



HOMEBUYER SUBRECIPIENT – THRESHOLD CHECKLIST

| Code Reference | Description | Required |
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| Application | Complete Application | Yes |
| Application | Flood Plain Per application, project is not located in a flood plain. | Yes |
| Application | Repay/Forfeit Funds The Subrecipient Organization has not worked on any housing project/program where it had to repay or forfeit any funds awarded by a federal, state or local program. | Must answer & explain |
| Application | Underwriting Application met IFA's underwriting standards. | Yes |
| Application | Down Payment Assistance Down payment assistance per unit is at least \$1,000. | Yes |
| Federal 24 CFR Part 92.205 c. | Minimum Home Subsidy The HOME subsidy to the project is at least \$1,000 per unit. | Yes |
| Federal 24 CFR Part 92.50 | Project Timeline Activity timeline for completing the project is within allowed HUD guidelines. | Yes |
| Federal 24 CFR Part 92.508(3)(iii) State 265-39.6(16), 39.6(5) | GAP Financing The application shall show that a need for HOME assistance exists after all other financial resources have been identified and secured for the proposed activity. | Yes |
| Federal 24 CFR Part 92.508(a)(3)(ii) State 265-39.6(16), 39.6(7) a. | Pro Rata or Fair Share The total amount of HOME funds awarded on a per-unit basis may not exceed the per unit dollar limitations established under Section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 17151(d)(3)(ii)) for elevator-type projects that apply to the area in which the housing is located. | Yes |
| State 265-39.3(16) | Eligible HOME Applicant Application is from a qualified, eligible HOME applicant. | Yes |
| State 265-39.4(16), 39.4(1) | Eligible HOME Activities Funds requested are for an eligible HOME activity/activities. | Yes |
| State 265-39.4(16), 39.4(1) a. (3) | Purchase Price/After Rehab. Value For homebuyer assistance, the initial purchase price for newly constructed units or the after rehabilitation value for rehabilitated units shall not exceed the single-family housing mortgage limits as set forth by HUD's most current maximum purchase price or after-rehab value limits. | Yes |
| State 265-39.4(16), 39.4(1) b. (3) | HOME Income Limits For homebuyer assistance, only households with incomes at or below 80% of the AMI shall be assisted. | Yes |
| State 265-39.4(16), 39.4(1) e. (2) | Property Standards All single-family housing involving rehabilitation shall be rehabilitated in accordance with any locally adopted and enforced building or housing codes, standards and ordinances. In the absence of locally adopted and enforced building or housing codes, the requirements of the Iowa Minimum Housing Rehabilitation Standards shall apply (all communities with populations of 15,000 or less). | If rehab or acq/rehab |

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| State 265-39.4(16), 39.4(3) | Forgivable Loan For all single-family housing projects or activities assisting homebuyers, the only form of HOME funds assistance to the end beneficiary is a forgivable loan. | Yes |
| State 265-39.6(16), 39.6(1) | HOME Purpose & Consolidated Plan The application shall propose a housing activity consistent with the HOME fund purpose and eligibility requirements and the state consolidated plan. | Yes |
| State 265-39.6(16), 39.6(2) | Capacity The application shall document the applicant's capacity to administer the proposed activity. Such documentation may include successful administration of prior housing activities... | Yes |
| State 265-39.6(16), 38.6(2) & IDPH | Lead Based Paint Requirements Applicant agrees to use a Lead Safe Rnovator for lead based paint issues. (only required for pre-1978 buildings) | If pre-1978 project |
| State 265-39.6(16), 39.6(3) | Evidence of Need The application shall provide evidence of the need for the proposed activity, the potential impact of the proposed activity, the feasibility of the proposed activity, and the impact of additional housing resources on the existing related housing market. | Yes |
| State 265-39.6(16), 39.6(4) | Local Support The application shall demonstrate local support for the proposed activity. | Yes |
| State 265-39.6(16), 39.6(6) | HOME Certification The application shall include a HOME certification that the applicant will comply with all applicable state and federal laws and regulations. | Yes |
| State 265-39.6(16), 39.6(7) b. | HOME Subsidy Layering IFA shall evaluate the project in accordance with subsidy layering guidelines adopted by HUD for this purpose. | Yes |
| State 265-39.6(16), 39.6(8) | Principle Mortgage Loan An application for home ownership assistance activity must indicate that recipients will require the beneficiaries of the applicant's home ownership assistance activity to use a principle mortgage loan that meets the criteria described in this rule. | Yes |
| State 265-39.6(16), 39.6(8) a. | Repayable Loan With the exception of Habitat for Humanity principal mortgage loan products, the principal mortgage loan must be the only repayable loan in all individual home ownership assistance projects. | Yes |
| State 265-39.6(16), 39.6(8) b. | Second Lien The HOME assistance must be recorded in second lien position to the principal mortgage loan, if one exists. Recipients of HOME homebuyer assistance must maintain their assistance security agreements in the above-stated recording position throughout the applicable period of affordability and will not be allowed to subordinate the required recording position to any other form of assistance, such as home equity loans. A homebuyer search is required, and any collection/unpaid obligation that would become a judgment or any judgments must be paid in full prior to closing. | Yes |

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| State 265-39.6(16), 39.6(8) c. | Principal Mortgage Loan Products Any mortgage lending entity's principal mortgage loan products may be used provided they meet all of the minimum requirements: (1) The loan must be a fully amortizing, fixed-rate loan with rate not to exceed Fannie Mae 90-day yield + 0.125% or VA-published interest rate at part: (2) No less than a 15-year, fully amortized, fixed-rate mortgage shall be used; and (3) No adjustable rate mortgages or balloon payment types of mortgages will be allowed. | Yes |
| State 265-39.6(16), 39.6(9) | First-Time Homebuyer/Veteran An application for a homebuyer assistance activity must stipulate that homebuyer assistance is for first-time homebuyers or qualified veterans only and that the assisted unit will remain as the assisted homebuyer's principal residence throughout the required period of affordability, as verified annually the subrecipient. If the assisted homebuyer fails to maintain the home as the principal residence during the period of affordability, then all HOME funds associated with that address must be repaid to IFA. | Yes |
| State 265-39.6(16), 39.6(10) | Insured An application for a homebuyer activity must stipulate that all assisted units will be insured for at least the full value of the assisted unit, as verified annually by the subrecipient. | Yes |
| State 265-39.8(16), 39.8(6) a. | Award Limit An award shall be limited to no more than \$600,000 for single-family housing activities. | Yes |
| State 265-39.8(16), 39.8(7) a. | Subsidy Limit The maximum per unit subsidy for all single-family housing activities involving rehabilitation is \$37,500... All rehabilitation hard costs funded with HOME funds are limited to \$24,999. All applicable technical services costs, including any lead hazard reduction carrying costs, are limited to \$4,500 per unit. | If rehab or acq/rehab |
| State 265-39.8(16), 39.8(7)b | Subsidy Limit Assistance for single family housing activities providing acquisition assistance for housing (mortgage buy-down, downpayment or closing costs assistance or both, or combinations thereof) is limited to \$35,000 per unit, inclusive of all costs, including technical services costs. | If applicable |
| State 265-39.8(16), 39.8(8) | General Administration Subrecipients shall identify general administration costs in the HOME application. IFA reserves the right to negotiate the amount of funds provided for general administration, but in no case shall the amount for general administration exceed 10% of a total HOME funds award. Only local government and nonprofit recipients are eligible for general administration funds. Subrecipients must certify that all general administrative costs reimbursed by HOME are separate from and not reimbursed by HOME as technical assistance costs. | Only local govt & nonprofits are eligible |