

316.5 Replacement housing for homeowner.

1. In addition to payments otherwise authorized by this chapter, the displacing agency shall make an additional payment to a displaced person who is displaced from a dwelling actually owned and occupied by the displaced person for not less than one hundred eighty days immediately prior to the initiation of negotiations for the acquisition of the property. All determinations to carry out this section shall be made in accordance with administrative rules adopted by the department. The additional payment shall include the following elements:

a. The amount, if any, which when added to the acquisition cost of the dwelling acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling.

b. The amount, if any, which will compensate the displaced person for any increased interest costs and other debt service costs which the displaced person is required to pay for financing the acquisition of a comparable replacement dwelling. The amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on the dwelling for not less than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of the dwelling.

c. Actual, reasonable, and necessary expenses incurred by the displaced person for evidence of title, recording fees, and other closing costs incident to the purchase of a replacement dwelling, but not including prepaid expenses.

2. The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within one year after the date on which the person receives final payment from the displacing agency of all costs of the acquired dwelling, or on the date on which the obligation of the displacing agency under section 316.8 is met, whichever is the later, except that the displacing agency may extend the eligibility period for good cause. If the period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within one year of the applicable date.

[C71, §316.4(1), 316.5; C73, 75, 77, 79, 81, §316.5]

89 Acts, ch 20, §9

Referred to in §316.6, 316.8