462A.2091 CONTRACT FOR DEED GUARANTEE ACCOUNT.

Subdivision 1. **Creation.** The contract for deed guarantee account is created as a separate account in the housing development fund. Money in the account is appropriated to the agency for the purposes of this section. The account consists of money appropriated to the account and transferred from other sources and all earnings from money in the account.

Subd. 2. **Account uses.** Money in the account may be used to create a guarantee fund for the refinancing of contracts for deed.

Subd. 3. **Eligible property.** Contracts for deed eligible for refinancing with guarantee fund assistance must be for the purchase of an owner-occupied single-family or duplex structure. In a city of the first class in the metropolitan area, eligible properties must be located in an area in which at least one census tract meets at least three of the following four criteria:

(1) at least 70 percent of the housing structures were built before 1960;

(2) at least 60 percent of the single-family housing is owner-occupied;

(3) the median market value of the area's owner-occupied housing, as recorded in the most recent federal decennial census, is not more than 100 percent of the purchase price limit for existing homes eligible for purchase in the area under the agency's home mortgage loan program; and

(4) between 1980 and 1990, the rate of owner occupancy of residential properties in the area declined by at least five percent, or at least 80 percent of the residential properties in the area are rental properties.

The area must include eight blocks in any direction from the census tract. Priority must be given for property located in an area that meets all four criteria.

History: *1995 c 224 s 107; 1Sp2001 c 4 art 4 s 24*