



## Tax Credits Practice

## SERVICE

Williams Mullen's Real Estate Practice is a leader in assisting developers, lenders and investors with all forms of tax credit transactions, including those involving historic rehabilitation tax credits, new markets tax credits, enterprise zones, conservation easements and other state and local incentives. We have represented numerous developers and lenders on transactions involving historic tax credits in connection with the rehabilitation of historic buildings for apartment, office, retail and other uses throughout Virginia and North Carolina, including in the Richmond area and in the Hampton Roads area. On new markets tax credits, we have represented developers and lenders in both straight loan transactions and leveraged loan transactions that increase the benefit of the new markets tax credits, and we have represented investors in connection with their use of new markets tax credit allocations.

### **Historic Rehabilitation Tax Credits and New Markets Tax Credits**

Our representations involve all aspects of the transactions, including purchase agreements, rezoning, financing, compliance with tax credit regulations, and the structuring of the partnership or limited liability company documentation to bring in investors to use the Federal and state tax credits. These transactions have involved work with national investors and lenders that are acquiring the benefits of the tax credits, and often involve tax-exempt entities and compliance with the particular issues that arise in their tax credit transactions. We also represent investment funds, including by the delivery of the required tax opinion.

- Represented development partnership in connection with the \$60 million rehabilitation and renovation of a historic hotel in the Hampton Roads region into an apartment project, which transaction involved federal historic rehabilitation tax credits and Virginia state historic rehabilitation tax credits.
- Represented development partnership in connection with the \$25 million rehabilitation and renovation of a Hampton Roads high school into a regional cultural arts center, which transaction involved federal historic rehabilitation tax credits, Virginia state historic rehabilitation tax credits and new markets tax credits.
- Represented the developer of a \$25 million rehabilitation of a former warehouse and factory located in downtown Richmond into apartment, office and retail space, involving the use of federal historic rehabilitation tax credits and Virginia state historic rehabilitation tax credits.
- Represented developer in connection with the acquisition of historic buildings in Richmond, Va.'s Shockoe Slip, complete historic renovation of property for retail and office rental, achievement and brokering of state historic tax credits, leasing of all rental space, condominiumization of building and financing of the project.
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Represented the developer in connection with the \$12 million renovation of an office tower in downtown Suffolk, Va., into office and retail space, involving the use of federal and Virginia state historic rehabilitation tax credits.

- Represented a development partnership in connection with the \$80 million rehabilitation and renovation of a historic theater in Richmond, Va. The transaction involved federal historic rehabilitation tax credits, federal new markets tax credits and state historic rehabilitation tax credits.

### **Low-Income Housing Tax Credits and Affordable Housing**

Williams Mullen is a regional leader on affordable housing transactions and has represented numerous developers on about 100 low-income housing tax credit apartment transactions in Virginia, North Carolina, South Carolina, Maryland, Mississippi and other states. We represent the developer on the full transaction, including the real estate purchase, rezoning, application for the tax credits, construction and permanent loan financing, compliance with the tax credit regulations, delivery of the required opinions, and negotiating and structuring the partnership or limited liability company documents involved with the investment by national funds to acquire the benefit of the tax credits. We also have been involved in working with HUD on various loan closings, on approvals and closings for loan assignments, on modifications and assignments of Section 8 HAP contracts, and on Section 236 IRP decouplings and other programs. We regularly handle transactions with most of the national syndicators in this field and represent construction lenders and investors on many of these transactions.

- Represent a broad spectrum of developers, lenders and investors in all phases of numerous apartment projects, including low-income housing tax credit apartment projects; Virginia Housing Development Authority financed projects and HUD-financed projects.
- Represented the developer in connection with the \$15 million acquisition and renovation of an apartment project in downtown Richmond, Va., involving the assignment and assumption of an existing loan, the continuation of a project-based Section 8 contract, a closing of a new loan from the Virginia Housing Development Authority, and the qualification for and sale of investment interests with respect to low-income housing tax credits.
- Represented the seller of a \$33 million apartment project in Henrico County, Va.
- Represented the development entity in connection with a \$36 million acquisition and renovation of an apartment project in Fairfax County, Va., involving the conversion of a portion of the project to condominiums, the qualification of the remainder of the project for low-income housing tax credits, and the financing of the project with three loans, including subordinate loans from the Virginia Housing Development Authority and Fairfax County.
- Assisted the City of Durham in setting up the loan documentation for its single-family mortgage bond program so as to implement that program on a timely basis.

## **Related News**

- Williams Mullen Launches Economic Development Team
- Revised Rev. Proc. 2014-12 Clarifies New Guidance on Rehabilitation Tax Credits
- Virginia Tax Department Changes Conservation Easement Tax Credit Procedures
- U.S. Tax Court Ruling in State Conservation Tax Credit Case Requires Income Recognition
- The "Meaningful Stake" Debate: Third Circuit Reverses Tax Court Decision in Historic Boardwalk
- The Developers' Perspective: Disguised Sales of State Historic Tax Credits
- Disguised Sales of State Historic Tax Credits

- Fourth Circuit Affirms Tax Court Decision Holding Partnership Allocation of State Tax Credits Was a Taxable Disguised Sale.
- Bobby Hamlett's Alert on Partnership Tax Credit Allocations Republished by Law360
- Virginia Historic Rehabilitation Tax Credits: a Legislative Update
- Williams Mullen Announces Qualified Opportunity Zones Resource Page
- Seeking Guidance? QO Zone Regulations Imminent
- The Recent Qualified Opportunity Zone Guidance: What We Know, What We Don't and What It All Means
- Alyssa Embree Profiled in Virginia Business Magazine's Legal Elite Issue
- The Second Tranche of Opportunity Zone Regulations: Answers to 'Substantially All?' of Our Lingered Questions
- Jamie Bruno Selected to Leadership Metro Richmond's Leadership Quest Class of 2020

## Related Events

- Qualified Opportunity Zones Seminar
- Mixed Income: The Challenges and Opportunities - Virginia Housing Alliance Housing Credit Conference

## Related Attorneys

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