

APPS PPC and Paper Form 2530 Organization Roles

For review purposes, assume that all typical roles are present in the applicants' organization structure/type and unless already explained by the principal in the application, ask for more information for any missing roles. (Example; applicant is a limited partnership but it only discloses "Bob" as the GP - 2%. Reviewer would inquire and obtain data and explanation regarding the missing limited partner interests of 98%).

Applicants may include other people and entities in a given organization structure if they believe these are principals pursuant to the regulations at CFR 24, Part 200, Subpart H. Field office staff must however ensure they have determined for disclosure and clearance all the typical roles in the chart below. (Example, ABC LLC discloses a managing member, several members and a CEO. This is acceptable as both managing member and members are disclosed)

Applicant type	Organization Type	Look for Typical Role	Required Disclosure Threshold	Comments
Owner/Mortgagor, Management Agent, Consultant, General Contractor, Investor, Syndicator	General Partnership	General partner(s)	No minimum threshold	All GP's must clear
<i>Limited Partnership (LP)</i>		<i>A partnership where some partners have unlimited liability and others have limited liability</i>		
Owner/Mortgagor, Management Agent, Consultant,	Limited partnership	General Partner(s)	No minimum threshold	All GP's must clear
	Limited	Special Limited	No minimum	Special Limited Partners may be disclosed in

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General Contractor, Investor, Syndicator	partnership	Partner(s) (not typical)	threshold	partnership agreements and given some traditional rights of the GP; e.g., right to appoint management agent. All special LP's must clear.
	Limited partnership	Limited Partner(s)	>24% interest	All LP with >24% interest must clear unless the investor certifies its status as a limited liability corporate investors (LLCI) – see July 21, 2008 memo from J. Garvin for details, required certification language, requirements, etc.
<i>Limited Liability Company (LLC, LC, Ltd. Co.)</i>		<i>A form of business whose owners enjoy limited liability, but which is not a corporation. Allowable abbreviations vary by state. Note that Ltd. by itself is not a valid abbreviation for an LLC because in some states (e.g. Texas) it may denote a corporation instead</i>		
Owner/Mortgagor, Management Agent, Consultant, General Contractor, Investor, Syndicator	Limited Liability Company LLC	Managing Member(s)	No minimum threshold	All MM's must clear
	Limited Liability Company LLC	Non-member Manager (typical in cases where there is not a managing member)	No minimum threshold	All non-member managers must clear. This is a new role. It appears many LLC owners hire a third party to do day to day LLC operations oversight.
	Limited Liability Company LLC	Member(s)	>24%	Members are similar to limited partners; some may even certify as an LLCI

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<i>Corporation, Incorporated (Corp, Inc</i>				<i>Used to denote corporations (public or otherwise). These are the only terms universally accepted by all 51 corporation chartering agencies in the United States. However in some states other suffixes may be used to identify a corporation, such as Ltd., Co./Company, or the Italian term S.p.A. (in Connecticut; see under Italy). Some states that allow the use of "Company" prohibit the use of "and Company", "and Co.", "& Company" or "& Co.". In some states individuals and partnerships may register a fictitious name with the word "Company" in it. See also Delaware corporation, Nevada corporation, Massachusetts business trust.</i>
Owner/Mortgagor, Management Agent, Consultant, General Contractor, Investor, Syndicator	Corporation for or not for profit (PM or NP)	Stockholder	>10% of stock	Special rules for large publicly traded companies see 4065.1 HUD does not require all stock holders to file. This rule threshold was designed for small and closely held corporations (e.g., Subchapter S) with limited or minimum stock ownership. The probability of having stockholders in a NP type corp. is low but not impossible
	Corporation for profit (PM or NP)	Officer	No minimum threshold	Traditional -- President, Vice President, Secretary, Treasurer Modern – CEO, COO, CFO, etc. Disclosure may not be complete, reviewer must obtain explanation when expected officers are absent from certified disclosure (see 4065.1 and 24 CFR part 200.215 – Officers of interest report to the board of directors)

Applicant type	Organization Type	Look for Typical Role	Required Disclosure Threshold	Comments
	Corporation for profit (PM or NP)	Director	No minimum threshold	Board of Directors, chair, vice chair, board member. The board may also have officers similar in name to the traditional officer list above
<i>Limited Liability Partnership (LLP)</i>		<i>A partnership where a partner's liability for the debts of the partnership does not include acts of professional negligence or malpractice</i>		
Owner/Mortgagor, Management Agent, Consultant, General Contractor, Investor, Syndicator	Limited Liability Limited Partnership	Treat the same as limited partnership - GP, LP, SLP	Same as limited partnership	A relatively new organization type in HUD business.
<i>Limited Liability Limited Partnership (LLLP)</i>		<i>A combination of LP and LLP, allowable in some states</i>		
Owner/Mortgagor, Management Agent, Consultant, General Contractor, Investor, Syndicator	Limited Liability Limited Partnership	Treat the same as limited partnership - GP, LP, SLP	Same as limited partnership	A relatively new organization type in HUD business.

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<i>Sole Proprietor, Sole Proprietorship</i>		<i>An individual, natural person</i>		
Owner/mortgagor	Sole Proprietor	Treat as a general partnership	Disclose the sole proprietor	Clearance required