

92.214 Prohibited Activities

- a. HOME funds may not be used to:
1. Provide project reserve accounts, except as provided in Sec. 92.206(d)(5), or operating subsidies;
 2. Provide tenant-based rental assistance for the special purposes of the existing section 8 program, in accordance with section 212(d) of the Act;
 3. Provide non-federal matching contributions required under any other Federal program;
 4. Provide assistance authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds);
 5. Provide assistance to eligible low-income housing under 24 CFR part 248 (Prepayment of Low Income Housing Mortgages), except that assistance may be provided to priority purchasers as defined in 24 CFR 248.101;
 6. Provide assistance (other than tenant-based rental assistance or assistance to a homebuyer to acquire housing previously assisted with HOME funds) to a project previously assisted with HOME funds during the period of affordability established by the participating jurisdiction in the written agreement under Sec. 92.504. However, additional HOME funds may be committed to a project up to one year after project completion (see Sec. 92.502), but the amount of HOME funds in the project may not exceed the maximum per-unit subsidy amount established under Sec. 92.250.
 7. Pay for the acquisition of property owned by the participating jurisdiction, except for property acquired by the participating jurisdiction with HOME funds, or property acquired in anticipation of carrying out a HOME project; or
 8. Pay delinquent taxes, fees or charges on properties to be assisted with HOME funds.
 9. Pay for any cost that is not eligible under Secs. 92.206 through 92.209.
- b. Participating jurisdictions may not charge monitoring, servicing and origination fees in HOME-assisted projects. However, participating jurisdictions may charge nominal application fees (although these fees are not an eligible HOME cost) to project owners to discourage frivolous applications. Such fees are applicable credits under OMB Circular A-87.