

Minnesota Housing Loan Programs

eNews

HOMEOWNERSHIP



Critical HOME HELP Program Changes

The Department of Housing and Urban Development (HUD) released the 2013 HOME Final Rule containing several key changes for the HOME HELP Program effective Friday, August 23.

1. The HOME HELP inspection standard changes from the current Housing Quality Standards (HQS) to the Uniform Physical Condition Standards (UPCS). Any HOME HELP inspection performed on or after August 23, 2013 MUST use UPCS.

As a result of this change, lenders should:

- Review the updated [UPCS HOME HELP Inspector list](#) to ensure UPCS qualified inspectors are selected in addition to reviewing current inspection prices.
- Review the [UPCS Inspection Form](#) to understand HUD property requirement changes effective under the UPCS standard which differ from the HQS standard.
- Communicate with listing agents to ensure the property meets UPCS guidelines prior to ordering the HOME HELP Inspection.

2. HUD no longer allows any fees associated with HOME HELP loans to be charged to the borrower. This is effective for all HOME HELP loans committed/locked on or after August 23.

Fees impacted include:

- Lenders will pay the HOME HELP inspection fee and instruct the title company to pay the inspector at closing. Minnesota Housing will reimburse the lender the full HOME HELP loan



For More Information

Lenders who would like more information regarding these changes can attend the lender conference call on [August 21 at 2:00 p.m.](#) or can view the [recorded presentation](#).

Questions?

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amount plus the inspection fee.

- A HOME HELP lender compensation fee may not be charged to the borrower.

3. Updated [acquisition cost limits](#) are effective for all HOME HELP loans where the Start Up loan is committed in the online system on or after August 23, 2013.

HUD has indicated that updates to the acquisition cost limits may include, but are not limited to, requirements pertaining to new and existing housing, however those figures are not yet available.



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