

# Opportunity Zone Commercial Investments



Planning and Community Development  
Strategic Growth Area Office  
(757) 385 - 2902

# Opportunity Zone Commercial Investments

90% of the Qualified Opportunity Fund (QOF) capital must be invested

The QOF has 180 days to invest the capital

## Proposed Rule:

A 31 month safe harbor would be established to acquire,  
construct or rehabilitate real and/or tangible business property

The safe harbor is designed to accommodate working capital

To qualify for the safe harbor, a working plan must be  
developed and retained with a schedule of activities

The plan must identify financial property as held for  
acquisition, construction or substantial improvement  
of tangible property within a QOZ

# Opportunity Zone Commercial Real Property Rehabilitations

Substantial rehabilitation must occur

The rehabilitation must double the  
valuation of the real property

The rehabilitation must take place  
within 30 months

# Opportunity Zone Commercial Real Property Investments

The real property investment must be substantially all of the Qualified Opportunity Zone Business Property (QOZBP)

Property can be owned or leased

“Substantially all” has not been defined

Treasury is seeking comment

# Opportunity Zone Commercial Income

At least 50% of the total gross income is derived from the active conduct of the business

“Active conduct” is not defined

Title 26 IRS § 1397C (b) (2)