

50426 Property Used to Purchase a Principal Residence

(a)

The proceeds from the sale of real property retained by an applicant or beneficiary who does not own a suitable principal residence or who wishes to sell the current principal residence and purchase a new principal residence shall be exempt for a period of six months from the date of receipt of the proceeds so long as the proceeds from the sale of the real property are intended to be used to purchase a principal residence. Such proceeds may also be applied to the costs of moving, necessary furnishings, and repair or alteration to the principal residence.

(b)

If a portion of the proceeds specified in (a) is diverted to some other purpose, the status of the remainder is not affected provided such remainder is being retained to apply toward the purchase of a principal residence.