**Section 360.203 Permitted Uses of Trust Fund Monies**

Trust Fund Monies may be used for the following purposes:

a) to make secured, unsecured or deferred repayment Loans;

b) to make zero percent or low interest Loans;

c) to make Grants, payments or subsidies for the acquisition, construction, rehabilitation, development, operation, insurance or retention of Developments or Single-Family Developments or to pay predevelopment expenses;

d) to purchase mortgage participation certificates representing an undivided interest in specified, first-lien conventional residential Illinois mortgages which are underwritten, insured, guaranteed or purchased by the Federal Home Loan Mortgage Corporation;

e) to be used in investments which reduce the risk associated with fluctuations in interest rates or the market price of investments or any other investments which are lawful for other fiduciaries in the State to make;

f) to provide assistance for Developments which are occupied partly by Low-Income Households and Very-Low Income Households and partly by households not qualifying as Low-Income Households and Very Low-Income Households;

g) to purchase first and second mortgages;

h) to make Grants for the provision of technical assistance, outreach and building of an Applicant's capacity to develop Affordable Housing;

i) to pay fees of the Program Administrator not to exceed the amount appropriated by the General Assembly each fiscal year in connection with the operation of the Program; and

j) to be held, pledged, applied or dedicated pursuant to Sections 8(b), (c), (d) and 9 of the Affordable Housing Act in connection with Affordable Housing Program Trust Fund Bonds or Notes issued pursuant to the Act. Trust Fund Monies used pursuant to this subsection 360.203(j) shall be governed by the Affordable Housing Bond Program Rules.

(Source: Amended at 23 Ill. Reg. 3692, effective March 15, 1999)