

4900.2902 ELIGIBILITY REQUIREMENTS.

Subpart 1. **Receiver.** A receiver is eligible for a loan under the receivership revolving loan fund if the receiver meets the prequalification requirements for the specific project under this part and presents a certified copy of a court order in an action under Minnesota Statutes, section 504B.425 or 504B.385. The order must state that the prequalified receiver has been appointed to act in the case and must contain a finding that the appointment of a receiver with the power to collect funds is consistent with the statutory factors relating to the long-term economic viability of the dwelling as provided in Minnesota Statutes, section 504B.445.

Subp. 2. **Low and moderate income.** In the property subject to the order, at least 50 percent of the occupied rental units must be occupied by persons and families of low and moderate income as defined in part 4900.0010, subpart 23, item H.

Subp. 3. **Prequalification requirements.** A person or entity seeking prequalification status under this part must submit an application on a form prescribed by the agency. The agency shall review the application applying the standards in parts 4900.2901 to 4900.2907 and shall promptly notify the applicant of a decision on the application. Prequalification approval shall be for a maximum of two years. A rejection of the application must set forth the reasons for the denial. The applicant may qualify for any one or more of the following categories:

- A. single family or duplex dwelling;
- B. fewer than ten housing units;
- C. ten to 24 housing units; or
- D. 24 or more housing units.

Subp. 4. **Qualification requirements.** For an applicant to qualify as a receiver, the applicant must:

- A. have at least two years experience or demonstrated proficiency in residential property management;
- B. be able to obtain a fidelity and forgery bond or insurance coverage in an amount at least equal to two months' gross potential income of the property;
- C. comply with Minnesota real estate licensing statutes and rules;
- D. have adequate financial controls;
- E. have a history of managing properties according to applicable federal, state, and local laws, statutes, ordinances, rules, and regulations;
- F. complete the forms and enter into agreements as the agency may reasonably require;

- G. demonstrate the ability to obtain liability insurance; and
- H. have experience or demonstrated proficiency in managing properties which have undergone significant repairs and improvements.

Subp. 5. **Properties.** Receivers shall be awarded receivership revolving loans subject to the property considerations in items A to D:

- A. probability of loan repayment;
- B. availability of funding for necessary repairs, alterations, improvements, and operation;
- C. probable success of retention as low-income housing; and
- D. if items A to C have been considered, then an additional consideration may be other neighborhood revitalization factors.

Statutory Authority: *MS s 462A.06*

History: *15 SR 376; L 1999 c 199 art 2 s 35*

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