

HOME Investment Partnerships Program FAQs

Last Updated: December 30, 2015

Description:

This document contains the HOME Investment Partnerships Program FAQs posted on the HUD Exchange website (<https://www.hudexchange.info/home/>). The FAQs are organized by topic.

Homeowner Rehabilitation

Homeowner Rehabilitation Administration

In an owner-occupied rehabilitation program, is it permissible for a PJ to provide HOME assistance to a homeowner who has a “living trust” or a life estate on the property?

Updated: November 22, 2013

Yes. In addition to traditional forms of ownership interest (defined under “homeownership” at §92.2), the 2013 Rule identifies four additional forms of ownership interest under which an owner can qualify for assistance for homeowner rehabilitation programs only, effective August 23, 2013. These include:

- Life estates
- Inherited property
- Inter vivos trust (i.e., a “living trust”)
- Beneficiary deeds.

For each of these new forms of ownership interest, the beneficiary must (1) be low-income and (2) use the property as his/her principal residence at the time of receiving HOME assistance. Homeowner rehabilitation activities are not subject to long-term affordability requirements under HOME; however, PJs may choose to require continued occupancy for some specified period of time when providing this type of assistance. For more information on these types of legal mechanisms and the requirements for each, refer to §92.254(c) of the 2013 Rule.