

## 2020 Derecho General Guidelines

- ❖ Disaster-impacted persons who qualify as LMI individuals (those earning at or below 80% AMI of county of purchase) will have a 4-month window of having the first opportunity to sign purchase agreements or rental agreements. These purchase agreements may be signed prior to start of construction with a deposit amount to be capped at \$500 and an expected 9-month timeframe for completion of unit.
- ❖ Self-certification of disaster impacted individuals will be requested.
  - Impact can include but not be limited to; property damage, property loss, displacement, buyout, loss of business, loss of employment, economic loss, commute time to employment/childcare significantly increased due to disaster, physical or mental health issues related to disaster.
- ❖ Once the 4-month window has lapsed, applications will be open to LMI individuals within the general public. Purchase agreements and rental agreements with eligible applicants will be signed on a first come first served basis.
  - Income limits are the 80% area median income, which is listed as "low income" on the HOME Income Limits (see below for HUD Income limits)
- ❖ This program will not fund second homes. The assisted home must be the applicant's primary residence.
- ❖ For Sale housing prices will be capped at \$175,000 and down payment assistance will be available up to \$35,000. This will be paid by the developer and reimbursed by the grant funding.
- ❖ Households requiring a cosigner from outside of the purchasing household are ineligible.
- ❖ Mortgages must be minimum of 15 years, fixed rate, with no balloon payments due.
- ❖ Rent limits are restricted to the 65% HOME limits. (See below for HUD rental limits)
- ❖ There will be a 15-year affordability period for single family housing units. If the home is sold during these 15 years to a non-LMI household the homeowner will be subject to a recapture of the remaining amount of the receding lien by the city or COG overseeing the affordability period. Affordability period will be enforced by developer lien on the property. Recapture by city/county responsible will be enforced should the affordability period be violated.