



# HOME Quick Guide

## INTRODUCTION TO THE HOME PROGRAM

The HOME Investment Partnership Program (HOME) was created by the National Affordable Housing Act of 1990 (NAHA) and has been amended several times by subsequent legislation.

- ◆ The primary objectives of the HOME program are to:
  - Provide decent affordable housing to lower-income households;
  - Expand the capacity of nonprofit housing providers;
  - Strengthen the ability of state and local governments to provide housing; and
  - Leverage private-sector participation.
- ◆ The HOME program is designed to provide affordable housing to low-income and very low-income families and individuals and has rules about targeting program resources and establishing applicant eligibility.
- ◆ To ensure conformance, the US Dept. of HUD lists eligible HOME Funded activities and eligible costs that each activity must abide by. These key requirements appear as Federal regulations at 24 CFR 92.

## KEY HOME REQUIREMENTS

### Eligible HOME Funded Activities

#### Homebuyer Activities

**Eligible Costs** for homebuyer activities include:

- ◆ Acquisition
- ◆ Acquisition/ Rehabilitation

**Forms of Assistance** typically include:

- ◆ Grants
- ◆ Deferred-payment loans
- ◆ Below-market rate loans

**Program Designs** vary according to the needs of a community, but some standard designs include:

- ◆ Down payment and closing cost assistance
- ◆ Gap financing
- ◆ Development subsidy

**Additional Requirements:**

- ◆ Subsidy layering

	<ul style="list-style-type: none"> <li>◆ Eligible property types</li> <li>◆ Property standards</li> <li>◆ Eligible applicant/ beneficiary</li> <li>◆ Affordability period and monitoring</li> </ul>
Homeowner Rehabilitation	<p><b>Eligible Costs</b> for homeowner rehabilitation activities include:</p> <ul style="list-style-type: none"> <li>◆ Hard costs</li> <li>◆ Project related soft costs</li> </ul> <p><b>Forms of Assistance</b> typically include:</p> <ul style="list-style-type: none"> <li>◆ Grants</li> <li>◆ Deferred-payment loans</li> <li>◆ Non-interest bearing loans</li> <li>◆ Interest bearing loans</li> </ul>
Rental Housing Activities	<p><b>Eligible Costs</b> for rental housing activities include:</p> <ul style="list-style-type: none"> <li>◆ New Construction</li> <li>◆ Rehabilitation</li> <li>◆ Reconstruction</li> <li>◆ Conversion</li> <li>◆ Site Improvements</li> <li>◆ Acquisition of property</li> <li>◆ Acquisition of vacant land</li> <li>◆ Demolition</li> <li>◆ Relocation Costs</li> <li>◆ Refinancing</li> <li>◆ Capitalization of project reserves</li> <li>◆ Project-related soft costs</li> </ul>
Tenant-Based Rental Assistance (TBRA)	<p><b>Eligible Costs</b> for homebuyer activities include:</p> <ul style="list-style-type: none"> <li>◆ Rental Assistance Programs <ul style="list-style-type: none"> <li>• Voucher or Certificate Model</li> </ul> </li> <li>◆ Security Deposit Programs</li> </ul> <p><b>Additional Requirements:</b></p> <ul style="list-style-type: none"> <li>◆ Eligible applicant/ beneficiary</li> <li>◆ Eligible TBRA units</li> <li>◆ Property standards</li> </ul>

**For more information, contact:**

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