

4900.1410 ELIGIBLE RECIPIENTS FOR WARRANTY CLAIM PAYMENTS.

Subpart 1. **Requirements.** To qualify for a payment the applicant must satisfy the following requirements.

Subp. 2. **Person or family of low or moderate income.** The applicant must be a person or family of low or moderate income as defined in part 4900.0010, subpart 23, item A at the time of the application for the payment.

Subp. 3. **Loan.** The applicant must either: have received an agency mortgage loan for a limited-unit development or an agency home improvement loan for the construction or rehabilitation of the dwelling containing the defect; or have purchased, from a recipient of an agency mortgage loan for a limited-unit development or an agency home improvement loan, a residential dwelling constructed or rehabilitated through the proceeds of such a loan.

Subp. 4. **Interest in the property.** The applicant must be an individual fee owner or, in the case of an agency home improvement loan, possess, individually or in the aggregate, at least a one-third interest in a fee, a contract for deed, or a life estate in the dwelling containing the defect, and must occupy the dwelling as the applicant's principal place of residence.

Subp. 5. **Maintaining of warranties.** The applicant must have taken all steps necessary to maintain the agency-approved warranties and all other applicable warranties in full force and effect.

Subp. 6. **Right of subrogation.** The applicant must agree to cooperate with the agency in any action to recover from the person responsible for the defect, execute all documents necessary to secure the agency's right of subrogation to the applicant's claim, and assist the agency in the prosecution of any legal action for breach of warranty that the agency may deem appropriate.

Statutory Authority: *MS s 462A.06*

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