to MaineHousing. Plans must be reviewed and re-signed once a year.

Employees as Applicants for MaineHousing Programs

If eligible, Partner employees (including temporary staff and volunteers) are encouraged to apply for MaineHousing programs administered by the Partner. However, approval of any program application by a partner employee **requires two levels of signature**, including the Director or other Senior Executive of the Partner.

Copies of signed applications must be submitted to MaineHousing, and maintained by the Program Department in accordance with required Records Retention periods. The Partner must also retain original signed and approved applications in accordance with required Records Retention periods.

Compliance with the Partner Conflict of Interest Policy and Procedures will be monitored by MaineHousing staff and subject to periodic program audits.

If you are unsure whether a situation constitutes a conflict of interest, please consult with your contact at MaineHousing, or email MaineHousing's Director of Audit, Linda L. Grotton, at **lgrotton@mainehousing.org**.

MaineHousing Partners
Conflict of Interest Disclosure Form

I have read and understand the *Conflict of Interest Policy – MaineHousing Partners*.

YES

NO

Do you (or any of your principals or affiliates, or anyone who will be paid for work in connection with the project, program, contract or services at hand), have business ties, family relationships, or other close personal relationships with a current MaineHousing commissioner or employee or anyone who was a MaineHousing commissioner or employee within the past year?

NO

YES (please describe below, or attach)

Signed: _____

Date: _____

Printed Name: _____

Title: _____