

In the case of a housing assistance contract, special provisions can be made for a stock cooperative, subject to a regulatory agreement with the Secretary of Housing and Urban Development.

A Limited Equity Housing Cooperative (LEHC) is a nonprofit public benefit corporation, a form of stock cooperative, with a specific set of requirements. The articles of incorporation and bylaws governing an LEHC require the purchase and sale of a membership interest at no more than a specified "transfer value." This value is equal to the initial price of the membership plus an increase in value determined by the board of directors of the corporation, not to exceed ten percent per year. The intent in creating an LEHC is to maintain affordable housing by reducing speculative pressures on value and minimizing the cost of conversion. Certain exemptions from the public report requirement are available for this type of subdivision, provided a regulatory agreement is entered into with a specified federal or state agency.

*Note: Do not confuse a stock cooperative subdivision with ownership of the park by a nonprofit corporation formed for the purpose of holding title, as previously discussed.*

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## Department of Real Estate Subdivision Offices

The Department of Real Estate maintains subdivision offices in Los Angeles and Sacramento. The offices process applications for public reports for projects in certain counties as indicated below.

### **Los Angeles**

Subdivisions Office South  
320 West 4th Street, Suite 350P  
Los Angeles, CA 90013-1105  
(213) 576-6983P

### **Sacramento**

Subdivisions Office NorthP  
2201 BroadwayP  
P. O. Box 187005P  
Sacramento, CA 95818-7005P  
(916) 227-0813P

### **Counties**

Imperial, Los Angeles, Orange,P  
Riverside, San Bernardino,P  
San Diego, Santa Barbara,P  
and Ventura.P

### **Counties**

All Other CountiesP

