

person's monthly rent before relocation and the estimated average monthly utility costs. The homeownership program must specify the period for which replacement housing assistance will be provided to persons who do not receive assistance through a Section 8 rental certificate or voucher or other housing program subsidy.

(c) *Temporary relocation.* The recipient must provide each resident of an eligible property, who is required to relocate temporarily to permit work to be carried out, with suitable, decent, safe, and sanitary housing for the temporary period and must reimburse the resident for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the costs of moving to and from the temporarily occupied housing and any increase in monthly costs of rent and utilities.

(d) *Notice of relocation assistance.* As soon as feasible, each recipient must give each resident of an eligible property a written description of the applicable provisions of this section.

### Subpart C—Grants

#### § 572.200 Planning grants.

Any planning grants made by HUD under the HOPE 3 program will continue to be governed by the provisions in this section in effect immediately before October 16, 1996. When or before HUD announces the availability of funds for planning grants under this part, these provisions will be recodified.

[61 FR 48798, Sept. 16, 1996]

#### § 572.205 Planning grants—eligible activities.

Any planning grants made by HUD under the HOPE 3 program will continue to be governed by the provisions in this section in effect immediately before October 16, 1996. When or before HUD announces the availability of funds for planning grants under this part, these provisions will be recodified.

[61 FR 48798, Sept. 16, 1996]

#### § 572.210 Implementation grants.

(a) *General authority.* Any implementation grants for the purpose of carrying out homeownership programs approved under this part will be awarded using a selection process and selection criteria to be published in a NOFA.

(b) *Deadline for completion.* A recipient must spend all implementation grant amounts within 4 years from the effective date of the grant agreement. The appropriate HUD field office may approve a request to extend the deadline when it determines that an extension is warranted. A previously approved grant amount may not be amended to increase the grant amount.

(c) *Program closeout.* Recipients will comply with closeout procedures as issued by HUD.

[62 FR 34145, June 24, 1997]

#### § 572.215 Implementation grants—eligible activities.

Implementation grants may be used for the reasonable costs of eligible activities necessary to carry out a homeownership program under this part. Only costs incurred on or after the effective date of an implementation grant agreement qualify for funding under this part. Eligible activities include:

(a) *Acquisition of eligible properties by the recipient.* Acquisition of eligible properties for the purpose of transferring ownership interests to eligible families in a homeownership program under this part, in accordance with § 572.100. (Where the applicant owns the eligible property or where HUD otherwise determines that an "arms length" relationship for acquisition does not exist, program funds may not be used for acquisition of the property for the program. However, if the property is owned by an eligible source, it may be donated as match in accordance with § 572.220(b)(4).)

(b) *Recipient closing costs.* Customary and reasonable closing costs of the buyer associated with the purchase of eligible properties under the program.

(c) *Financial assistance to homebuyers.* Provision of assistance to families to make acquisition and rehabilitation of eligible properties affordable, in accordance with § 572.105(b).