

Subpart A—General

§ 572.1 Overview of HOPE 3.

The purpose of the HOPE for Homeownership of Single Family Homes program (HOPE 3) is to provide homeownership opportunities for eligible families to purchase Federal, State, and local government-owned single family properties. HOPE 3 provides grants to eligible applicants to plan and implement homeownership programs designed to meet the needs of low-income first-time homebuyers.

[58 FR 36526, July 7, 1993, as amended at 61 FR 48797, Sept. 16, 1996]

§ 572.5 Definitions.

The terms *HUD*, *Indian Housing Authority (IHA)*, *NAHA*, *1937 Act*, *NOFA*, and *Public Housing Agency (PHA)* are defined in 24 CFR part 5.

Administrative costs means reasonable and necessary costs, as described and valued in accordance with OMB Circular No. A–87 or A–122¹ as applicable, incurred by a recipient in carrying out a homeownership program under this part. For purposes of complying with the 15 percent limitation in § 572.215(o), administrative costs do not include the costs of activities that are separately eligible under § 572.215.

Applicant means a private nonprofit organization; a cooperative association; or a public body in cooperation with a private nonprofit organization that applies for a HOPE 3 grant under this part. A cooperative association is an eligible applicant only for eligible property it proposes to acquire and transfer ownership interests to eligible families under a homeownership program.

Consolidated plan means the document that is submitted to HUD that serves as the planning document of the jurisdiction, in accordance with 24 CFR part 91.

Cooperating entity means a private nonprofit organization or public body that the lead applicant has designed in its application to carry out certain functions in the HOPE 3 program. The responsibilities of a cooperating entity

must be specified in a memorandum of agreement signed by the lead applicant and the cooperating entity.

Cooperative association means an association organized and existing under applicable State, local, territorial, or tribal law primarily for the purpose of acquiring, owning, and operating housing for its members or shareholders, as applicable.

Displaced homemaker means as the term is defined in 42 U.S.C. 12704. The individual must not have worked full-time, full-year in the labor force for at least 2 years.

Eligible family means a low-income family who is a first-time homebuyer.

Eligible property means a single residential property, containing no more than four units, that is owned or held by HUD, the Secretary of Veterans Affairs, the Secretary of Agriculture, the Secretary of Defense, the Secretary of Transportation, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the General Services Administration, or any other Federal agency; a State or local government (including any in rem property); or a PHA/IHA (excluding public or Indian housing under the 1937 Act). This definition includes individual condominium units located in multifamily structures owned or held by an eligible source and properties held by institutions within the jurisdiction of the Resolution Trust Corporation. All cooperative units acquired under HOPE 3 must be located in properties containing no more than four units to qualify as eligible property under this part. In the case of two- to four-unit property, only property that may be divided so each unit may be acquired by an eligible family is eligible, except as provided in § 572.115(c). For purposes of this definition, the term State or local government means any entity included in the first sentence of the definition of public body.

First-time homebuyer means as the term is defined in 42 U.S.C. 12704.

Homeownership program means a program for homeownership meeting the requirements under this part. The program must provide for acquisition by eligible families of ownership interests in the units in an eligible property

¹See § 572.420(a) concerning the availability of OMB Circulars.