

4900.1240 OTHER REQUIREMENTS.

Subpart 1. **Unavailability of financing.** At the time of application for a cooperative or rental multifamily housing innovative loan, conventional financing for the purpose for which the loan is requested must not be available from private lenders upon equivalent terms and conditions.

Subp. 2. **Occupancy.** Initial occupancy in a project that receives a cooperative or rental multifamily housing innovative loan is limited to persons and families of low and moderate income as follows; provided, however, that to the extent necessary to avoid economic loss resulting from an inability to achieve full occupancy, and in order to encourage economic integration, with the prior written approval of the commissioner, up to 25 percent of the units in a project may be occupied by persons and families who are not persons and families of low and moderate income.

Preference for occupancy in a project that receives a cooperative or multifamily housing innovative loan may not be given to persons and families by virtue of their prior residence in the community in which the project is located; except that, with the prior written approval of the commissioner, preference may be given to persons and families displaced by public action or natural disaster or for previous residents of the project.

Statutory Authority: *MS s 462A.06*

History: *9 SR 296; L 1987 c 186 s 15*

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