

1 Housing Finance Agency

2

3 Adopted Permanent Rules Relating to Home Ownership Assistance
4 Fund

5

6 Rules as Adopted

7 4900.1331 HOME OWNERSHIP ASSISTANCE FUND.

8 [For text of subpart 1, see M.R.]

9 Subp. 2. Use of fund; general. Home ownership assistance
10 fund money may only be used in conjunction with first mortgage
11 loans made or purchased by the agency, except for special
12 initiatives designed to encourage the development or
13 redevelopment of neighborhoods or communities in cooperation
14 with money from community sources. However, within this
15 limitation, money may be combined with funds from outside
16 sources, including funds from other federal, state, and local
17 government agencies or instrumentalities, private foundations,
18 mortgage insuring entities, the Federal Housing Finance Board,
19 or other public or private sources.

20 Subp. 3. Fund recapture. Home ownership assistance must
21 provide for a reasonable likelihood of recapturing the money for
22 later use. Home ownership assistance fund money under part
23 4900.1375, subparts 2 to 9, must be secured by a lien on the
24 property being purchased with an appropriate repayment provision.

25 [For text of subp 4, see M.R.]

26 4900.1345 RECIPIENTS HOME OWNERSHIP ASSISTANCE FUND.

27 Subpart 1. [See repealer.]

28 Subp. 2. Income limits. The adjusted household income of
29 recipients of home ownership assistance fund money must not
30 exceed 115 percent of state or area median income as determined
31 and adjusted from time to time by the United States Department
32 of Housing and Urban Development. For purposes of this subpart,
33 adjusted income is as defined in part 4900.0010, subpart 3.

34 4900.1375 USE OF HOME OWNERSHIP ASSISTANCE FUND.

1 [For text of subps 1 and 2, see M.R.]

2 Subp. 3. **Entry cost assistance.** The agency may provide
3 interest-free loans to recipients who are determined, on the
4 basis of normal credit procedures, to lack the financial
5 resources necessary to pay entry costs on the property to be
6 purchased. The amount of the entry cost assistance loan must
7 equal (1) the maximum allowable under the applicable mortgage
8 insurance program; or (2) \$3,500 if the maximum allowable under
9 clause (1) exceeds this amount. Entry cost assistance may be
10 used to pay a portion of the entry costs on the property to be
11 purchased that are customary within the mortgage industry.

12 [For text of subps 4 to 10, see M.R.]

13 **REPEALER.** Minnesota Rules, parts 4900.1315, subparts 7 and 10;
14 and 4900.1345, subpart 1, are repealed.