

4900.0593 OTHER REQUIREMENTS.

Subpart 1. **In general.** Improvements made with home energy loan funds must satisfy the following requirements:

A. Improvements made with the proceeds of a home energy loan must be a permanent improvement made upon or in connection with an existing structure, and must improve the energy efficiency of the structure or be directly related to energy efficiency.

B. An improvement must be made in compliance with all applicable health, fire prevention, building, or housing codes and standards; provided, however, that no application for a home energy loan may be denied solely because the improvements will not bring the property into full compliance with these codes and standards.

C. The proceeds of a home energy loan must be used only to finance new improvements and may not be used to refinance an existing loan or mortgage.

D. A borrower shall agree to complete all improvements within nine months of the date of the loan.

Subp. 2. **Conventional financing not available.** At the time of application conventional financing must not be available from private lenders upon equivalent terms and conditions.

Subp. 3. **Qualifications of income.** In order for a borrower to obtain the preference for persons or families of low and moderate income, all persons who, individually or collectively, possess the type of ownership upon which the application is based, or whose income is to be included for purposes of determining the adjusted income, and spouses of these shall join in the application and shall execute the loan note.

Statutory Authority: *MS s 462A.06*

History: *9 SR 506*

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