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Applicability

The HOME, NSP, and HTF Programs provide extremely flexible financing for affordable housing development. However, there are certain activities and costs that cannot be paid with program funds.

Ineligible Properties

- Development, maintenance, or modernization of Public Housing authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds).
- Properties eligible for assistance under the [24 CFR Part 248](#), “Prepayment of Low Income Housing Mortgages,” (See below for more information)
- Properties receiving Federal Rental Rehabilitation Program funds
- Certain mandated existing Section 8 program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.
- Commercial property
- Shelters
- Facilities
- Emergency Repairs
- Previously funded properties still in the Period of Affordability
- Halfway housing, dormitories (including farmworker)
- Student housing (including dormitories)
- HTF specific -Transitional Housing

Preservation of Certain HUD Subsidized Low-Income Housing Mortgages

Properties eligible for assistance under the [24 CFR Part 248](#), “Prepayment of Low-Income Housing Mortgages,” are not eligible for assistance with HOME Program funds unless the applicant is a nonprofit or resident ownership organization that qualifies as a priority purchaser under [24 CFR §248.101](#).

Project Previously Assisted

After the first year following project completion date, no additional HOME/HTF/NSP funds can be added during the project’s period of affordability.

Delinquent Fees, Taxes, or Interest

Federal funds may not be used to pay delinquent fees, taxes, interest, collections, etc. for any project. Certain activities may require the delinquent items to be paid prior to a financial closing.

Annual Compliance and Monitoring Fee

The NSP program does not allow annual compliance and/or monitoring fees.