

16.13 Lease-purchase agreements.

In order to encourage eventual home ownership by low or moderate income families who are able to establish home ownership capability by showing regularity of payment and property maintenance, the authority may assist in the provision of housing to such families by means of down payment grants made pursuant to the lease-purchase program.

1. To the extent funds are available, the authority may provide down payment grants on behalf of low and moderate income families to nonprofit sponsors to defray all or part of the down payment on real property that is transferred by such sponsors to such families under the terms of the lease-purchase program.
2. To qualify for a down payment grant, the tenant shall have occupied the property for at least one year, have performed all routine maintenance, and have made all lease or rental payments on time and in full, during the year ending on the date of transfer.
3. Not more than thirty days prior to transfer of a property, an independent appraisal of such property shall be obtained, and the down payment shall not exceed ten percent of the lesser of the appraised value or agreed upon price.
4. Such down payment grant may be collectible in full and immediately by the authority in the following cases, when the beneficiary of the grant has lived in and occupied the property for less than five continuous years.
 - a. If the purchaser, at any future time, resells the property to a family that is not eligible for assistance under this section.
 - b. If the property is totally destroyed and insurance settlement is made.

[C77, 79, 81, § 220.13]

C93, § 16.13