



NASH COUNTY HOUSING REPAIR ASSISTANCE

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Housing Repair Programs

General Information

NOTE: The following information is offered to provide a general overview of the types of housing repair programs available through Nash County for Low and Moderate Income homeowners. Note that all programs are not always available, and applications are only accepted when grant funds are available for a specific program. Note that requirements and eligibility are different for each program and may change from year to year. Applications must be resubmitted for each grant program. A Housing Assistance Request is not an application, but provides information to County staff for future referrals to a housing repair program.

Ownership:

Typically, assistance is available only to Low and Moderate Income homeowners. Ownership is determined by the name on the property deed recorded in the Nash County Register of Deeds. If multiple people are listed on the deed, at least one of those listed must reside in the house as their primary address. In the case of multiple owners, a Power of Attorney may be required to give one person authority to sign documents.

Heir property is not eligible for some programs. Rental property owners and tenants are not eligible to apply for most programs; although there may be some programs we can refer you to that provide assistance for rental properties. Owners of manufactured homes are sometimes not eligible, because the home is not considered real property for tax purposes.

Income Limits:

Grant programs are typically restricted to Low and Moderate Income households. Different programs use different income limits, however. Many programs use a percentage of Nash County's Median Household Income, which is determined annually by the federal government (HUD). Programs usually limit household income to 50% of that amount. Some programs may use 30% or even 80% as the limit. Eligible Income will also vary according to how many people live in the house. Income level for a 2-person household in 2014 was \$20,050 (for a program using a 50% limit) and \$32,100 for a program using the 80% limit. All Income information must be validated.

General Eligibility:

In addition to income limits, each grant has its own set of eligibility requirements. Some grants are available only to households with elderly or disabled occupants. Some grants favor families with children, or single parent households, etc. but other types of households are still eligible to apply. County and town taxes must not be overdue.

Some programs require that the home have little or no existing mortgage debt, and some programs may not even be concerned with existing mortgages. Homes should not be in danger of foreclosure or owners in danger of bankruptcy.

Rehabilitation work and types of grants:

Typically, there are two basic styles of grant program.

1. Emergency or Urgent Repair Program: One or more crucial repairs can be made to ensure the house is livable. The limit for this type of program is usually \$5,000 - \$8,000 per home. A security instrument may not be required for this type of repair. Usually, these grants are used for HVAC, roofs, plumbing repairs/septic system repairs and weak or rotting floors. Accessibility ramps and bathroom modifications are also common. It is common for other problems in the house to exist that are not addressed.

2. Full Rehab/Whole House grants: These programs provide repairs throughout the home, so that the house meets the program standards for all major systems, including floors, HVAC, hot water heaters, roofing, insulation, plumbing, electrical, lead paint testing and treatment, outside stairs & porch rails, etc. These programs typically involve new floor coverings and painting walls and ceilings, and may provide new kitchen cabinets. Appliances are not replaced. (In extreme conditions, a home may be so dilapidated that it requires replacement and can not be repaired.) Programs for replacing homes are rare, but sometimes are available.

Financing and Paying for the work:

- **Paying the Contractor:** Nash County pays for the construction work with program funds.
- **Note and Deed of Trust:** In full rehab programs, a significant amount of money is committed, often \$30,000 - \$45,000. These repairs are secured with a “deferred payment loan” that works like a grant, as long as you live in your house for the length of the note/deed of trust. The length of time that the deed of trust is in place depends on the grant program, and on the amount of money used to fix the house, but usually it is 5 – 15 years. A Deed of Trust is recorded to secure the debt, but each year a certain amount of the debt is forgiven. *No payments are made by the homeowner who lives in the home.* At the end of the term, all the debt is gone.
- **New Loans or Home Equity Lines of Credit:** While the Note is in place, the owner may have problems taking out additional loans against the house, like a home equity loan. **Payback:** If the original occupants leave the home and move elsewhere or pass away, other family members might be able to get approved to stay in the home without repaying the grant funds. If the house is sold or rented out, some money will need to be repaid.
- **House Deed vs. Deed of Trust:** Sometimes, people confuse a Deed of Trust with the property deed, and think that they are signing their home over to Nash County in this process. **THIS IS NOT TRUE.** You will remain the owner of the property at all times. The Deed of Trust is a document that secures the money spent to repair your home, but does not change the ownership of the property.

Insurance:

Typically, homeowners must carry homeowner insurance on the home as long as the Note is in place. Homes located in a 100 year floodplain may not be eligible for repairs even if the homeowner has flood insurance.

Rehabilitation work oversight:

All repair work is determined by the County’s representative after a site visit to the home. The county takes bids from eligible contractors and county representatives oversee the work. Work performed will meet required codes and standards, and homeowners will have the opportunity to express concerns or dissatisfaction with any work performed. Most programs carry a 1 year warranty on the repair work performed. Any new materials, like roof shingles or a hot water heater, will carry a manufacturer’s warranty. After the first year, all repairs are the responsibility of the homeowner.

When to Apply?

Nash County advertises applications in the Rocky Mount Telegram, and on the County’s website at www.co.nash.nc.us. A two-year registry is maintained of people who complete a Housing Assistance Form (HAF), which is available from the Housing office at 252-462-2680 (leave your name and mailing address on the voicemail if no one answers). When repair applications are available, a courtesy notice may be sent to names on the current registry, based on qualifying information provided on the Housing Assistance Form.