SAMPLE HANDBOOK

HOME Investment Partnerships Program (HOME) Policies and Procedures

[Your organization's name]

Written from 24 CFR Part 92, checked November 11, 2026.

How to use this sample

Replace the bracketed name with your organization's. Change the job titles to the ones you use. Have the people who do the work read each section and correct anything that does not match how you operate. Then have your director or board approve it and sign the last page.

This is a sample, not legal advice. It follows the federal regulation. Your grant agreement and your funder's manual can add or tighten requirements, and they control where they differ.

Introduction

This handbook explains the policies and procedures our organization uses to manage funds from the HOME Investment Partnerships Program (HOME). We receive these funds from a participating jurisdiction, which is the city, county, consortium or state that gets the HOME allocation from HUD. Our written agreement states our role. A subrecipient runs all or part of a HOME program for the participating jurisdiction. An owner or developer receives HOME funds for a specific housing project. A community housing development organization (CHDO) is a nonprofit certified to own, develop or sponsor housing with funds set aside for CHDOs. The rules come from 24 CFR Part 92 and our agreement, and for a subrecipient also from 2 CFR Part 200. Where the agreement sets a stricter rule, a longer affordability period, a deadline or a form, we follow the agreement. HUD revised Part 92 effective April 20, 2025, and projects with funds committed before that date may follow the earlier rules. Each section states our policy, lists the steps we follow and who is responsible, and names the rules the section rests on. The executive director reviews this handbook once a year and whenever the agreement or the rules change.

What the program expects in writing

- A signed written agreement with the participating jurisdiction, separate from the loan documents, with the use of funds, tasks, schedule and budget (24 CFR 92.504(b) and (c))
- An income file for every household in a HOME-assisted unit or program, showing the documents reviewed, the income limit applied and the date (24 CFR 92.203; 24 CFR 92.508(a)(3)(v))
- For rental housing, the rent charged for each HOME unit, the utility allowance used, and the yearly rent and occupancy report sent to the participating jurisdiction (24 CFR 92.252(a), (b), (c) and (e)(2); 24 CFR 92.504(c)(3)(vi))
- A written lease for each HOME unit with none of the prohibited terms, the VAWA lease addendum, and proof the VAWA notice and certification form were given (24 CFR 92.253(a) and (b); 24 CFR 92.359(c) and (e))
- Written tenant selection policies and criteria, and the written waiting list (24 CFR 92.253(d))
- The recorded deed restriction, covenant or other recorded document that imposes the affordability period, and for homebuyer projects the resale or recapture document and each buyer's written agreement (24 CFR 92.252(d)(1); 24 CFR 92.254(a)(4) and (a)(5); 24 CFR 92.504(c)(5)(i))
- Inspection reports from project completion and from each later inspection, proof that deficiencies were fixed, and the owner's yearly certification that the units are suitable for occupancy (24 CFR 92.251(f)(3) and (f)(5); 24 CFR 92.508(a)(3)(iv))
- Affirmative marketing records: what you did to reach people unlikely to apply, and what the results were (24 CFR 92.351(a)(2); 24 CFR 92.508(a)(7)(ii)(A))
- Financial records that show where HOME funds came from and what they paid for, with source documents, including program income, repayments and recaptured funds (24 CFR 92.508(a)(3)(ii) and (a)(5)(iii); 2 CFR 200.302(b)(3) and (b)(7))
- Written standards of conduct and a conflict of interest policy, with any exception approved in writing (24 CFR 92.356; 2 CFR 200.318(c))
- Project files for the other federal requirements: environmental clearance, relocation notices and occupancy lists, wage and payroll records, and lead-based paint records (24 CFR 92.508(a)(7)(iii)

to (vi))

- For a CHDO: the documents that show you meet the CHDO definition, your board makeup, your capacity, and your tenant participation plan (24 CFR 92.2; 24 CFR 92.300(a); 24 CFR 92.303)

1. Written agreement and our role

OUR POLICY

We do not accept, spend or pass on HOME funds until the participating jurisdiction and our organization have both signed a legally binding written agreement. The agreement is a separate document from the mortgage, note or regulatory agreement. It names our role, and our role decides which rules in this handbook apply to us. We carry out only the work the agreement describes, within its budget and schedule, and we ask for a written amendment before we change any of them.

WHAT WE DO

1. The executive director reads the full agreement before signing it and confirms that it states whether we are a subrecipient, an owner or developer, or a CHDO that will own, develop or sponsor the housing.
2. The executive director confirms that the agreement describes the amount and use of the HOME funds, the tasks, a schedule and a budget, plus any match requirement and the agreement period for a subrecipient, or the project address and the other funding for an owner or developer.
3. The program director confirms that a rental project agreement sets the initial rents, the rent increase procedure, the number, size and fixed or floating status of the HOME units, and the income method, and sends each HOME unit's address by initial occupancy.
4. The program director notes in the project file which version of 24 CFR Part 92 the agreement applies, because projects with HOME funds committed before April 20, 2025 may follow the earlier rules.
5. The executive director of a subrecipient signs a written agreement that meets 24 CFR 92.504 with each owner, homebuyer, tenant, landlord or contractor before giving that party any HOME funds.
6. The executive director asks the participating jurisdiction in writing for an amendment before any change to the scope, the budget, the unit count or the schedule takes effect.
7. The finance manager keeps the signed agreement and every amendment in the project file and holds them for five years after the agreement ends.

Rules this covers: 24 CFR 92.504(b); 24 CFR 92.504(c)(2); 24 CFR 92.504(c)(3); 24 CFR 92.504(c)(6); 24 CFR 92.2; 24 CFR 92.3; 24 CFR 92.508(c)(4)

2. Eligible activities, eligible costs and prohibited costs and fees

OUR POLICY

We use HOME funds only for the activity and the costs named in our agreement. The rules allow acquisition, new construction, reconstruction and rehabilitation of housing that is not luxury housing, assistance to homebuyers, tenant-based rental assistance including security deposits, and operating expenses of CHDOs. The housing has to be permanent or transitional housing, and it has to meet the property standards when the project is complete. We do not charge HOME for any cost the rules prohibit, and we do not charge fees the rules do not allow.

WHAT WE DO

1. The program director checks each cost against the agreement budget and the eligible costs before it is charged: construction, rehabilitation, acquisition, related soft costs and relocation.
2. The finance manager charges HOME only for the actual cost of the HOME-assisted units in a mixed project, by prorating costs when the units are comparable and by a documented cost allocation when they are not.
3. The program director confirms with the participating jurisdiction that the HOME investment is at least $1,000 for each HOME-assisted unit and is not more than the maximum per-unit subsidy that HUD publishes for our area.
4. The finance manager does not charge HOME for operating subsidies, delinquent taxes or fees on the property, another federal program's match, or project reserves other than an approved operating deficit reserve for a rent-up period of up to 18 months.
5. The program director of a subrecipient or CHDO does not charge servicing, origination or other fees to cover the cost of running the HOME program, and does not charge low-income families for inspections or construction management.
6. The property manager charges tenants only reasonable application fees, parking fees that are customary in the neighborhood and fees for voluntary services, and never fees that are not customary in rental housing, such as a laundry room access fee.
7. The program director who runs tenant-based rental assistance signs a rental assistance contract with the owner and the family for a term of no more than 24 months, which can be renewed, and limits security deposit help to two months' rent.
8. The program director tracks each project's completion deadline, because a project not completed within 4 years of the commitment date is treated as terminated and its HOME funds have to be repaid unless HUD grants a one-year extension.

Rules this covers: 24 CFR 92.205(a); 24 CFR 92.205(c); 24 CFR 92.205(d); 24 CFR 92.205(e); 24 CFR 92.206; 24 CFR 92.209; 24 CFR 92.214; 24 CFR 92.250(a)

3. Income eligibility and income targeting

OUR POLICY

Every household we assist with HOME funds has to be a low-income family, which means annual income at or below 80 percent of the area median income, adjusted for family size, using the limits HUD publishes. A very low-income family is at or below 50 percent. The participating jurisdiction also has to show that at least 90 percent of the families in its HOME rental units and rental assistance are at or below 60 percent of the median at initial occupancy, so our agreement may set lower limits for some units. All homeownership assistance has to go to low-income families. We use the definition of annual income and the method of checking it that our agreement names.

WHAT WE DO

1. The program director gets the current HUD income limits for our area from the participating jurisdiction each year and gives staff the limits by family size.
2. The intake staff determine income for each new tenant, homebuyer or homeowner by examining at least 2 months of source documents, such as wage statements, interest statements and unemployment compensation statements.
3. The intake staff accept another program's determination instead only where the agreement allows it: a rental subsidy provider's determination, or a public assistance agency's written statement of family size and annual income from the previous 12 months.
4. The intake staff count the income of everyone in the household except live-in aides, foster children and foster adults, and do not count rental assistance payments as the tenant's income.
5. The intake staff determine income again before homeownership assistance or tenant-based rental assistance is provided if more than six months have passed since the family was found eligible.
6. The property manager re-examines each tenant's income every year during the affordability period, using the method in the agreement: source documents, or the family's written and certified statement of income and family size.
7. The property manager examines source documents at least every sixth year when the affordability period is ten years or more and written statements are used in other years, and whenever a statement appears incomplete or wrong.
8. The intake staff record in each household file the documents reviewed, the family size, the income limit applied, the result and the date.

Rules this covers: 24 CFR 92.2; 24 CFR 92.203(a); 24 CFR 92.203(b); 24 CFR 92.203(c) and (d); 24 CFR 92.203(e); 24 CFR 92.216; 24 CFR 92.217; 24 CFR 92.252(g); 24 CFR 92.508(a)(3)(v)

4. Rent limits, utility allowances and HOME unit designation

OUR POLICY

We charge no more for a HOME-assisted rental unit than the HOME rent limit, which covers the rent plus utilities or the utility allowance. HUD publishes the limits each year by bedroom count. The High HOME rent is the lesser of the fair market rent and 30 percent of the adjusted income of a family at 65 percent of the area median. In a project with five or more HOME-assisted units, at least 20 percent of them have to be occupied by very low-income families at the Low HOME rent. The participating jurisdiction reviews and approves our rents every year.

WHAT WE DO

1. The property manager gets the updated HOME rent limits and the utility allowance schedule from the participating jurisdiction each year.
2. The property manager sets the rent for each HOME unit at or below the rent limit minus the utility allowance when the tenant pays for utilities.
3. The property manager sets each Low HOME rent in a way the rule allows and the participating jurisdiction has approved, such as the published Low HOME rent limit or 30 percent of the family's adjusted income.
4. The asset manager sends the participating jurisdiction a report of the rent charged and the occupancy of every HOME unit each year, and waits for its approval before any new rents take effect.
5. The property manager gives each tenant at least 60 days' written notice before a rent increase, and applies an increase only as the tenant's lease allows.
6. The property manager charges a tenant who is no longer low-income the lesser of the amount state or local law allows and 30 percent of the family's adjusted income, and applies the separate rules for tax credit units and floating units where they fit.
7. The asset manager keeps a list of the HOME units and reports each substitution of a floating unit, which has to be comparable in size, features and number of bedrooms.
8. The asset manager reports lease-up progress, because the participating jurisdiction has to revise the marketing plan if units are not occupied by eligible tenants within six months of completion and repay the HOME funds for any unit not rented to one within 18 months.

Rules this covers: 24 CFR 92.252; 24 CFR 92.252(a)(1) and (a)(2); 24 CFR 92.252(b) and (c); 24 CFR 92.252(e); 24 CFR 92.252(h); 24 CFR 92.252(j); 24 CFR 92.504(c)(3)(ii)(A); 24 CFR 92.504(c)(3)(vi)

5. Leases, tenant selection and tenant protections

OUR POLICY

We give every tenant of a HOME-assisted unit a written lease for at least one year, unless the tenant and we agree to a shorter term. Our lease has none of the terms the rule prohibits. We end or refuse to renew a tenancy only for the reasons the rule allows and only after written notice. We choose tenants under written selection policies, and we follow the Violence Against Women Act (VAWA) protections for applicants and tenants. If state or local law gives tenants more protection, we follow that law as well.

WHAT WE DO

1. The property manager uses a lease form checked against the nine prohibited terms, such as agreeing to a judgment, excusing the owner from responsibility, waiving notice, court proceedings, a jury trial or an appeal, and being required to accept supportive services outside transitional housing.
2. The property manager attaches the participating jurisdiction's VAWA lease addendum to every HOME lease, and does not use a surety bond or security deposit insurance in place of or in addition to a security deposit.
3. The property manager gives the VAWA notice of occupancy rights and certification form to each applicant who is admitted or denied and with any eviction notice, and sends emergency transfer requests to the participating jurisdiction, which decides them under its plan.
4. The property manager ends or declines to renew a tenancy only for serious or repeated lease violations, a violation of law, the end of a transitional housing tenancy, or other good cause, and never because income rose or the tenant declined to buy the unit.
5. The property manager serves written notice that states the grounds at least 30 days before a tenancy ends, or earlier if state or local law requires more notice.
6. The property manager follows written selection policies that limit the housing to low-income families, use criteria reasonably related to meeting the lease, do not exclude holders of housing choice vouchers or HOME rental assistance, take tenants from a written waiting list in order as far as practicable, and give rejected applicants the reasons promptly in writing.
7. The program director applies a preference or limits the housing to a particular group only when the agreement permits it and the participating jurisdiction's consolidated plan describes it.
8. The property manager uses a HOME tenancy addendum or any added tenant protection when our agreement requires it. HUD's 2025 rule rewrote the tenant protection section, and the date that change takes effect has been delayed.

Rules this covers: 24 CFR 92.253(a); 24 CFR 92.253(b); 24 CFR 92.253(c); 24 CFR 92.253(d); 24 CFR 92.359(c); 24 CFR 92.359(e); 24 CFR 92.359(g); 24 CFR 5.2005(a); 24 CFR 92.252(i)

6. Affordability periods and how they are secured

OUR POLICY

We keep HOME-assisted housing affordable for the whole affordability period in our agreement. For rental housing the minimum period starts at project completion: 5 years when the HOME investment is under $25,000 per unit, 10 years from $25,000 to $50,000, 15 years over $50,000 or when rehabilitation involves refinancing, and 20 years for new construction or the purchase of newly built housing. For homebuyer housing the minimums are 5, 10 and 15 years at the same dollar steps. The participating jurisdiction may set a longer period. A recorded document imposes these requirements, and for rental housing they continue even if the HOME loan is repaid or the property is sold.

WHAT WE DO

1. The program director confirms the affordability period for each project from the HOME investment per unit and the agreement, and notes that the dollar steps above apply to funds committed on or after April 20, 2025.
2. The executive director signs the deed restriction, covenant, lien or other recorded agreement that imposes the affordability requirements, and the program director confirms it has been recorded as

state law requires.

3 The program director confirms that a home sold to a HOME buyer is single family housing, will be the buyer's principal residence, and has a price of no more than 95 percent of the area median purchase price, using the limits the participating jurisdiction provides.

4 The program director signs a written agreement with each homebuyer that states the amount, form and use of the HOME assistance, the purchase deadline, and the resale or recapture terms, and confirms the buyer has received housing counseling.

5 The program director applies the recapture terms when an assisted home stops being the buyer's principal residence during the affordability period, and on a sale collects no more than the net proceeds after superior loans and closing costs are paid.

6 The program director applies the resale terms where the agreement uses them, so that the next buyer is a low-income family that will live in the home and the seller gets a fair return, as the participating jurisdiction defines it.

7 The finance manager returns recaptured funds to the participating jurisdiction unless the agreement lets us keep them for other HOME projects.

8 The program director tells the participating jurisdiction when a home for sale has no ratified sales contract with an eligible buyer within 12 months of completion, because it then has to be rented as HOME rental housing.

Rules this covers: 24 CFR 92.252(d); 24 CFR 92.254(a)(1) to (a)(3); 24 CFR 92.254(a)(4); 24 CFR 92.254(a)(5)(i); 24 CFR 92.254(a)(5)(ii); 24 CFR 92.503(c); 24 CFR 92.504(c)(3)(ii); 24 CFR 92.504(c)(5)(i); 24 CFR 92.3(d)(3)

7. Property standards and inspections

OUR POLICY

We build, rehabilitate and maintain HOME-assisted housing to the property standards the participating jurisdiction has adopted. New construction has to meet state and local codes and the HUD requirements in the rule when the project is complete. Rehabilitation has to meet the participating jurisdiction's written rehabilitation standards. Rental housing has to stay decent, safe, sanitary and in good repair for the whole affordability period. We give the participating jurisdiction's inspectors access, and we correct what they find within the time allowed.

WHAT WE DO

1 The construction manager makes sure the construction contract and construction documents describe the work in enough detail for inspections, and sends the written cost estimate to the participating jurisdiction for its review and approval.

2 The construction manager schedules the participating jurisdiction's initial, progress and final inspections, and does not treat a project as complete until the final inspection shows the work is done and the standards are met.

3 The construction manager confirms that carbon monoxide alarms and smoke alarms are installed as the rule and the participating jurisdiction's standards require, and that the work meets the lead-based paint and accessibility requirements that apply.

4 The asset manager funds a replacement reserve monthly when a major system in a rehabilitated rental project will not last the affordability period, and gets a capital needs assessment for a multifamily rental rehabilitation of 26 or more units.

5 The program director asks the participating jurisdiction to inspect existing housing no earlier than 90 days before HOME funds are committed to buy it.
6 The program director lets a buyer purchase an existing home that does not yet meet the standards only when the buyer's agreement requires it to meet them within 6 months, or an extension of up to 12 months, and repair funds are secured.
7 The property manager prepares for the participating jurisdiction's on-site inspection within 12 months after project completion and at least every 3 years after that, which covers every HOME unit in a project with one to four and a random sample in larger projects.
8 The asset manager certifies to the participating jurisdiction each year that every building and all HOME-assisted units are suitable for occupancy.
9 The property manager corrects health and safety deficiencies immediately and other deficiencies before the follow-up inspection, which has to occur within 12 months, and does not charge tenants to fix problems they did not cause.

Rules this covers: 24 CFR 92.251(a); 24 CFR 92.251(b); 24 CFR 92.251(c); 24 CFR 92.251(f)(1); 24 CFR 92.251(f)(3); 24 CFR 92.251(f)(5); 24 CFR 92.355; 24 CFR 92.214(b)(3); 24 CFR 92.504(c)(3)(iv); 24 CFR 92.508(a)(3)(iv)

8. Financial management, payment requests, match and program income

OUR POLICY

We account for HOME funds separately, support every cost with source documents, and ask for HOME funds only when we need them to pay eligible costs. As a subrecipient we follow the federal grant rules in 2 CFR Part 200, with the exceptions listed in 24 CFR 92.505. As an owner, developer or CHDO we follow the financial terms of our agreement. We handle program income, repayments and recaptured funds the way the agreement says. The matching requirement belongs to the participating jurisdiction, and we provide or document match only as far as our agreement requires.

WHAT WE DO

1 The finance manager records HOME funds by agreement and by project, compares spending with the budget each month, and keeps the invoice, contract, payroll record or closing statement behind every cost.
2 The finance manager of a subrecipient follows written procedures for deciding whether a cost is allowable, and confirms that each cost is necessary, reasonable, allocable to HOME and documented.
3 The finance manager requests HOME funds only when they are needed to pay eligible costs and only in the amount needed, because the participating jurisdiction has to spend funds drawn from the U.S. Treasury within 15 days.
4 The finance manager of a subrecipient records program income, such as loan repayments, interest and sale proceeds from HOME funds or match, sends it to the participating jurisdiction or keeps it for other HOME projects as the agreement states, and spends any on hand before requesting more HOME funds.
5 The finance manager sends every repayment an owner makes on HOME assistance to the participating jurisdiction, unless the agreement lets a subrecipient keep it.

6 The finance manager keeps a log of match by project when the agreement asks us to help meet the participating jurisdiction's match of at least 25 percent of the HOME funds it draws in a fiscal year, and does not count federal funds such as CDBG, the owner's own equity, or anything counted as match for another federal program.
7 The finance manager of a subrecipient arranges the audit that 2 CFR Part 200, Subpart F requires for any fiscal year in which we spend $1,000,000 or more in federal awards.
8 The finance manager of a subrecipient returns any HOME funds on hand and any accounts receivable from HOME funds to the participating jurisdiction when the agreement expires.

Rules this covers: 24 CFR 92.505; 24 CFR 92.506; 24 CFR 92.502(c)(2); 24 CFR 92.503; 24 CFR 92.2; 24 CFR 92.504(c)(2)(ii), (vi) and (vii); 24 CFR 92.504(c)(3)(i) and (viii); 24 CFR 92.218; 24 CFR 92.220(b); 24 CFR 92.508(a)(2)(ix); 2 CFR 200.302(b); 2 CFR 200.403; 2 CFR 200.501(a)

9. CHDO requirements

OUR POLICY

This section applies when we receive HOME funds as a community housing development organization. The participating jurisdiction has to reserve at least 15 percent of its HOME allocation for housing that CHDOs own, develop or sponsor. It has to certify that we meet the CHDO definition and document that we have the capacity for our role each time it commits funds to us. We keep our qualifications current, we stay in the role our agreement names, and we give tenants a voice in management.

WHAT WE DO

1 The executive director keeps a CHDO qualification file with our organizing documents, our IRS ruling under section 501(c)(3) or (4), our housing purpose in the charter or bylaws, our financial standards, proof of one year of community service, and the paid staff with development experience.
2 The board secretary keeps a board roster that shows at least one-third of the members are residents of low-income neighborhoods, other low-income community residents, or people named by low-income neighborhood organizations or by community nonprofits that serve them.
3 The board secretary confirms that no government body or for-profit sponsor may appoint more than one-third of the board, that officials or employees of a government body that created us hold no more than one-third of the seats, and that our officers and employees are not officers or employees of either.
4 The executive director keeps a written, formal process for low-income program beneficiaries to advise us on the design, siting, development and management of our housing, and keeps a record of how it was used.
5 The executive director confirms that the agreement states whether we will own, develop or sponsor the housing, and that we hold title or a long-term ground lease to rental housing during development and for at least the affordability period.
6 The program director of a CHDO that develops homes for sale follows the pricing and the handling of sale proceeds in the agreement, and keeps HOME homebuyer assistance at no more than 10 percent of the HOME funds for developing the housing.

7 The finance manager uses HOME operating expense funds only for the costs in the operating agreement, never for costs we incur as a subrecipient or contractor, and tracks the yearly limit of $50,000 or 50 percent of our total operating expenses, whichever is greater.
8 The property manager follows a fair lease and grievance procedure approved by the participating jurisdiction and carries out our written plan for tenant participation in management decisions.

Rules this covers: 24 CFR 92.2; 24 CFR 92.300(a); 24 CFR 92.300(f); 24 CFR 92.208; 24 CFR 92.303; 24 CFR 92.504(c)(6); 24 CFR 92.508(a)(4)

10. Fair housing, environmental review, relocation, labor and conflicts of interest

OUR POLICY

We carry out each HOME project in line with the other federal requirements in Subpart H of 24 CFR Part 92 that our agreement applies to us. We market housing affirmatively and do not discriminate. We do not commit funds or start work on a project until the participating jurisdiction tells us in writing that the environmental review is complete. We work to avoid displacing people, pay prevailing wages where the rule requires them, and follow the lead-based paint rules. No one connected with our organization may gain improperly from HOME funds.

WHAT WE DO

1 The program director follows the participating jurisdiction's affirmative marketing procedures for projects with five or more HOME-assisted units and for HOME-funded programs, reaches out to people who are unlikely to apply, and keeps records of the steps taken and the results.
2 The program director gives the participating jurisdiction what it needs for the environmental review, and makes sure we do not buy property, sign a construction contract or begin work with any funds until it confirms in writing that the review is cleared.
3 The program director lists everyone living in a property on the date the rule uses, usually the date of our application, gives occupants the written notices the participating jurisdiction requires, and reports anyone who may have to move.
4 The program director gives tenants who have to move temporarily advance written notice and repays their reasonable out-of-pocket costs, and makes sure anyone permanently displaced receives relocation assistance under the Uniform Relocation Act and 49 CFR Part 24.
5 The construction manager puts the Davis-Bacon prevailing wage provisions in every construction contract that covers 12 or more HOME-assisted units, collects certified weekly payrolls, and does not split a project into several contracts to avoid the wage rules.
6 The construction manager follows the lead-based paint rules in 24 CFR Part 35, and the Section 3 rules in 24 CFR Part 75 when HUD assistance to a construction or rehabilitation project is above the threshold, listed as $200,000 and updated by HUD.
7 The executive director of a subrecipient makes sure that no employee, agent, consultant, officer or official with a role in HOME activities gains a financial interest or benefit from them, personally or through business or immediate family ties, while in that role or for one year after.
8 The executive director of an owner, developer or sponsor makes sure that none of its officers, employees, agents or consultants, or their immediate family, lives in a HOME-assisted unit during the affordability period, other than a project manager or maintenance worker, without a written

exception from the participating jurisdiction.

Rules this covers: 24 CFR 92.350; 24 CFR 92.351(a); 24 CFR 92.352; 24 CFR 58.22; 24 CFR 92.353; 24 CFR 92.354; 24 CFR 92.355; 24 CFR 92.356; 24 CFR 75.3(a)(2); 24 CFR 92.508(a)(7); 24 CFR 92.504(c)(2)(iv) and (c)(3)(v); 2 CFR 200.318(c)

11. Records, reports, monitoring and noncompliance

OUR POLICY

We keep the records our agreement lists and enough other records to show that each project and each household met the HOME rules. We keep them for as long as the rule and the agreement require, which for rental housing runs well past the end of the affordability period. We send every report on time, cooperate with monitoring and fix findings by the deadline given. When we find a problem ourselves, we tell the participating jurisdiction and correct it.

WHAT WE DO

1. The program director keeps a file for each project with the agreement, the budget and source of funds, the HOME unit list, income files, leases, rents, inspection reports, marketing records, and the records for the other federal requirements.
2. The finance manager keeps HOME records for at least five years, and for a rental project keeps tenant income verifications, project rents and inspection records for the most recent five years until five years after the affordability period ends.
3. The finance manager keeps homebuyer resale and recapture documents until five years after the affordability period ends, rental assistance records for five years after the assistance ends, and relocation and acquisition records for five years after everyone affected has received final payment.
4. The finance manager keeps any record past its normal date when litigation, a claim, an audit or a monitoring review started before that date, until the matter is resolved.
5. The asset manager sends the participating jurisdiction the reports the agreement requires, including the yearly rent and occupancy report, the yearly certification that units are suitable for occupancy, and the project's financial statements, which it reviews at least yearly for projects with 10 or more HOME-assisted units.
6. The program director reports the race, ethnicity and head-of-household data on applicants and participants that the participating jurisdiction asks for.
7. The executive director gives the participating jurisdiction, HUD and the Comptroller General access to our HOME records when they ask.
8. The executive director prepares for monitoring, which for a subrecipient happens at least once a year, answers each finding in writing by the deadline, and keeps proof that it was resolved.
9. The executive director reviews the remedies in the agreement with the board each year: suspension or termination for a material failure to comply, repayment of HOME funds for ineligible costs or for housing that does not stay affordable, and enforcement of the recorded restrictions.

Rules this covers: 24 CFR 92.508(a)(3); 24 CFR 92.508(a)(7)(i); 24 CFR 92.508(c); 24 CFR 92.508(d); 24 CFR 92.504(a); 24 CFR 92.504(c)(2)(viii) and (ix); 24 CFR 92.504(c)(3)(vi) and (vii); 24 CFR 92.251(f)(3)(ii); 24 CFR 92.251(f)(3)(iv); 24 CFR 92.503(b); 24 CFR 92.509; 24 CFR 92.551(c); 24 CFR 92.552(a)

Adoption

This handbook was reviewed and adopted by our organization on the date below. We review it once a year and whenever the grant agreement or the regulation changes.

Adopted by: _____ Title: _____

Signature: _____ Date: _____

Sources

- 24 CFR Part 92: The HOME Investment Partnerships Program regulations. Subpart E covers eligible activities, income and match, subpart F covers project requirements, subpart G covers CHDOs, subpart H covers other federal requirements, and subpart K covers program administration. https://www.ecfr.gov/current/title-24/subtitle-A/part-92
- 24 CFR 92.3: Which version of the rules applies to a project after HUD's 2025 changes, based on when the HOME funds were committed. https://www.ecfr.gov/current/title-24/section-92.3
- 24 CFR 92.504: The participating jurisdiction's responsibilities and what the written agreement has to include for a subrecipient, an owner or developer, a homebuyer and a CHDO. https://www.ecfr.gov/current/title-24/section-92.504
- 24 CFR 92.203: How income is determined and documented for tenants, homebuyers and homeowners. https://www.ecfr.gov/current/title-24/section-92.203
- 24 CFR 92.252: Rental housing: HOME rent limits, utility allowances, the affordability period, yearly income re-examination, over-income tenants, and fixed and floating units. https://www.ecfr.gov/current/title-24/section-92.252
- 24 CFR 92.253: Tenant protections and tenant selection: the lease, prohibited lease terms, ending a tenancy and written selection policies. The eCFR page also shows the 2025 amendment whose effective date has been delayed. https://www.ecfr.gov/current/title-24/section-92.253
- 24 CFR 92.254: Homeownership: modest housing, the affordability period, and the resale and recapture rules. https://www.ecfr.gov/current/title-24/section-92.254
- 24 CFR 92.251: Property standards for new construction, rehabilitation and acquisition, and the ongoing inspections of rental housing. https://www.ecfr.gov/current/title-24/section-92.251
- 24 CFR 92.508: The records that have to be kept and how long they have to be kept. https://www.ecfr.gov/current/title-24/section-92.508
- 2 CFR Part 200: The federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements, which 24 CFR 92.505 applies to subrecipients with some exceptions. https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200
- 24 CFR 5.2005: HUD's VAWA protections, including the notice of occupancy rights and certification form that 24 CFR 92.359 requires owners to give. https://www.ecfr.gov/current/title-24/section-5.2005

- 24 CFR 58.22: The limit on committing funds or starting work before the environmental review is cleared. https://www.ecfr.gov/current/title-24/section-58.22
- 24 CFR 75.3: When the Section 3 rule on jobs and contracts for low- and very low-income persons applies to a HUD-assisted housing project. https://www.ecfr.gov/current/title-24/section-75.3