

265—29.4(16) Eligible uses of funds.

29.4(1) *Homeowner assistance.* The authority may award financial assistance in an amount not to exceed \$50,000 to an eligible homeowner for any of the purposes identified in Iowa Code section 16.57B(5) “b.”

a. Repair or rehabilitation. A disaster-affected home for which a homeowner receives financial assistance must continue to be used as the eligible homeowner’s primary residence throughout the retention period following the repair or rehabilitation.

b. Down payment assistance. The amount of down payment assistance that may be awarded to an eligible homeowner must not exceed 25 percent of the purchase price of the home being purchased plus any amount allowed for repairs, or \$50,000, whichever is less.

(1) For purposes of calculating the amount of down payment assistance available to the eligible homeowner, the amount of the down payment assistance will be reduced by the amount of any disaster compensation received by the eligible homeowner in excess of any amount necessary to pay off a mortgage or real estate purchase contract on the disaster-affected home.

(2) As a condition of receiving down payment assistance, the eligible homeowner must agree that any disaster compensation received subsequent to receiving financial assistance, if not applied toward repayment of a mortgage on the disaster-affected home, shall be used by the eligible homeowner to pay down the balance of any repayable financial assistance outstanding at the time the eligible homeowner receives such disaster compensation.

(3) An eligible homeowner shall not use the financial assistance allowed under this paragraph for the purchase of more than one home.

(4) Replacement housing must be used as the eligible homeowner’s primary residence throughout the retention period.

29.4(2) *Rental assistance.* The authority may award financial assistance to an eligible renter for the payment of rent for replacement housing pursuant to the limitations set forth in subrule 29.6(1).

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