

4900.0520 ELIGIBILITY REQUIREMENTS FOR HOME IMPROVEMENT LOANS.

Improvements made with home improvement loan proceeds shall satisfy the following requirements:

A. Improvements may be made in order: to comply with applicable state, county, and municipal health, housing, building, fire prevention, and housing maintenance codes, or other public standards applicable to housing; or to make the property more desirable to live in; or to increase the market value of the property; or to make the property more habitable; or to make the property more accessible to a person with a disability as provided in parts 4900.0710 to 4900.0740.

B. Each improvement must be a permanent general improvement. Permanent general improvements shall include additions, alterations, renovations, or repairs upon or in connection with existing structures, which materially preserve or improve the basic livability, safety, or utility of the property. Permanent general improvements shall not include materials, fixtures, or landscaping of a type or quality exceeding that customarily used in the locality for properties of the same general type as the property to be improved.

C. Each improvement must be made in compliance with all applicable health, fire prevention, building, and housing codes and standards; provided, however, that no application for a home improvement loan for property occupied by the owner shall be denied solely because the improvements will not bring such property into full compliance with all such codes and standards.

D. Home improvement loan proceeds shall not be used for the payment, wholly or in part, of assessments for public improvements; provided, however, that such proceeds may be used for improvements which will bring an individual sewage disposal system (including septic systems) located on the property into compliance with local, state, or federal environmental and sanitary standards.

E. All contracts covering all or any portion of an improvement must contain an MHFA approved warranty of construction and materials.

Statutory Authority: *MS s 462A.06*

History: *17 SR 1279; L 2005 c 56 s 2*

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