Office of the Secretary, HUD

§ 30.68 Section 8 owners.

(a) Definitions. The following definitions apply to this section only:

Agent employed to manage the property that has an identity of interest and identity of interest agent. An entity:

(1) Falsifying information on an application for dealer approval or reapproval submitted to a lender;

(2) Falsifying statements on a HUD credit application, improvement contract, note, security instrument, completion certificate, or other loan document;

(3) Failing to sign a credit application if the dealer or loan correspondent assisted the borrower in completing the application;

(4) Falsely certifying to a lender that the loan proceeds have been or will be spent on eligible improvements;

(5) Falsely certifying to a lender that the property improvements have been completed;

(6) Falsely certifying that a borrower has not been given or promised any cash payment, rebate, cash bonus, or anything of more than nominal value as an inducement to enter into a loan transaction;

(7) Making a false representation to a lender with respect to the creditworthiness of a borrower or the eligibility of the improvements for which a loan is sought.

(b) Continuing violation. Each day that a violation continues shall constitute a separate violation.

(c) Amount of penalty. The maximum penalty is $7,500 for each violation.