



## ADMINISTRATIVE RULES OF MONTANA



### 8.111.303 FINANCING PROGRAMS

- (1) From time to time the board may engage in programs to finance housing developments within the state. Specific programs authorized by 90-6-108, MCA, are:
  - (a) the making of loans to lending institutions;
  - (b) the purchasing of existing mortgages from lending institutions;
  - (c) the making and undertaking of commitments to make or purchase new mortgages made by lending institutions to qualified and eligible borrowers; and
  - (d) the making of direct mortgage loans to lower income persons and families.
- (2) The board will provide all financing programs through qualified and approved lending institutions in the state. The board may engage in a specific program to finance housing developments only when it finds that the program will:
  - (a) reduce the shortage of housing developments at rentals or prices affordable by lower income persons and families;
  - (b) increase the supply of mortgage financing or the supply of housing developments at rentals or prices affordable by lower income persons and families;
  - (c) utilize financially responsible housing sponsors who will provide well-planned, well-designed housing developments;
  - (d) provide housing developments that meet state and local building and housing codes, local and area wide government plans and regulations for land use and housing, and applicable federal standards; and
  - (e) be used to finance only primary residences for lower income persons and families. The direct loan program may be engaged in only when it is necessary to qualify for federal funds.
- (3) No person or family qualifying for a loan under the board's single family program may obtain more than one loan at a time under the board's programs, except that a person or family may qualify for a board down payment assistance loan in addition to a first priority mortgage loan on the same property.
- (4) All funds provided by the board from the sale of bonds will be controlled by the definitions, terms and conditions of a specific program trust indenture, adopted by the board. All board funds will be controlled by the terms and conditions of applicable state and federal law, Title 90, chapter 6, part 1, MCA, these rules then in effect, the applicable trust indenture and its supplemental trust indentures, and any agreements and contracts deemed necessary by the board.

- (5) The board will restrict the financial return and benefits under its programs to that necessary to induce the effective participation and cooperation of public and private enterprise and governmental agencies and to meet its purpose and objective.
- (6) All housing developments financed by the board that utilize federal assistance programs will be governed by the appropriate federal rules and regulations.

**Authorizing statute(s):** 90-6-104, 90-6-106, MCA

**Implementing statute(s):** 90-6-104, 90-6-106, 90-6-108, 90-6-109, 90-6-116, MCA

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**History:** NEW, Eff. 7/9/76; TRANS, Ch. 163, L. 1977; Eff. 7/1/77; AMD, 1980 MAR p. 2247A, Eff. 8/1/80; TRANS, from Dept. of Administration, Ch. 294, L. 1981, Eff. 7/1/81; AMD, 1995 MAR p. 2801, Eff. 12/22/95; AMD, 2017 MAR p. 783, Eff. 6/10/17.