

PROHIBITED ACTIVITIES

The HOME Program provides an extremely flexible financing mechanism for affordable housing. There are however, certain activities that cannot be undertaken.

Ineligible Properties

- Public Housing development, maintenance, or modernization
- Properties eligible for assistance under the 24 CFR Part 248, “Prepayment of Low Income Housing Mortgages,”(See below for more information)
- Properties receiving Federal Rental Rehabilitation Program funds
- Certain mandated existing Section 8 program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.
- Commercial properties
- Emergency Homeless Shelters
- Emergency Repairs
- Properties which have previously received HOME funds

Preservation of Certain HUD Subsidized Low-Income Housing Mortgages

Properties eligible for assistance under the 24 CFR Part 248, “Prepayment of Low-Income Housing Mortgages,” are not eligible for assistance with HOME Program funds unless the applicant is a nonprofit or resident ownership organization that qualifies as a priority purchaser under § 248.101.

Project Previously Assisted Home Project

After the **first year** following project completion, no additional HOME funds can be added during a project’s **period of affordability**. HOME funds may be added to an additional phase(s) of the project.

HOME as Match for other federal programs

HOME Program funds typically cannot be used as the nonfederal match for other federal, state, or local initiatives.

Emergency Repair Program

HOME funds cannot be used for emergency repair/programs

Rental Assistance Payments

Although the federal regulations allow HOME funds to be used for tenant-based rental assistance, they do not allow HOME funds to be used in conjunction with the Federal Rental Rehabilitation program, or certain mandated existing Section 8 program uses, such as Section 8 rent subsidies for troubled HUD-insured projects. Federal regulations do not allow HOME funds to be used for rental assistance if receipt of funds is tied to continued occupancy in a particular project.

Fees for servicing or monitoring HOME activities

HOME regulations do not permit fees for servicing or monitoring activities related to the HOME Program. Should the regulations change, and/or in the event HOME administrative fees are no longer available through the HOME program to pay for such costs, IHFA reserves the right to implement.