

Guidance on Second HHRP Allocation

April 27, 2023

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Introduction by Robert Dearduff, State SHIP Administrator

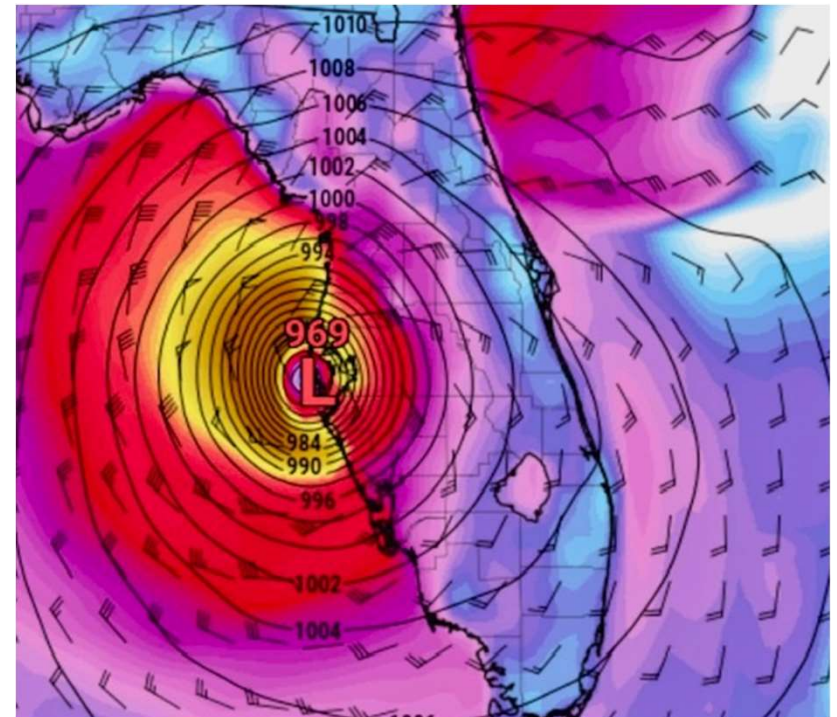


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Overview

- Rental Recovery Loan Program
- Overview of Second HHRP Allocation
- Community Plans for 2nd HHRP Allocation
- Assistance Best Practices
- Integrating Home Hardening into Disaster Housing Recovery
- HHRP Lessons Learned from Hurricane Michael



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State Housing Disaster Recovery: More than HHRP

December Disaster Relief bill allocated \$150 million for housing recovery for Hurricanes Ian and Nicole

\$60 million: Hurricane Housing Recovery Program

- First \$20 million allocated in January
- Final \$40 million allocated in April

\$90 million: Rental Recovery Loan Program



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Introduction to the Rental Recovery Loan Program

Steve Kropp

Technical Advisor

Kropp@Flhousing.org



RRLP Funding: \$81,600,000

Eligible Counties

- Tier 1 Charlotte, Lee, Orange, Sarasota and Volusia
- Tier 2 Collier, Desoto, Hillsborough, Osceola, Polk and Seminole
- Tier 3 Brevard, Flagler, Glades, Hardee, Hendry, Highlands, Lake, Manatee, Monroe, Okeechobee, Palm Beach, Pasco, Pinellas, Putnam and St. Johns

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Combine with Tax-Exempt Bonds and LIHTC

- 50-300 units for Large and Medium Counties
- Minimum of 10 in Small Counties, less than 50 can only use RRLP
- 50-300 same as Large or Medium
- Maximum base loan of \$6,500,000 if RRLP Only
 - Bigger developments utilizing Tax-Exempt Bond Financing and 4% HC have a maximum base loan amount of \$10,000,000
- Additional Funding for ELI units

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Selection Process and Goals

- Leveraging
 - Proximity
 - Job Creation
 - Lottery
-
- Fund one Tier 1 that qualifies for PHA Goal
 - Three Applications in Lee County
 - Spread out the rest

RFA 2023-108 HC and RRLP for Homeless Developments located in Medium and Large Counties affected by Hurricane Ian and Nicole

- Tier 1: Charlotte, Lee, Orange, Sarasota and Volusia
- Tier 2: Collier, Hillsborough, Osceola, Polk and Seminole
- \$4,890,000 in Housing Credits
- \$8,400,000 of RRLP
- \$5,500,000 HOME-ARP
- 50% of units for Homeless Individuals and families
- 20% of units for Special Needs
- New Construction only
- Medium County must have a minimum of 30 units
- Large County must have a minimum of 50 units

Second HHRP Allocation



- Based on hurricane damage data
- HHRP received in 22/23 state fiscal year
 - Encumber by June 30, 2024
 - Expend by June 30, 2025
- Small Allocations: Notify FHFC if you do not want to receive funds. They flow back to the county

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The Focus of HHRP is Unchanged

Assistance to Directly-Impacted Applicants

- Foreclosure or Eviction Prevention
- Home Rehabilitation
- Insurance Deductibles
- Replacement Housing
- Temporary Rent Assistance
- Relocation: Rent Deposit or Purchase Assistance when displaced households are permanently moving

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Characteristics of a 'Directly-Impacted Applicant'

- Homeowner or Renter
- Damage to the property
- Might have been displaced, or not
- Might have receive other housing-related disaster benefits
- Document they were financially impacted



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Community Plans for 2nd HHRP Allocation



Lee County

2022-2023 HHRP - ALLOCATION #1		
PROGRAM CATEGORIES	\$ 5,403,406	Percent of Total
1 Owner Occupied Rehab	\$ 1,621,022	30.00%
2 Downpayment Assistance	\$ 810,510	15.00%
3 Demolition/Reconstruction	\$ 2,431,533	45.00%
ADMINISTRATIVE	\$ 540,341	10.00%
TOTAL FUNDING AVAILABLE	\$ 5,403,406	100.0%



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Cape Coral

2022-2023 HHRP - ALLOCATION #1		
PROGRAM CATEGORIES	\$ 2,225,643	Percent of Total
1 Owner Occupied Rehab	\$ 503,079	22.60%
2 Deductibles Assistance	\$ 1,000,000	44.93%
3 Mitigation-Roof Hardening	\$ 500,000	22.47%
ADMINISTRATIVE	\$ 222,564	10.00%
TOTAL FUNDING AVAILABLE	\$ 2,225,643	100.0%

Fort Myers

2022-2023 HHRP - ALLOCATION #1		
PROGRAM CATEGORIES	\$ 1,010,871	Percent of Total
1 Demolition/Reconstruction	\$ 675,000	66.77%
2 Owner Occupied Rehab	\$ 234,784	23.23%
ADMINISTRATIVE	\$ 101,087	10.00%
TOTAL FUNDING AVAILABLE	\$ 1,010,871	100.0%



Survey: Lee County and Cape Coral

LOCAL GOVERNMENT	#1 What is the status of your HHRP first allocation? Encumbered /expended	#2 Are you close to exhausting your list of applications?	#3 What are your plans for the second allocation of funds?	#4 What challenges are you having with HHRP?	#5 Are you planning to create new strategies to expend funds?
Lee County	The funds have been advertised and applications for non-profit sub-recipients are due 4/21.	No, expect to enter into sub-recipient agreements by June.	Our 1 st allocation is targeting homeownership strategies. Our 2 nd allocation will expand to include rental strategies.	None currently	Amended 22/23 LHAP and in the process of amending 23/24 LHAP for funds to be used to demolish and rebuild owner-occupied homes. Adjusted our maximum award amounts to reflect increased construction costs.
Cape Coral	Encumbered funds with existing deductible list - \$1,786,076	Additional Hurricane Deductible Assistance (initial application period was limited to two weeks). Will reopen applications.	Tentatively plan on Down Payment Assistance, New Construction, and Rehabilitation/Mitigation Activities.	Need to increase capacity within organization and non-profit capacity regionally.	There is a possibility new strategies will be created.

Survey: Charlotte and Sarasota Counties

LOCAL GOVERNMENT	#1 What is the status of your HHRP first allocation? Encumbered /expended	#2 Are you close to exhausting your list of applications?	#3 What are your plans for the second allocation of funds?	#4 What challenges are you having with HHRP?	#5 Are you planning to create new strategies to expend funds?
Charlotte County	Received and pending LHAP approval, sub-recipient contracts, NFA, etc.	HHRP applications not yet being accepted.	Same as the first. Defined in pending LHAP technical revisions/amendment	Considering staff capacity for immediate services and long-term monitoring. Timing of AHAC and board for approval of LHAP.	Yes, planning to create new strategies.
Sarasota County	Encumbered. Staff has met with non-profit developers, and they are planning to utilize the entire HHRP Allocation One for new home construction for renters displaced	Funds are encumbered -not taking applications.	Non-profit organizations have interest in new housing from displaced renters, we would move forward	Our main concern is using the funds within two years. Must spend regular SHIP and HOME funds, too, limited contractors in the area.	Not unless necessary.

Survey: DeSoto and Volusia Counties

LOCAL GOVERNMENT	#1 What is the status of your HHRP first allocation? Encumbered /expended	#2 Are you close to exhausting your list of applications?	#3 What are your plans for the second allocation of funds?	#4 What challenges are your having with HHRP?	#5 Are you planning to create new strategies to expend funds?
DeSoto County	All the funds encumbered and \$17,129 expended	No to exhausting list of applicants	Continue with Housing Rehabilitation and replacements	Limited contractors, only 3-4 bidding on projects	May create a new strategy if needed
Volusia County	HHRP funds have not been encumbered, however, applications are currently being processed.	Full eligibility has not been determined yet as applications are still being received and processed.	An evaluation of the county's unmet needs is still being assessed.	Many applicants have started or completed home repairs so that the damages don't worsen.	Have not determined whether new strategies would be created.

Survey: Orange and Polk Counties

LOCAL GOVERNMENT	#1 What is the status of your HHRP first allocation? Encumbered /expended	#2 Are you close to exhausting your list of applications?	#3 What are your plans for the second allocation of funds?	#4 What challenges are you having with HHRP?	#5 Are you planning to create new strategies to expend funds?
Orange County	In the planning stage	Program planning now. Will soon accept applications	Options: Owner-occupied housing rehab, rental assistance, insurance deduction	Understanding what the funds can be used for, how to use it, restrictions like payments to the contractor	No planning to create new strategies
Polk County	Currently have 23 applicants. In the process of inspecting 12 properties. 5 cases going through intake for qualification. Others awaiting feedback from applicant.	No. Funds will be allocated as a first come first ready basis until allocation is completed. Will move to SHIP funds if HHRP is exhausted.	To continue to assist clients on the existing waiting list.	The biggest challenge is the lack of contractors.	No, currently will use the strategies in the current LHAP.

Housing Assistance Best Practices

Rehabilitation



Rehabilitation Goal:

- Repair damage caused to the electrical, structural, mechanical, plumbing and roofing components, and
- Improve the health, safety and structural integrity of the home



Hurricane-Related Requirements

- Applicant completes the Duplication of Benefits form
- If applicant has insurance apply for Insurance Deductible assistance

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Rehabilitation Activities

- Determine ownership of property
- Complete initial home inspection
- Prepare Work Write-Up
- Send contractors invitation to bid
- Schedule walk through meeting
- Prepare bid opening
- Notify lowest and most responsive to bidder
- Execute written agreement
- Record lien before work begins
- Manage payment and contract performance
- Manage change order request
- Obtain releases of lien and proof of final inspections
- Once complete, prepare file closeout

Common Rehabilitation Assistance

Correcting structural defects/damages
Mitigation type improvements
Roof repair or replacement
Electrical repairs/upgrades

Plumbing repairs/upgrades
Air Conditioning repair/replacement
Replacing damaged/inefficient
windows and doors

More Rehabilitation Training

Emergency Repair, Rehabilitation, and Reconstruction September webinars:

Part 1 recording: <https://vimeo.com/751896326>

Part 2 recording: <https://vimeo.com/752690784>

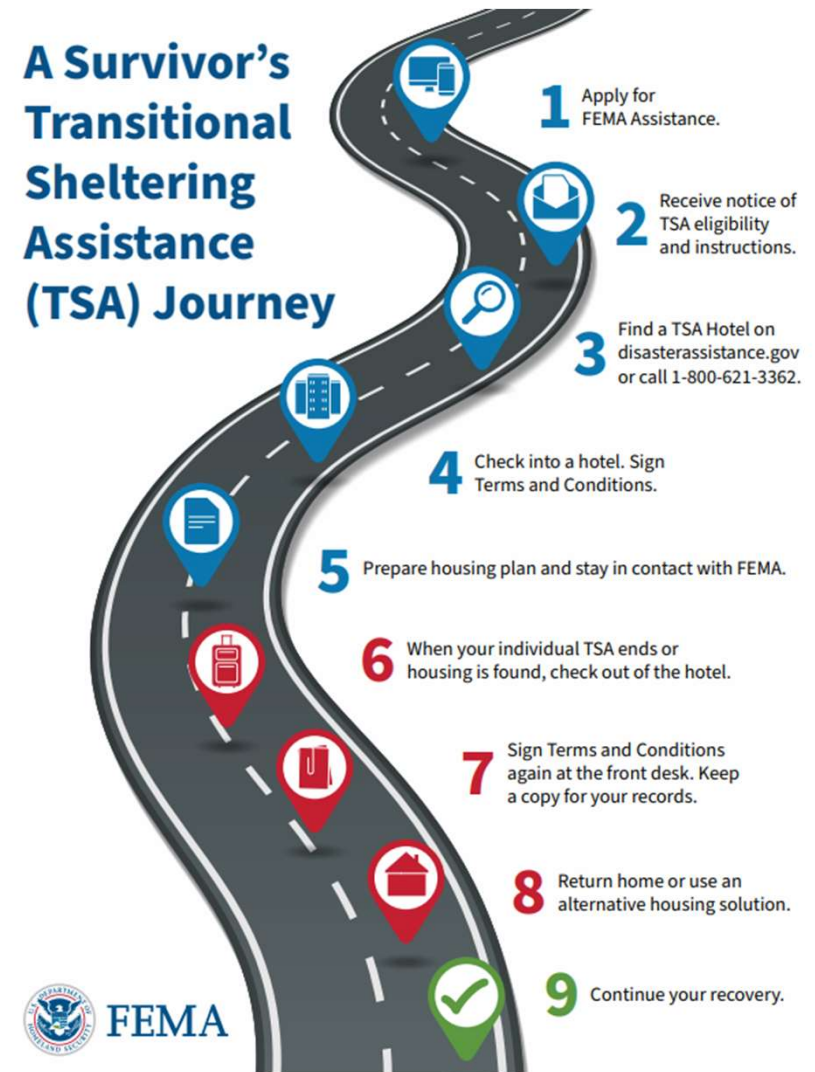
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Best Practices for Displaced Households

- Connect SHIP/HHRP with FEMA's Transitional Sheltering Assistance (TSA)
- Handout: Proposed Text for Disaster Assistance Strategy

"Recipient Selection Criteria: Priority shall be given to displaced persons requiring housing beyond the limits of the Transitional Sheltering Assistance Program"
- FEMA approved an extension for TSA for survivors who still need time finding housing and continue to qualify for the program.



Best Practices for Demolition & Reconstruction

- HHRP may provide replacement housing for eligible single-family owner occupied residences impacted by a hurricane
- The home is destroyed or found to be unfit for human habitation
- Consider: Can the home be repaired to be livable? Consider the cost to repair versus replace



Reconstruction-Specific Activities



- Initial inspection: Determine the types of repairs needed
- Prepare work write-up and specifications
- Consider options for proceeding: rehab or reconstruction
- Determine grant or lien amount, considering other benefits
- Complete demolition after first mortgage provider consent
- May involve temporary relocation assistance for household

More Reconstruction-Specific Activities

- Pay for drawings, floor plans for home with 2, 3, or more bedrooms
- Obtain survey and appraisal of property
- Advertise and solicit Builders to participate in the program
- Obtain Certificate of Occupancy
- Obtain Home Warranty from Builder

Photo: After Hurricane Michael, Jackson County dedicated \$4.4 million to 26 home reconstructions



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Best Practices for Purchase Assistance



- Purchase Assistance is designed to provide financial assistance to qualified income eligible persons to purchase a safe, decent, and affordable home by providing down payment, gap financing/principal reduction, closing costs and repairs.
- Assistance to clients directly impacted by hurricanes.
- This can be awarded as a deferred loan or repayment loan.

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Purchase Assistance

- **New Construction** –Purchase a new home by providing a deferred payment loan for construction finance or purchase assistance after construction of the new home has been completed.
- **Existing Housing**- Purchase an existing home that passes a HUD housing quality standards (HQS) inspection by providing a deferred payment loan for purchase assistance.
- **Purchase Rehabilitation** –Purchase an existing home that needs repairs to correct a code violation or other health and safety issued by providing a deferred payment loan for purchase assistance and repair costs.



Elements for Purchase Assistance Success

- Homebuyer and Credit Counseling
- Home Inspections
- Partnership with Lenders and Realtors
- Underwriting
- Understanding of Market Conditions
- Buyer Contribution

More Purchase Assistance Training

Managing a Successful Purchase Assistance Program

<https://vimeo.com/803631505>

Successful Homeownership Initiatives

<https://vimeo.com/761796009>



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Housing Assistance Best Practices Acquisition/New Construction

Designed to promote the acquisition and/or construction of affordable housing for homeownership opportunities.

Summary of Strategy

- Define new construction use of funds for developer and buyer
- Developer Contributions/Commitments
- Construction types/ construction cost

Property Size/ amenities

- Who pays for land, infrastructure, hard, soft cost
- Site Conditions, title, zoning issues
- What will it sell for? (as built appraisal)
- Location – Will it sell? When?



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Acquisition/New Construction Terms for Developer and Buyer

Must show how the assistance to the developer
will be passed along to the buyer

- Repayment loan/deferred loan/grant
- Interest rate
- Years in loan term
- Forgiveness
- Repayment
- Default



Acquisition/New Construction

- Upfront New Construction Subsidy
 - Donated Land from Surplus Land Inventory
 - All Hard and Soft cost
 - Down Payment Assistance to the Buyer
- Land Acquisition Assistance
 - Infrastructure
 - Pay Developer Fee
 - Pay Impact Fees

More New Construction Training

New Construction Strategies and Partnership recording <https://vimeo.com/812605057>
Successful Homeownership Initiatives <https://vimeo.com/761796009>

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Integrating Home Hardening into Disaster Housing Recovery

March Survey Question:

Some communities use SHIP funds to strengthen a house and make it more resilient to wind and flood damage. This is often referred to as home-hardening and is a pre-disaster mitigation strategy.

Do you support home hardening through any of your assistance programs? Choose all that apply.

*54 responses

ANSWER CHOICES	RESPONSES
We do not incorporate home hardening into our assistance	35.19%
We offer funds for protecting openings – windows, doors, and/or garage doors	42.59%
We offer funds for roof replacement	66.67%
We offer funds for roof tie-downs	27.78%
We are unable to support mitigation projects due to budget and/or staffing constraints	7.41%
We would like to create a program to support housing mitigation	7.41%
We would like guidance on housing mitigation to optimize our SHIP investments and community safety	11.11%
Other (please specify)	12.96%

“Home Hardening” is Disaster Mitigation

- FIRST: Monitor HHRP Rehab & New Construction for Code Compliance
- NEXT: Mitigation involves Hardening, Resiliency, and Sustainability



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Mitigation Objectives

- Meet Insurance 4 Point Test: Roof, Electric, Plumbing, HVAC
- Meet Insurance Premium Discounts
- Obtain a Certification
 - FLORIDA GREEN BUILDING COALITION
 - ENTERPRISE GREEN
 - FORTIFIED STANDARDS
- Planning to Shelter in Place
2022 webinar on this topic. Recording:
<https://vimeo.com/670648763>



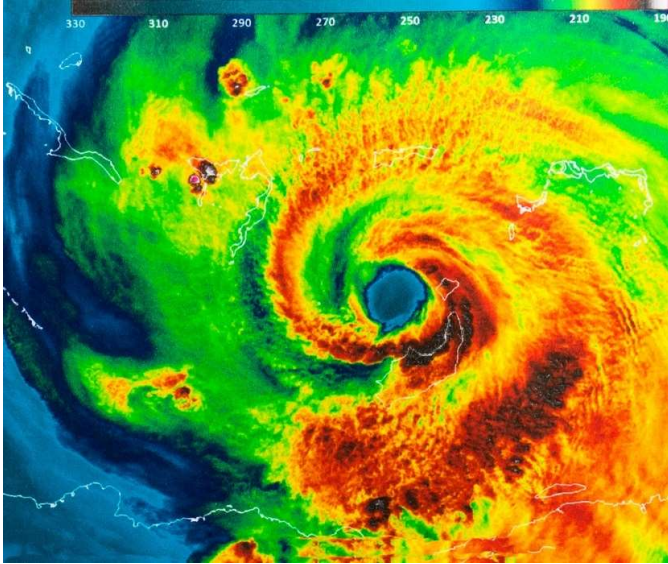
Incorporate Mitigation into Many SHIP Strategies

- Homeowner Rehabilitation
- Demolition & Replacement
- Multifamily Rehabilitation
- Acquisition Rehabilitation
- Barrier Free/Accessibility
- Emergency Repairs
- Relocation (New Construction)
- HANDOUT: Sample Rehab Strategy



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Wind Mitigation Features

Key components of protecting structural integrity:

- Roofing protections
- Protect Openings
- A continuous load path

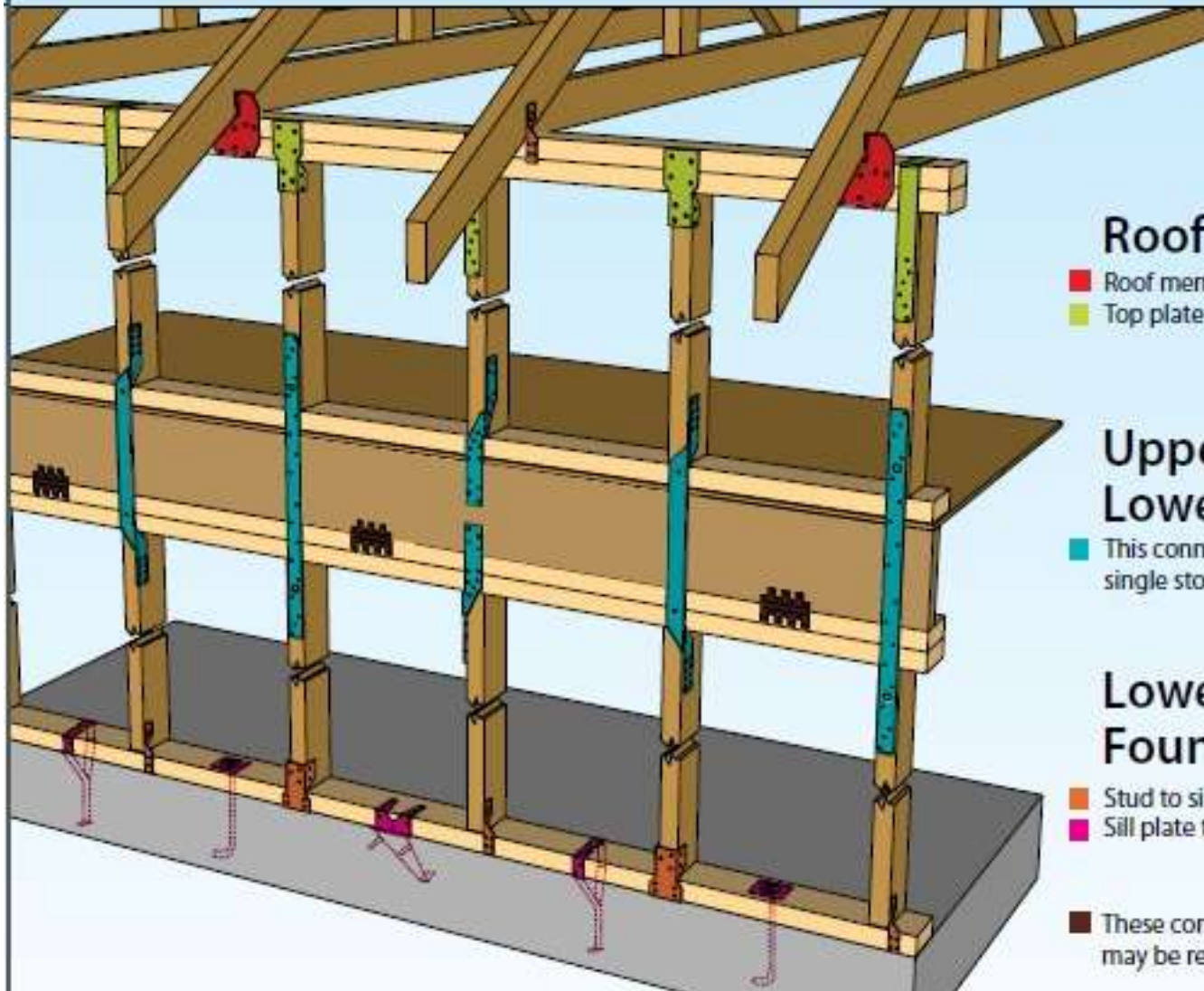


Structural Mitigation

- Opening Protection
- Re-Roofing



Continuous Load Path To Resist Uplift Forces



Roof to Wall Connection

- Roof member to top plate connections
- Top plate to stud connections

Upper Wall to Lower Wall Connection

- This connection is not required for a single story home.

Lower Wall to Foundation Connection

- Stud to sill plate connections
- Sill plate to foundation connections
- These connections are not required for uplift but may be required to transfer shear loads.

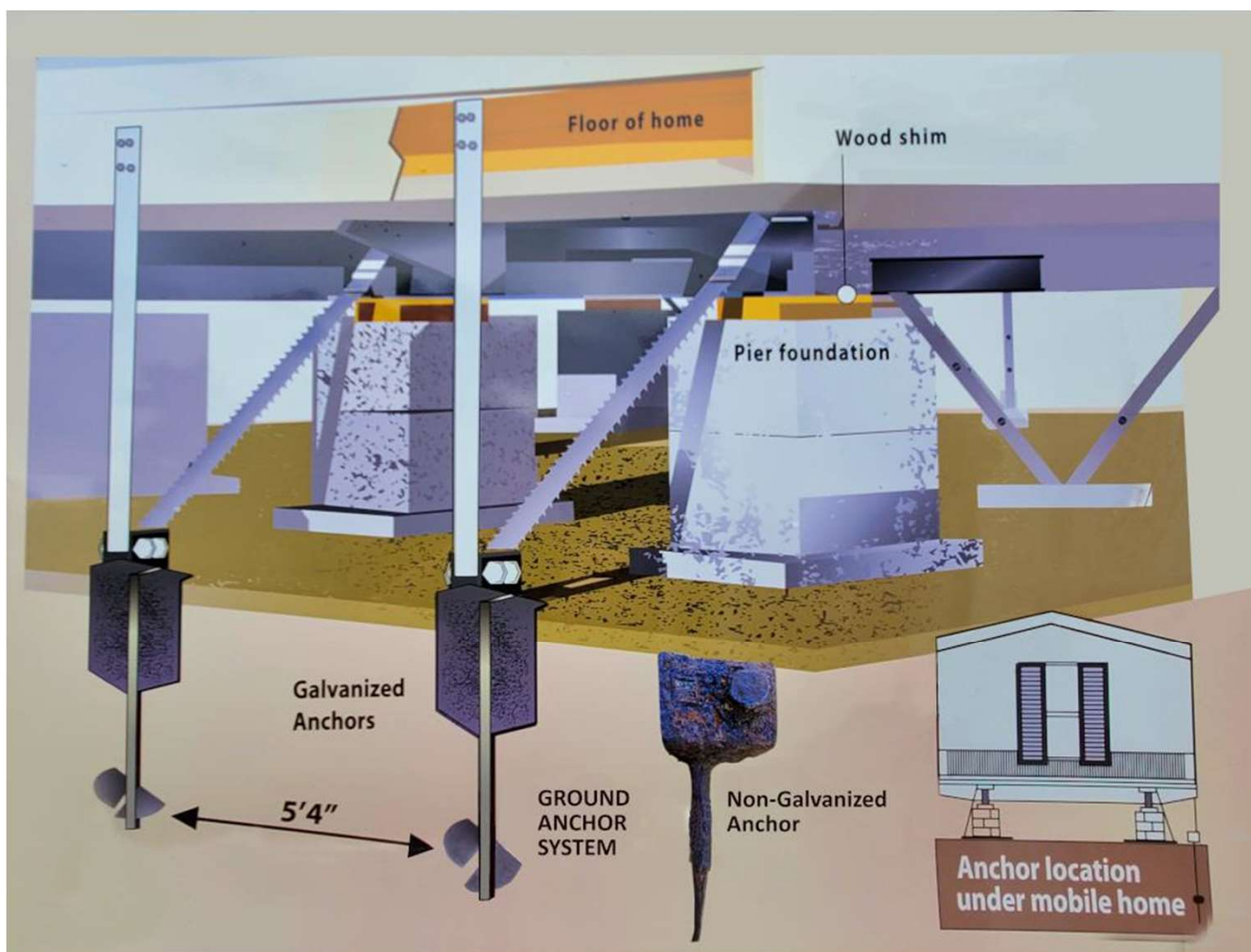
Brace Bottom Chord of the Gable End



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Mitigation for Manufactured Homes



Overturnd – No Tie Downs!



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Strap Parted due to Rust



Anchor No Longer Attached

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Manufactured Homes: What Else Can be Done?

Add Hurricane Shutters



4th Wall Carport Construction





Carport Gone – Roof Severely Damaged

Carport
Upgraded to
Mitigate Wind
Damage: 4th Wall
Construction



Multifamily Rental Housing Mitigation

<https://www.enterprisecommunity.org/impact-areas/resilience/keep-safe-florida>

Community

Strategies that encourage behavior which enhances resilience.



Adaptation

Strategies that improve a facility's ability to adapt to changing climate conditions.



Protection

Strategies to reduce a building's vulnerability to extreme weather.



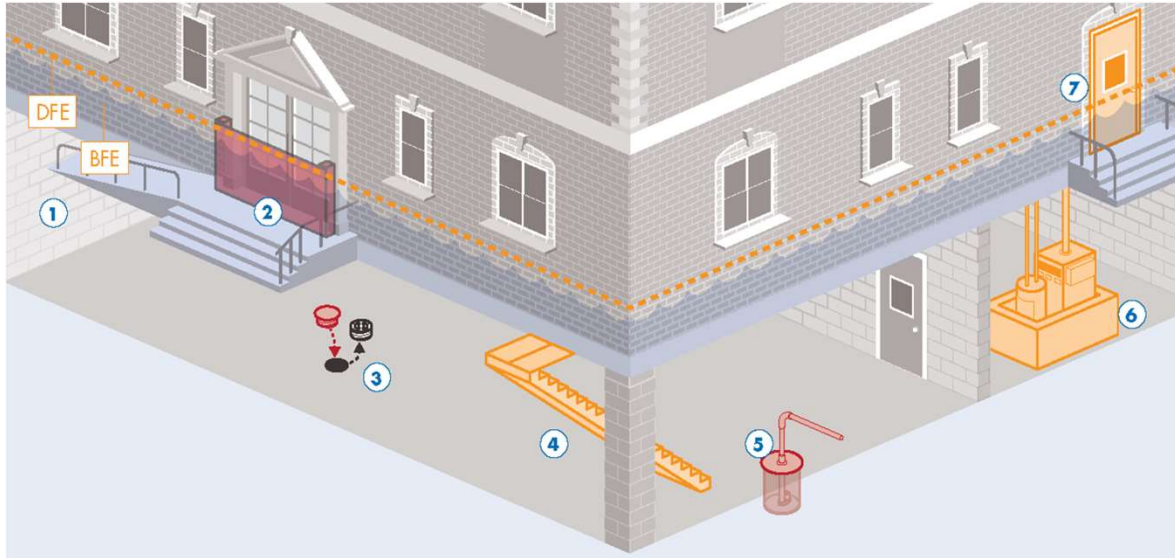
Backup

Strategies that provide critical needs when a facility loses power or other services.



Flood Prevention – High Cost

Dry Floodproofing



- ① Seal cracks or openings in walls and foundation.
 - ② Install flood gates to prevent water from coming through entryways.
 - ③ Install backflow preventers in floor drains.
 - ④ Install a waterproof sidewalk hatch.
 - ⑤ Protect against seepage by installing a sump pump.
 - ⑥ Flood-proof equipment which cannot be elevated.
 - ⑦ Flood doors are engineered to keep water out.
- *Strategies not pictured:*
- Protect any electrical equipment with waterproof enclosures.

Elevation of Site and Site Utilities



Generators for Supportive Housing Properties

- ARC Group Homes in Marion County
- Two buildings renovated in 2010 & 2012 with CDBG funding
- 2019 Mitigation paid with SHIP Funds

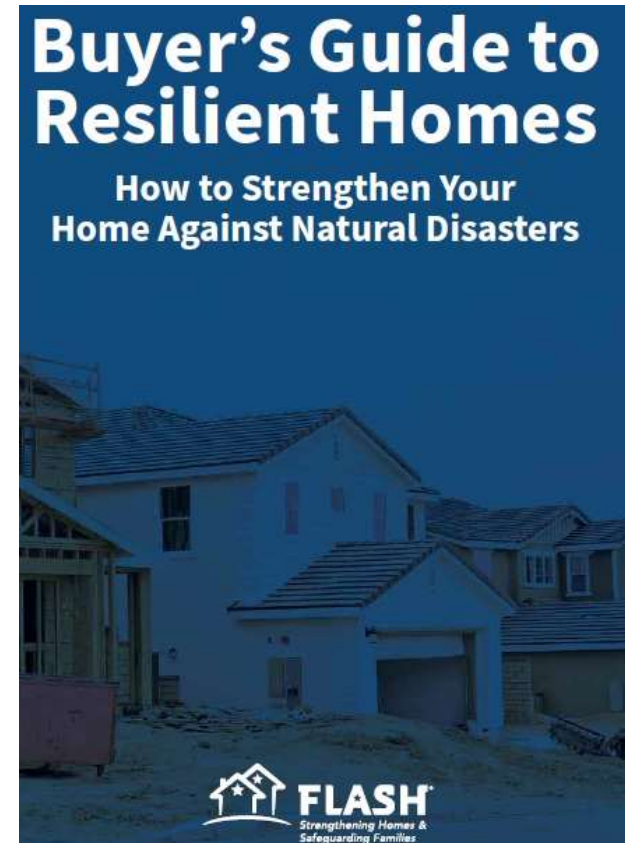


Purchase Assistance: Resources for your Homebuyer Classes

From FLASH – Federal Alliance for Safe Homes

- Free guide available at:
<https://buyersguidetoresilienthomes.org/wp-content/uploads/2021/09/9-7-21-Buyers-Guide-to-Resilient-Homes-Final.pdf>

Flood Maps: <https://msc.fema.gov/portal/home>



Can the roof withstand high winds?

Is the decking material noncombustible?

Will the walls resist the shaking of an earthquake?

Questions?





HHRP Lessons Learned from Hurricane Michael

Tammy Harris

Bay County Housing
Program Manager

tharris@baycountyfl.gov

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Purchase Assistance Bids & Quotes

Request Bids and Quotes from essential partners

- Title Search – \$50 or under (Owner-Occupied Rehab & Em. Repair)
- Home Inspections – \$500 or under, reinspection's under \$75 and no late fees can be charged.
- New Construction manufactured home inspections - \$385 or under
- Appraisal - \$550 or under

Create a spreadsheet of all pre-approved vendors

AHAC Incentives & Recommendation Report

If your AHAC has approved Incentives to make it easier to administer your SHIP program, **make sure everyone knows it!**

- **Building Services** – expedited permitting, final inspections, certificate of occupancy and power connections. We are considering a revision covering all services that are provided after the permits are issued.
- **Environmental Health** – septic tanks and wells. We are considering a revision for expedited permitting for these services.
- **Public Works** – Inspects for driveway access for new construction.

Meet with the department directors, managers or supervisors and provide them a copy of the BOCC/Council approved IR Report and work together to expedite all services that are provided to SHIP clients.

Award Letter

Identifies documents due to Bay County prior to closing.

Closing cannot occur unless these documents are submitted 10 business days prior to closing



January 6, 2023

Bay County EIN: 59-6000512

RE: SHIP/HHRP Purchase Assistance Program -Extension Award Letter

This letter serves as a formal extension to the Award letter dated November 9, 2022. With this extension, you will have 60-days to enter into a sales contract to purchase your home purchase. If you cannot enter into a sales contract within the 60-day extension time, you will need to reach out to the Housing Program staff and provide justification for a FINAL extension of 30-days.

After careful review and verification, County Staff verified that your household income meets the 80% limit of Area Median Income (AMI) criteria established by the Department of Housing and Urban Development (HUD) and the Florida Housing Finance Corporation (FHFC) for Bay County and, therefore, your household is qualified for the program.

This letter is to notify you that your application has been approved. You are eligible for purchase assistance in the amount of \$75,000. Funds will be held for you for a maximum of 60 days, at which time, this letter will expire. Please notify our office if you have difficulty locating a home or will not close prior to this expiration date.

You may begin searching for a home within your affordable price range. At a minimum of ten (10) business days prior to closing, please provide our office with a copy of:

- Signed first mortgage loan application (Form 1003)
- Underwriting & Transmittal Summary
- First mortgage loan commitment/Approval letter
- Home inspection report(s)
- Wood Destroying Organism (WDO) Report, if applicable
- Lead-Based Paint Test (if the home was built in 1978 or earlier)
- Appraisal by a licensed certified appraiser
- Executed closing statement
- Title policy (Bay County must be listed as an additional insured)
- Homeowner's Hazard and Flood Insurance Policy, if applicable (Bay County must be listed as a mortgagee)

- Closing Agent information
- CD Settlement Statement
- Copy of Certificate of Occupancy for new construction
- Sales contract
- Closing/Wiring Instructions with current W9

The SHIP/HHRP assistance provided to you will be a loan, secured by a mortgage and note in second position and recorded in Bay County with the Clerk of Court. The loan is non-interest bearing, deferred for 15 years as long and you live in the property, and is reduced at a rate of 10% per year beginning in year (6). If the property is no longer your primary residence or if you no longer own the home before the end of the 15-year period, the pro-rated amount of assistance awarded to you must be repaid to Bay County.

Should you require further assistance or have any questions regarding this matter, please contact Tammy Harris at 850-215-2479 or email at tharris@baycountyfl.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tammy Harris".

Tammy Harris
Housing Program Manager

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Application Documentation Checklist

Recently revised to state –

A Pre-Approval or Pre-qualification Letter from a Lender must be a loan amount of \$100,000 or greater in order to apply for Rehouse Bay Purchase Assistance Program

*Clients that cannot get approved for \$100,000 may be considered for a Home Replacement.

Bay County
Purchase Assistance File Checklist

	Y	N	N/A	Notes
Applicant Documentation				
Driver's license or photo I.D. (ALL household members 18+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social Security Card (ALL household members)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
For Each Dependent:				
<ul style="list-style-type: none"> • Birth Certificate (preferred); or <ul style="list-style-type: none"> ○ School Records with Parents'/Guardians' names and addresses, court-ordered letters of guardianship, divorce decree, or letters of adoption 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Lender pre-qualification/pre-approval document (A Pre-Approval Letter from a Lender must be a loan amount of \$100,000 or greater in order to apply for the Rehouse Bay Program)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Homebuyer education course certificate of completion (Required for First-Time Homebuyers Assistance)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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Scenarios

- It's hard to find a safe/decent home for \$150,000 and under. Deduct closing costs and the home price is approx. \$135-\$140,000.
- We've provided credit counseling and many clients are not able to get prequalified for \$100,000.
- Clients are holding on to their award letters waiting for the interest rates and the housing market to go down.
- After a year they are no longer eligible for our program.
- "Why did you give me an Award Letter if I'm not able to buy a house?"
- "I provided you with my pre-approval letter and you knew I was only pre-approve for \$60,000."

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Updating Documents

- Update all program documents when needed; Award Letters, Checklists and income related documents once the new AMI's come out next month (May).
- Update the Annual Performance Report Spreadsheets at least weekly. Bay County will have 700-800 clients served under HHRP 1 & 2.
- Update your Local Housing Assistance Plan (LHAP) when needed, don't wait until every three (3) years.

Keeping all program related documents current will make it so much easier to administer your Program.

Purchase Contract

Once you receive a contract for a PA client review it carefully.

- Take the clients name, title agent, realtor, purchase price, award amount and closing date and put it on a whiteboard for each month.
- Search the address on Zillow, Redfin and see what work has recently been done on the home (new roof), does the home have solar panels.
- Check the property appraisers site and see what permits have been issued.
- If Seller is an LLC, do a background search on Sunbiz.org

Arms Length Transactions

An "arm's length transaction" is a transaction between two unrelated and unaffiliated parties.

Non-arms-length transactions

- Client Purchases a home while waiting to be determined income-eligible. Once receiving the Award Letter inquires about using the award to re-finance or to buy down the principal.
- A family-owned business, Corporation or LLC purchases a home for a family member awaiting an Award Letter. The home goes under contract for \$50,000/\$75,000 more than the LLC paid for it.
- A direct family member transaction, where one member has received an Award Letter and the other family member is the owner/realtor making commission and selling the home to the family member by increasing the price by the amount of the family members Award Letter.

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Knowing Your Closing Disclosure

The Closing Disclosure (CD) is the document that outlines the terms and costs of a mortgage.

- A client that owned a business had the lender add the business debt to the CD so it could be paid-off at closing with her DPA.
- Two (2) appraisals charged
- Code Enforcement liens
- Is Purchase Price correct
- Is the Seller the same on all documents
- Is the amount of DPA listed (\$50,000) Section L

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Knowing Your Closing Disclosure Con't

Purchase Assistance clients **do not** pay Doc Stamps or Intangible Tax

The last page of our mortgage includes the below information underneath the notary stamp to ensure these charges are not included.

- Any obligation to pay money issued by a municipality, political subdivision, or agency of the state is exempt from doc stamp taxes. This means SHIP, FHFC, and other **loans/mortgages** issued by a state entity or local government are exempt from doc stamps. This is found in FAC 12B-4.002(3)(b) and at [F.S. 201.24](#)(1).
- Chapters 199 and 201, F.S. Section 199.183 (1), F.S. It states that "intangible personal property owned by this state or any of its political subdivisions or municipalities shall be exempt from taxation under this chapter." Therefore, SHIP mortgages are exempt from intangible taxation.

THE FLORIDA HOUSING COALITION



Out of the Box Local Partnership

Bay County partnered with four (4) local manufactured home companies

- Purchase Assistance and Replacement Home with demo, the MH company does all of the foot-work.
- We release 50% of the DPA award when the client is purchasing the land and the remaining DPA goes to the MH company after the MH receives a CO and passes a private inspection using one of our pre-approved inspectors.
- Using Surplus Lands for affordable MH's
- Applied for and received the 20% MH waiver from FHFC.

Amazing results for our Extremely-low, Very-low and Low-income clients

- 48 MH have been purchased using DPA
- 7 MH Replacements (Homeless families)

Contact Information



Tammy Harris

Housing Program Manager

tharris@baycountyfl.gov

(850) 215-2479

THE FLORIDA HOUSING COALITION





Questions & Answers and Evaluation



Technical Assistance is Available

Available Daily: **1 (800) 677-4548**

Options for Further Assistance Include:

- ❖ Phone and Email consultation
- ❖ Site Visits

Register at www.flhousing.org for:

- ❖ Workshops
- ❖ Webinars

Please Complete the Evaluation!



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THE FLORIDA HOUSING COALITION

