

12MCAR. 3.002, 3.0021, 3.064.

AG copy

3.066

1 Minnesota Housing Finance Agency

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3 Adopted Rules Relating to the Definition of Adjusted Income (12
4 MCAR S 3.002 N.) and the Effective Date of this Rule (12 MCAR S
5 3.0021)

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7 Adopted Rule Relating to the Income Limits for the
8 Rehabilitation Loan Program (12 MCAR S 3.002 O.4.)

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10 Adopted Rules Relating to the Amount of Grant or Loan in the
11 Rehabilitation Loan Program (12 MCAR S 3.064) and Eligible
12 Properties (12 MCAR S 3.066)

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14 Rules as Adopted

15 12 MCAR S 3.002 Definitions.

16 A.-M. [Unchanged.]

17 N. "Adjusted income" means the gross annual income, from all
18 sources and before taxes or withholding, of all residents age 18
19 and over, of a housing unit, after deducting the following:

20 1. an amount equal to 1,000 for each resident of the
21 housing unit; and

22 2. extraordinary medical or other expenses as the
23 executive director approves for exclusion.

24 Gross annual income from self-employment shall be deemed to
25 be the net profit from said self-employment as declared by the
26 applicant in Schedule C, F, or E, Part III, as appropriate, of
27 the United States Internal Revenue Service Form 1040, or such
28 other schedule as may be hereafter promulgated, but including as
29 income all depreciation.

30 O. "Persons and families of low and moderate income" means:

31 1. with respect to limited-unit mortgage loans pursuant
32 to chapter 4 of these rules, development cost loans pursuant to
33 chapter 3 of these rules, planning grants pursuant to chapter 5
34 of these rules, and American Indian housing loans pursuant to
35 chapter 8 of these rules, which loans and grants are intended
36 for a limited-unit development, or a dwelling unit in a planned

6-3-83

1 unit development or a condominium, those persons and families
 2 whose adjusted income does not exceed the amounts set forth in
 3 Exhibit 12 MCAR S 3.002 O.-1. or such lower amount as shall be
 4 required to assure that the interest on obligations of the
 5 agency will be exempt from federal income taxation.
 6 "Metropolitan area" has the meaning given it in Minnesota
 7 Statutes, section 473.121, subdivision 2;

8
 9 Exhibit 12 MCAR S 3.002 O.-1.

	Nonmetropolitan	Metropolitan
	Area	Area
Mortgage Interest	Maximum Adjusted	Maximum Adjusted
Rate	Income	Income
0-10.59%	\$19,000	\$24,000
10.60-11.09%	\$20,000	\$25,000
11.10-11.59%	\$21,000	\$26,000
11.60-12.00%	\$22,000	\$27,000

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 20 2. with respect to limited-unit mortgage loans to
 21 veterans and veterans' dependents to assist in making down
 22 payments pursuant to Minnesota Statutes, section 462A.05,
 23 subdivision 19, those persons and families whose adjusted income
 24 does not exceed \$22,000 for the nonmetropolitan area and \$27,000
 25 for the metropolitan area regardless of the interest rate on the
 26 mortgage loan for which down payment assistance has been given;

27 3. with respect to multi-unit mortgage loans pursuant to
 28 chapter four of these rules, development cost loans pursuant to
 29 chapter three of these rules, planning grants pursuant to
 30 chapter five of these rules, and American Indian housing loans
 31 pursuant to chapter eight of these rules, which loans or grants
 32 are intended for a multi-unit development, those persons and
 33 families whose adjusted income does not exceed the greater of
 34 \$16,000 or 550 percent of the gross rental for the dwelling unit
 35 to be occupied; provided, however, that the gross rentals for at
 36 least 75 percent of the dwelling units in such development shall

1 not exceed 120 percent of the fair market rents for the
2 geographical area in which such projects are located, as
3 determined and adjusted from time to time by the United States
4 Department of Housing and Urban Development; provided further,
5 that the members may allow higher gross rentals for units in any
6 structure if the members determine that such higher gross
7 rentals are necessary because of prevailing levels of
8 construction costs, unusually high or low family incomes, or
9 similar factors relating to income available for housing or
10 housing costs;

11 4. with respect to home improvement grants and
12 rehabilitation loans pursuant to chapter seven of these rules to
13 be made by the agency, those persons and families whose adjusted
14 income does not exceed \$7,000 and whose assets, excluding the
15 property to be improved, does not exceed \$25,000; and

16 5. with respect to home improvement loans and
17 accessibility improvement assistance pursuant to chapter six of
18 these rules, those persons and families whose adjusted income
19 does not exceed \$24,000 or such lower amount as the agency may
20 establish to assure that the interest on obligations of the
21 agency will be exempt from federal income taxation.

22 P.-V. [Unchanged.]

23 12 MCAR S 3.0021 Effective date.

24 The amendment to 12 MCAR S 3.002 N. is effective on June 1,
25 1983, or five days after its final adoption, whichever occurs
26 first, for multi-unit mortgage loans under chapter 4 of these
27 rules; on July 1, 1983, or five days after its final adoption,
28 whichever occurs first, for home improvement loans under chapter
29 6 of these rules, and for home improvement grants and
30 rehabilitation loans under chapter 7 of these rules; and on
31 January 1, 1984, for all other programs of the agency.

32 12 MCAR S 3.064 Amount of grant or loan.

33 The amount of the rehabilitation grant or loan shall not
34 exceed the lesser of:

35 A. \$6,000 or

1 B. The actual cost of the work performed, or

2 C. That portion of the cost of rehabilitation which the
3 agency determines cannot otherwise be paid by such person or
4 family without spending an unreasonable portion of the income of
5 such person or family thereon.

6 The agency shall review the creditworthiness of each
7 recipient of a rehabilitation loan pursuant to 12 MCAR S 3.013.
8 If the recipient has an adjusted income of \$6,000 or less, or if
9 the recipient is not financially capable of making a monthly
10 loan payment of at least \$10, the recipient shall be eligible
11 for a deferred loan. A recipient whose adjusted income exceeds
12 \$6,000 and who is financially capable of making a monthly loan
13 payment of \$10 or more shall be eligible for a flexible loan.

14 12 MCAR S 3.066 Eligible properties.

15 Grant and loan funds shall be used only to improve
16 properties which meet the following criteria:

17 A.-D. [Unchanged.]

18 E. The property to be improved with grant or loan funds
19 shall be reasonably efficient with respect to energy
20 consumption. Where the property is not reasonably efficient
21 with respect to energy consumption, rehabilitation funds shall
22 be used to the extent necessary to increase such efficiency.
23 Energy saving features shall include, but not be limited to,
24 installation or upgrading of ceiling, wall, floor, and duct
25 insulation, storm windows and doors, and caulking and weather
26 stripping. Energy saving features shall be consistent with the
27 energy standards promulgated as part of the State Building Code
28 but such improvements need not bring the housing into full
29 compliance with such energy standards.