

- a. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG).

The Hearth Act includes new definitions for *At Risk of Homelessness* and *Homelessness* as they pertain to the Emergency Solutions Grants program. Complete definitions are found at §576.2 Definitions.

Sub-recipients must implement written agency policies and procedures to determine client eligibility based on being *At Risk of Homelessness* or *Homeless* as defined by HUD. In addition, sub-recipient policies and procedures must identify acceptable forms of documentation as defined by HUD at §576.500 to accurately document individuals' or families' eligibility for ESG assistance. Sub-recipient policies and procedures must be established in writing and implemented by the sub-recipient to ensure that ESG funds are used in accordance with the requirements. In addition, sufficient records must be established and maintained to enable KHC and HUD to determine whether ESG requirements are being met.

Homeless status. Sub-recipients must maintain and follow written intake procedures to ensure compliance with the homeless definition in §576.2. The procedures must require documentation at intake of the evidence relied upon to establish and verify homeless status. The procedures must establish the order of priority for obtaining evidence as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third.

At Risk of Homeless status. For each individual or family who receives ESG Homelessness Prevention assistance, the records must include the evidence relied upon to establish and verify the individual or family's "at risk of homelessness" status. This evidence must include an intake and certification form that meets HUD specifications and is completed by the sub-recipient.

- b. Policies and procedure for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

As part of the program requirements in implementing the Emergency Solutions Grants, sub-recipients must develop, when applicable, policies and procedures for coordination in order to ensure that emergency shelter providers, essential service providers, homeless prevention and rapid re-housing assistance providers along with other

homeless assistance providers and mainstream service and housing providers are coordinating their activities with the objective of assisting individuals experiencing housing crisis and/or homelessness to **quickly** regain stability in permanent housing. To comply with the program requirements as defined by HUD at 576.400, sub-recipients must establish written policies and procedures for effective coordination.

Consultation. Sub-recipients must demonstrate through a written document approved by the Continuum of Care (COC) that the award is allocated according to the COC established priorities and policies (percentage use for clients stabilization needs, percentage use for staff salaries, etc). In addition, to demonstrate program performance, the sub-recipient must provide regular reporting through HMIS (or a comparable database for qualifying sub-recipients).

Coordination with other targeted homeless services. Sub-recipients must coordinate with existing homeless services providers and demonstrate to the maximum extent practicable that there is a written process for facilitating client access to other homeless programs as indicated in section 576.400 – b and c. The process must include the establishment of a coordinated assessment at intake that allows rapid referrals.

System and program coordination with mainstream resources. Sub-recipients must establish a coordinated case plan that includes client goals and measurable outcomes. Coordination will also include a needs assessment plan along with a mainstream service eligibility and access plan with existing programs that target youth, individuals and families at risk of homelessness.

Centralized or Coordinated Assessment. Sub-recipients must align the determination of eligibility based upon the definitions of *At risk of Homelessness* or *Homeless* as established by HUD (576.2). Any assessment, including screening and/or referral process must be:

- *Consistent* - All assessment, screening and referral protocols are clearly delineated by the COC and reprised in the grant agreement to ensure that it is binding. Sub-recipients will be trained on intake and screening policies before any grant execution.
- *Accurate* - To ensure accuracy of needs assessment, sub-recipients must demonstrate as much as possible that the assessment process is coordinated with other targeted homeless service providers.

As best practice, sub-recipients are encouraged to secure and have on file a Memorandum of Understanding with targeted homeless service providers.

For the purposes of privacy and safety, victim service providers may choose not to use the centralized or coordinated assessment system.

To ensure consistency in providing assistance, each sub-recipient must follow the program component guidelines regarding:

- *Compliance* - All eligibility determination for individuals and families must be based upon HUD definition of *At Risk of Homelessness* or *Homeless* (576.2). All eligibility must be documented according to policies and procedures as defined and established by HUD at 576.500.
- *Consistency* - All intake processes including assessment, screening, and referrals must have been centralized or coordinated to ensure consistency and accuracy. Sub-recipients will document and file all written coordinated assessments to comply with HUD requirements for area-wide systems coordination (Section 576.400 - e).
- *Long-term housing stabilization* - All outreach, emergency shelter assistance, prevention and housing must ensure that eligible individuals or families have a plan for stabilization and a long-term housing solution. The case plan must be written and consistent with the COC's priorities along with a coordinated process that leads to quick transition to permanent housing. The plan will include:
 - Amount of rent (based upon the eligible individual or family income and must not exceed 30 percent of the household's monthly income)
 - Utility costs (based upon the frequency of assistance within a time frame established by existing policies)
 - Length of stay (for a quick transition to stable and permanent housing, eligible individual or family must reside for the shortest possible period (but no more than 24 months) in a sheltered setting that includes both emergency and transitional housing)
 - Recertification and rent adjustments (to ensure long-term housing stabilization, eligible individual or family must demonstrate gained income at end of the stabilization phase; where applicable, eligible individual or family will secure public assistance benefits. Sub-recipient will implement agency policies and procedures to determine appropriate and consistent rental recertification and adjustments.
- *Habitability* - As a best practice, KHC recommends Housing Quality Standards (HQS) inspections. However, habitability inspection is required at a minimum. In addition, sub-recipients must ensure that available housing is safe and secure for households with special needs. Sub-recipients must comply with all federal

requirements as defined in *576.403 Shelter and housing standards*, as applicable.

- *HMIS* – One hundred percent data accuracy and/or zero errors on all applicable reports submissions. Accurate and complete Annual Performance Report. Quarterly Point-In-Time date bed coverage data, resulting in bed coverage that is above 65 percent and less than 105 percent as per HUD standards. Victim Service Provider will use comparable database and will produce unduplicated aggregate data.
- c. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

Sub-recipients must implement written policies and procedures for determining which individuals and families who qualify as *at risk of homelessness* can receive homelessness prevention assistance and which of those individuals and families should be prioritized for that assistance.

Homelessness Prevention Assistance. ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the *homeless* definition in §576.2. This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the *at risk of homelessness* definition, or who meet the criteria in paragraph (2), (3), or (4) of the *homeless* definition in §576.2 and have an annual income below 30 percent of median family income for the area, as determined by HUD. Homelessness prevention should only be considered when the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing.

Sub-recipients must implement policies and procedures to determine client eligibility based on the program participant meeting the *homeless* and/or *at risk of homeless* definitions at §576.2. In addition, the policies and procedures must outline how the subrecipient will determine the program participant's household income does not exceed 30 percent of median family income for the area as determined by HUD.

Sub-recipients must implement written policies and procedures to ensure that homelessness prevention assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into

other permanent housing and achieve stability in that housing. In the event that the sub-recipient determines that homelessness prevention assistance could not help the program participant regain stability in permanent housing, the policies and procedures must ensure the program participant is informed that they do not qualify for assistance for this reason.

Sub-recipients must implement written procedures to outline what type of homelessness prevention assistance the program participant is qualified to receive and in what order of priority.

- Eligible homelessness prevention assistance:
 - Housing relocation and stabilization services requirements in §576.105
 - Short-term and medium-term rental assistance requirements in §576.106

At Risk of Homeless status. For each individual or family who receives ESG Homelessness Prevention assistance, the records must include the evidence relied upon to establish and verify the individual or family's *at risk of homelessness* status. This evidence must include an intake and certification form that meets HUD specifications and is completed by the subrecipient.

Annual Income status. For each individual or family who receives ESG Homelessness Prevention assistance, the record must include documentation that the program participant has insufficient financial resources and support networks; e.g., family, friends, faith-based or other social networks, immediately available to attain housing stability and meets one or more of the conditions under paragraph (1)(iii) of the definition of *at risk of homelessness* in §576.2

Rapid Re-Housing Assistance. ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium- term rental assistance necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. The rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization services requirements in §576.105, the short- and medium- term rental assistance requirements in §576.106, and the written standards and procedures established under §576.400.

Sub-recipients must implement policies and procedures to determine client eligibility to receive rapid re-housing assistance. An individual or family's ability to sustain housing should not be a threshold requirement. The written policies and procedures should identify how the program participant will receive services to overcome their immediate

housing obstacles and connect them with the resources they need to stay housed when the program ends.

Sub-recipients must implement written policies and procedures to ensure that rapid re-housing assistance is necessary to help the program participant move as quickly as possible into permanent housing and achieve stability in that housing. In the event that the sub-recipient determines that rapid re-housing assistance could not help the program participant achieve stability in permanent housing, the policies and procedures must ensure the program participant is informed that they do not qualify for assistance for this reason.

Rapid re-housing assistance should be targeted to program participants who are closest to going into a shelter, car, or the street, if not those who are about to spend their first night there (referred to as “diversion”). Written policies and procedures should identify an effective targeting policy to prioritize those most in need of quickly moving into permanent housing as those being eligible to receive rapid re-housing assistance. Sub-recipients should ensure that their program priorities are consistent with the goals of the state plan to end homelessness and the Federal Strategic Plan.

Sub-recipients must implement written procedures to outline what type of rapid re-housing assistance the program participant is qualified to receive and in what order of priority. Policies and procedures must include standards of determining the type, amount, and duration of housing stabilization and/or relocation service to provide to the program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance; or the maximum number of times the program participant may receive assistance.

- Eligible rapid re-housing assistance:
 - Housing relocation and stabilization services requirements in §576.105
 - Short-term and medium-term rental assistance requirements in §576.106

- d. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.

The homelessness prevention and rapid re-housing assistance components allow caps and conditions to be set by the subrecipient agency as they pertain to short- and medium-term rental assistance at §576.106 (b). In the event that the subrecipient elects to set caps and/or conditions to the type of assistance being provided, they must be outlined in the agency's written policies and procedures and must apply to all program participants.

Sub-recipients may set a maximum amount or percentage of rental assistance that a program participant may receive a maximum number of months that a program participant may receive rental assistance, or a maximum number of times that a program participant may receive rental assistance. Sub-recipients may also require program participants to share in the costs of rent; however, the program participant should never be required to contribute more than thirty percent of the household income toward the cost of rent.

If the amount of assistance will be based on a percentage of the program participant's income, the policies and procedures must specify what the percentage will be used and how the income will be calculated. Under no circumstances should the percentage of the participant's income contributed toward rent exceed thirty percent of the household's monthly income.

- e. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

As part of the program requirements in implementing the Emergency Solutions Grants, the sub-recipients must develop consistent standards for determining the duration, the provision and the adjustment of rental assistance.

Prevention . ESG assistance funds may be used to provide housing relocation and stabilization services and short- and /or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place not meant for human habitation (see homeless definition 576.2). This type of assistance is referred to as *prevention* (see 576.103).

Sub-recipients must establish consistent standards regarding:

Eligibility - All determination of homeless prevention must meet the criteria under the *at risk of homelessness* definition which must be appropriately documented. All documentation must demonstrate that the assistance to an individual or family is necessary to help regain stability in the participant's current home. All participants must

have an annual income at or below 30 percent of area median income for the area as defined by HUD (see 576.105)

Duration of assistance - All short-term rental assistance must not exceed three (3) months of rent during any 24-month period.

Discretionary capping/conditions – Sub-recipients must establish written policies that clearly state the maximum amount or percentage of rental assistance as well as the number of months that a program participant may receive assistance (see 576.106b). All rental assistance must not exceed the Fair Market Rent (FMR) established by HUD, as provided under 24 CFR part 888 and comply with HUD’s standard of rent reasonableness as defined under 24 CFR 982.507

Rental adjustment – Sub-recipients must re-evaluate the eligibility of the program participant and the amounts of assistance once every three months. All re-evaluation must be documented and establish that the program participant does not have an annual income that exceeds 30 percent of area median income. For the purposes of re-evaluation of eligibility, sub-recipients must document any changes in the program participant income or other circumstances such as changes in the participant’s household composition.

Rapid re-housing. ESG assistance funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to help a homeless individual or family to move as quickly as possible into permanent housing and achieve stability in that housing. This assistance, referred to as rapid re-housing, may be provided to program participants who meet the criteria under the definition of homelessness (see homeless definition as defined by HUD under 576.2) Sub-recipients must establish consistent standards regarding the provision of this type of assistance (see 576.105 housing relocation and stabilization services).

Eligibility. All documentation must demonstrate that the assistance to an individual or family meet the definition of homelessness as defined by HUD. All participants must have an annual income at or below 30 percent of area median income as defined by HUD (see 576.105).

Duration of assistance. Eligible participants will be provided with no more than 24 months of rental assistance during any three-year period. Sub-recipients must establish written policies and procedures around this provision. If caps and/or conditions are applied, the written policies must clearly state the maximum amount or percentage of rental assistance as well as the number of months that a program participant may

receive assistance (see 576.106b). All rental assistance must not exceed the FMR established by HUD, as provided under 24 CFR part 888 and comply with HUD's standard of rent reasonableness as defined under 24 CFR 982.507. Sub-recipients must ensure that all program recipients receiving project-based rental assistance must have a one-year lease regardless of the length of the rental assistance.

Rental adjustment. Sub-recipients must re-evaluate the eligibility of the program participant and the amount of assistance annually. All re-evaluations must be documented in writing and establish that the program participant does not have an annual income that exceeds 30 percent of area median income. For the purposes of re-evaluation of eligibility, sub-recipients must document any changes in the program participant income or other circumstances such as changes in the participant's household composition.

- f. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receives assistance; or the maximum number of times the program participant may receive assistance.

Under housing relocation and stabilization services, financial assistance and services costs are subject to the general conditions under (576.103 and 576.104)

Housing relocation and stabilization services for homelessness prevention

Rental application fees. Must be based on the sub-recipient's written policies and must be in compliance with HUD requirements. All rental application fee assistance to eligible individuals or family program participants must be appropriately documented. See 576.105 (1).

Security deposits. Must be in compliance with HUD requirements. All deposits must be equal to no more than two months' FMR-based rent, appropriately documented and must have been calculated in the program participant's rental assistance. See 576.105 (2).

Last month's rent. Must be based on the sub-recipient's written policies and must be in compliance with HUD requirements. When last month's rent assistance is provided, it must not exceed one month of FMR-based rent, appropriately documented and must

have been calculated in the program participant's total rental assistance which cannot exceed three months during any 24-month period. See 576.105 (3).

Utility deposits. Must be in compliance with HUD requirements. All utility deposit payments to eligible program participants shall not exceed more than three months within any 24-month period. See 576.105 (4).

Utility Payments. Must be in compliance with HUD requirements. All utility payments to determined eligible program participant shall not exceed more than three months within any 24-month period. Eligible utility services include gas, electric, water and sewage. See 576.105 (5).

Moving Costs. Must be in compliance with HUD requirements. All moving costs must be executed with consistency based upon the sub-recipient's written and documented policies. Eligible moving costs are truck rental, hiring a moving company, etc. In the case of the payment of temporary storage fees, no more than three months' payments are allowed. Eligible participants must have accrued the determined fees after the date of entry in the program and before entry in permanent housing. Payment of arrearages is not an eligible expense.

Housing search and placement. For all housing search and placement activities, sub-recipients must include: assessment of housing barriers, needs and preferences; development of an action plan for locating housing; housing search; outreach to and negotiation with owner; assistance with submitting rental applications and understanding leases; assessment of housing to ensure compliance with ESG requirements for habitability, lead-based and rent reasonableness; assistance with obtaining utilities and making moving arrangements; tenant counseling.

Housing stability case management - Must be in compliance with HUD requirements and must include all required activities to ensure and maintain stability in permanent housing. Permanent housing search and placement services cannot exceed 30 days. If the program participant is living in permanent housing, any housing stability case management activity cannot exceed 24 months.

To evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance, sub-recipients must use the centralized or coordinated assessment system (see 576.400(d)). Sub-recipients must include in all required initial evaluation (576.401(a)) a verification of eligibility of all individuals and families applying for homelessness prevention or rapid re-housing. All verification must be appropriately documented.

Other activities include counseling, developing, securing, coordinating and obtaining Federal, State and local benefits. Sub-recipients must also establish a system for monitoring and evaluating program participant progress. In addition, sub-recipients must establish a process for information sharing and referrals, developing an individualized housing and service plan for obtaining permanent housing and stability and a plan for conducting re-evaluation. (See 576.4019(b)).

Mediation. Sub-recipients must establish written policies and procedures that state clearly the terms of the mediation and all parties involved (program participant and the landlord). All documentations must establish that mediation was made necessary to prevent the loss of permanent housing in which the program participant resides and/or is the current lease holder.

Legal services. Sub-recipients must establish written policies and procedures that state clearly the terms of the legal services. All documentation must establish that the services were made necessary to resolve legal issues that prohibit the program participant from obtaining permanent housing or prevent the loss of permanent housing in which the program participant resides.

Credit repair. Sub-recipients must establish written policies and procedures based upon HUD's requirements. All documentation must establish that the services were made necessary to assist program participants to build critical skills related to budgeting, money management, accessing a free personal credit report and resolving legal issues that prohibit the program participant from obtaining permanent housing or prevent the loss of permanent housing in which the program participant resides. Debt payment and debt modification are not eligible services.

Housing relocation and stabilization services for rapid re-housing

Rental application fees. Sub-recipients must have established written policies determining the provision of this assistance. The policies must be in compliance with HUD requirements. All rental application fee assistance to eligible individual or family program participants must be appropriately documented. See 576.105 (1).

Security deposits. Must be in compliance with HUD requirements. All deposits must be equal to no more than 2 months' FMR based rent, appropriately documented and must have been calculated in the program participant's rental assistance. See 576.105 (2).

Last month's rent. Must be based on sub-recipient written policies and must be in compliance with HUD requirements. When last month's rent assistance is provided, it

must not exceed one month FMR-based rent, appropriately documented and must have been calculated in the program participant's total rental assistance which cannot exceed 24 months in any three-year period. See 576.105 (3).

Utility deposits. Must be in compliance with HUD requirements. All utility deposit payments to eligible program participants shall not exceed 24 months within any three-year period. See 576.105 (4).

Utility Payments. Must be in compliance with HUD requirements. All utility payments to eligible program participants shall not exceed more than 24 months within any three-year period. If needed, sub-recipients can make up to six months of utility payment arrearages per program participant. A partial payment of a utility bill must be considered as one month's assistance. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water and sewage. See 576.105 (5).

Moving Costs. Must be in compliance with HUD requirements. All moving costs must be executed consistent with sub-recipient written and documented policies. Eligible moving costs are truck rental, hiring a moving company, etc. In case of the payment of temporary storage fees, payments up to three months' costs are eligible. Eligible participants must have accrued the determined fees after the date of entry in the program and before entry in permanent housing. The payment of arrearages is not eligible.

Housing search and placement. For all housing search and placement activities, sub-recipients must include: assessment of housing barriers, needs and preferences; development of an action plan for locating housing; housing search; outreach to and negotiation with owner; assistance with submitting rental applications and understanding leases; assessment of housing to ensure compliance with ESG requirements for habitability, lead-based and rent reasonableness; assistance with obtaining utilities and making moving arrangements; tenant counseling.

Housing stability case management. Must be in compliance with HUD requirements and must include all required activities to ensure and maintain stability in permanent housing. Permanent housing search and placement assistance cannot exceed 30 days. If the program participant is living in permanent housing, any housing stability case management activity cannot exceed 24 months.

Performance Standards

Measures include how KHC will evaluate each ESG service provider's effectiveness in:

- A. Targeting those who need the assistance most,
- B. Reducing the number of people living on the streets or in emergency shelters
- C. Shortening the time people spend in homelessness
- D. Reducing each program participant's housing barriers or housing stability risks.
- E. Analyzing Program Outcomes

All standards are aligned with the HEARTH Act standards

HOME Program Recapture Provisions

HOME funds are administered by Recipient Agencies statewide. Recipient Agencies will advise clients prior to committing HOME funds that Recapture Provisions will apply. KHC requires Recipient Agencies to utilize Recapture Provisions for any application that is received through the competitive funding process. The HOME funding agreement, which is executed with each Recipient Agency, contains the following language:

Recapture Provisions -

All Recipient Agencies receiving an allocation of HOME funds to undertake homebuyer activities will be required to utilize the recapture provision as described by the HOME regulations at *24 CFR 92.254(a)(ii)(A)(2) - Reduction During the Affordability Period*. This provision will be enforced by including appropriate language in the HOME written agreement with the homebuyer, mortgage documents, and lien documents. The initial homebuyer must reside in the home as his/her principal residence for the duration of the period of affordability.

In the event the homebuyer transfers the property, either voluntarily or involuntarily, during the period of affordability, KHC or the Recipient Agency recaptures all or a portion of the "direct" HOME assistance provided to the homebuyer from the available net proceeds.

The direct HOME assistance is the total amount of HOME assistance that enables the buyer to purchase the unit, including: downpayment and closing cost assistance, interest subsidies, and other assistance provided directly to the homebuyer (e.g., soft second mortgage), and if applicable, the amount that reduces the purchase price from fair market value to an affordable price.

The portion recaptured by KHC or the Recipient Agency will be a pro-rata amount if the direct HOME assistance. The total amount of the loan will be reduced for each year that the owner occupies the unit. For instance, for each year of a five-year affordability period, one-fifth of the amount of the HOME assistance will be forgiven.

To make the determination of what is forgiven:

(Number of years the buyer occupied the home/period of affordability) X total amount of direct HOME assistance originally provided to the homebuyer = amount forgiven.

Total amount of direct HOME assistance – the amount forgiven = Recapture Amount.

In the event net proceeds of the sale are insufficient to repay the amount owed, recaptured funds will be equal to net proceeds, and the loan will be considered satisfied. Net proceeds are defined as the sales price of the home minus superior loan repayment (not including HOME loans) and any closing costs.

The recapture provision is in effect for a period of affordability that is based on the amount of direct HOME assistance to the buyer, as follows:

Amount of Direct Assistance to Buyer	Period of Affordability
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

Recapture Example - Ms. Mary Smith purchases a home for \$105,000 in June of 2011 and received \$20,000 in direct HOME assistance from ABC nonprofit (who is a Recipient Agency using HOME funds from KHC). Ms. Smith sells the house in August 2016, after the fifth year of affordability. As a result, 50 percent of her loan is forgiven and a balance of \$10,000 is to be repaid from the net proceeds. However, if the net proceeds of the sale are insufficient to repay the balance, the amount subject to recapture will be equal to the net proceeds.

Noncompliance

During the affordability period, noncompliance occurs when an owner (1) vacates the property or rents the property to another household, or (2) sells the home without KHC receiving recaptured funds due at time of sale. KHC will monitor its homebuyer properties at least annually to confirm that owners continue to reside in the units as their principal residence. In the event of noncompliance, the owner is subject to repay any outstanding HOME funds invested in the housing. This is based on the total amount of HOME funds invested, including both development funds and direct subsidy to the buyer minus any HOME loan repayments.