

# DISASTER RECOVERY TOOLS - HOUSING

## **REHABILITATION**

**Community Action HOME Rehab program** – Federal funding is provided to the Community Action Agencies through the Department of Commerce's HOME Program to assist low-income homeowners with rehabilitation needs.

Customer: Household income cannot exceed 80% of AMI  
Typical Terms: Deferred payment loan (forgiven over 5 years)  
Type of Work: General rehab, including electrical, plumbing, heating, siding, and roofing. The structure must be able to meet Housing Quality Standards (HQS) upon completion of work.  
Other: Property must be primary residence and insured. Limited amount of funding is available. Lead-based paint rules apply to pre-1978 housing.  
Lender: No lender involvement; grant available directly from Community Action.  
Contact: Contact closest Community Action Agency in the following communities: Minot, Devils Lake, Grand Forks, Fargo, Jamestown, Bismarck or Dickinson. Or contact the state association at (701) 232-2452 or [www.ndcaa.org/contact.htm](http://www.ndcaa.org/contact.htm) for referral to local agency.

**Community Action Helping HAND grant** – Grant to assist low-income homeowners with repairs

Customer: Low income homeowners (<80% AMI)  
Typical Terms: Grant (25% homeowner match)  
Type of Work: General rehab, including electrical, plumbing, heating, siding, and roofing  
Other: Property must be primary residence and homeowner occupied  
Lender: No lender involvement; grant available directly from Community Action  
Contact: Contact closest Community Action Agency in the following communities: Minot, Devils Lake, Grand Forks, Fargo, Jamestown, Bismarck or Dickinson. Or contact the state association at (701) 232-2452 or [www.ndcaa.org/contact.htm](http://www.ndcaa.org/contact.htm) for referral to local agency.

**Community Action Weatherization program** – Grant to assist low-income homeowners with rehab that increases energy efficiency and weatherization of home

Customer: Household gross income cannot exceed 200% of poverty level or Heating Assistance eligible. Weatherization is after any insurance or FEMA have completed their assessments.  
Terms: No cost to applicant; applicant may be owner or renter. Rental situations require owner approval for certain projects.  
Type of Work: Energy conservation retrofit consistent with Federal and State Guidelines. Each project is an individual effort based on energy cost, energy conservation possibilities, and projected energy savings.  
Lender: No lender involvement; grant available directly from Community Action  
Contact: Contact closest Community Action Agency in the following communities: Minot, Devils Lake, Grand Forks, Fargo, Jamestown, Bismarck or Dickinson. Or contact the state association at (701) 232-2452 or [www.ndcaa.org/contact.htm](http://www.ndcaa.org/contact.htm) for referral to local agency.

**CommunityWorks North Dakota Rehab (DREAM)** – Loans to help homeowners with property rehabilitation

Customer: Homeowner who needs rehab financing not available from a local lender.  
Terms: Varies based on what's affordable to the household (1% to market rate, 5-25 yrs)  
Type of Work: General rehab  
Other: No income limits, some flexibility in assessment of household creditworthiness  
Lender: Local lenders work in partnership with CommunityWorks North Dakota to originate loans  
Contact: Sherri ([sarenz@communityworksnd.org](mailto:sarenz@communityworksnd.org)), Julie or Sarah at (701) 255-4591 or [www.communityworksnd.org](http://www.communityworksnd.org)

**NDHFA Rural Rehab Loan Program** – Low interest rehab loan for properties in communities with population of less than 20,000

Customer: Homeowner income at or below 100% AMI  
Terms: Approximately 4% fixed, max 20 years, minimum monthly payment of \$50  
Type of work: General rehab  
Other: Max loan \$25,000 (no more than 75% of project cost). Can also be used to rehab multifamily projects (up to \$100,000)  
Lender: Local lender or loans can be referred to CommunityWorks. (NDHFA can originate multifamily loans.)  
Contact: Celeste Burke (cburke@ndhfa.org), NDHFA, (701) 328-8080 or (800) 292-8621, www.ndfha.org

**NDHFA Major Home Improvement Program (MHIP)** – Low interest loan to purchase or refinance a home that needs rehabilitation (rolls rehab and purchase into one loan)

Customer: Homebuyer/owner with low or moderate incomes, for 1-2 person family (100% AMI) and for 3+ person family (115% AMI)  
Terms: Rate same as FirstHome, terms comparable to first mortgage  
Type of Work: General rehab; cost of rehab must be at least 25% of value of home  
Other: Not limited to first-time buyers, Max loan value/purchase price of \$237,000; can be applied to owner-occupied 1-4 unit structures  
Lender: Must be NDHFA participating lender. If not, loans can be referred to CommunityWorks  
Contact: Dean, Kim or Cheryl, NDHFA, (701) 328-8080 or (800) 292-8621, www.ndfha.org

**NDHFA Rehab Accessibility Program (RAP)** - Grants to help turn single or multifamily properties occupied by low-income people with physical disabilities into safe and comfortable homes adapted for their needs.

Customer: Homeowner income must be no more than 80% AMI  
Terms: Grant, Max \$4,000 (25% match typically required)  
Type of Work: Accessibility related - build ramps, install audio and visual smoke detectors, chair lifts, door hardware and other items that make living easier and safer for persons with disabilities.  
Other: Can also be used for multifamily projects  
Lender: No lender involved; grants are made by NDHFA  
Contact: Nancy Rice (nrice@ndhfa.org), NDHFA, (701) 328-8080 or (800) 292-8621, www.ndfha.org

**USDA 504 Rehab Program** – Grants and loans to help very low income people to make necessary repairs to their primary residence

Customer: Homeowners with max income of 50% AMI  
Typical terms: Elderly – grant of \$7,500 (if household demonstrates need for grant)  
Non-elderly – 1% loan, 20 year term, max \$20,000  
Type of Work: General rehab (grant funds must be used to address health/safety hazards)  
Other: In some cases, can combine loan and grant for maximum of \$27,500  
Lender: No lender involved; loans are made by USDA  
Contact: Any USDA Rural Development office, www.rurdev.usda.gov/nd/field-list.htm

## **REHABILITATION (multifamily only)**

**Community Works North Dakota (DREAM II)** – Short-term loans to developers/municipalities for the development of housing activities.

Customer: Property owner (household benefiting from improvements must have income no more than 80% AMI)  
Typical term: Maximum term is 60 months  
Type of Work: Housing related activities to include predevelopment, infrastructure, construction and bridge financing. No income requirements.  
Contact: Rob Knoll (rknoll@communityworksnd.org), (701) 255-4591 or www.communityworksnd.org

**Community Development Housing Organization (CHDOs)** – Can provide gap financing and partner in the development, or acquisition and rehabilitation of multifamily housing for low-income households.

Customer: Households at below 80% AMI.  
Terms: Gap assistance is usually provided as a low-interest loan. Funds are limited and provided on a competitive basis.  
Type of work: Multifamily development and acquisition and rehab.  
Other: The CHDO must be the owner or developer.  
Contact: In eastern ND, contact Grace Backman at Eastern Dakota Housing Alliance at (701) 364-2833. In western ND, contact JoAnn Schaeffer at Affordable Housing Developers Inc. at (701) 483-4432

### **MORTGAGE LOANS (purchase a new or existing home)**

**USDA 502 Loan** – Direct, with special designation to allow cost-based appraisals – Loans to help low income rural residents affordably purchase, build and repair single family homes with no requirement for a down payment (if funds aren't available)

Customer: Low income homebuyers (max at 80% AMI) who have good credit but lack adequate funds to purchase home  
Typical term: 33 years, rate is fixed but actual varies based on income (1% to market rate)  
Other: Max loan amount up to 102% of cost or market value, whichever is greater; can include rehab if needed; max purchase price of \$147,500  
Lender: No local lender involved; loans made and serviced by USDA staff  
Contact: Any USDA Rural Development office, [www.rurdev.usda.gov/nd/field-list.htm](http://www.rurdev.usda.gov/nd/field-list.htm)

**USDA 502 Loan Guarantee, with special designation for cost-based appraisals** – Loans to help low income rural residents affordably purchase, build and repair single family homes with no requirement for a down payment (if funds aren't available)

Customer: Homebuyers with max income of 115% AMI who have good credit but lack adequate funds to purchase home  
Typical term: 30 years, fixed rate but actual varies based on income  
Other: Max loan amount up to 102% of cost or market value, whichever is greater; can include rehab if needed  
Lender: Loans are made by an eligible bank or lender with a 90% guarantee by the Rural Housing Service  
Contact: Any USDA Rural Development office, [www.rurdev.usda.gov/nd/field-list.htm](http://www.rurdev.usda.gov/nd/field-list.htm)

**NDHFA FirstHome** – First mortgage loan with below-market interest rate for first-time homebuyers

Customer: First-time homebuyers with low or moderate incomes, for 1-2 person family (100% AMI) and for 3+ person family (115% AMI)  
Typical term: Rate changes daily, 30 & 40 year terms  
Other: Normal credit underwriting, max acquisition price of \$237,000, Very-low income borrowers can qualify for further rate reduction through HomeKey program  
Lender: Must be NDHFA participating lender or able to access via a correspondent lender relationship. If not, loans can be referred to CommunityWorks  
Contact: Dean, Kim or Cheryl, NDHFA, (701) 328-8080 or (800) 292-8621, [www.ndhfa.org](http://www.ndhfa.org)

**CWND DREAM Fund** – First mortgage loan with below-market interest rate for first-time homebuyers

Customer: Lender referred borrower for first mortgage loan using NDHFA programs, Rural Development Guaranteed, conventional or portfolio  
Typical term: Rate provided by secondary market investor or determined based on affordability to borrower, maximum 30 year term  
Other: Flexible/Normal credit underwriting based on investor guidelines. If unable to place with investor common sense flexible underwriting is used for loan to be held portfolio or participated with local lender.  
Lender: Must be a participating lender of CommunityWorks North Dakota  
Contact: Sherri (sarenz@communityworksnd.org), Julie or Sarah at (701) 255-4591 or www.communityworksnd.org

**NDHFA Home Access** – Mortgage loan with below market interest rate for disabled, elderly, veteran and single-parent households

Customer: Households with immediate family member (defined as the mortgagor, mortgagor's spouse, and any dependent(s) permanently residing in the home) who is: permanently disabled, age 65 or older, a veteran, or, a Single-parent household (at least one dependent child residing in their home 50 percent of the time)  
Typical term: Same as FirstHome  
Other: Not limited to first-time buyers, same income and acquisition limits as FirstHome;  
Lender: Must be NDHFA participating lender or able to access via a correspondent relationship. If not, loans can be referred to Community Works  
Contact: Dean, Kim or Cheryl, NDHFA, (701) 328-8080 or (800) 292-8621, www.ndhfa.org

**Grand Forks Housing Authority Housing Choice Voucher Homeownership Program** - Enables a family to convert a Section 8 rental assistance voucher into a homeownership assistance payment.

Customer: Not Elderly or Disabled: Household with income no more than 80% AMI (minimum income of \$10,300) and where at least 1 adult has worked an average of 30+ hours/week for last 12 months  
Elderly or Disabled: Household income equal to at least \$7,476 (current SSI pmt x 12 months)  
Typical Terms: Homebuyer obtains mortgage for property (mortgage pmt must not exceed the payment standard established for the area). Homebuyer and GF Housing Authority jointly make the mortgage payment – homebuyer contributes 30% of their gross income, GF Housing Authority contributes the balance.  
Other: First-time homebuyers; realistically to qualify, borrower should expect to finance no more than \$70,000-\$80,000 in a mortgage  
Lender: GF Housing Authority has relationships with several lenders who have experience closing and servicing this special type of loan. Borrower must work with a lender to obtain first mortgage financing.  
Contact: Tristi Reller (treller@grandforksgov.com), (701) 792-2885  
Alicia Saure (asaure@grandforksgov.com), (701) 792-2887  
Katie Kouba (kkouba@grandforksgov.com), (701) 792-2890

## **DOWN PAYMENT ASSISTANCE**

**NDHFA Down payment and Closing cost Assistance (DCA)** – No-cost deferred payment loans to help lower income first-time homebuyers make their required down payment

Customer: Household income no more than 80% AMI  
Typical Terms: 0%, deferred payment loans, Max loan 3% of purchase price or \$3,000  
Other: First-time homebuyers; can be used in conjunction with FirstHome and HomeKey programs; HUD lead based paint regulations apply  
Lender: Must be NDHFA participating lender or access via a correspondent relationship. If not, loans can be referred to CommunityWorks  
Contact: Dean, Kim or Cheryl, NDHFA, (701) 328-8080 or (800) 292-8621, [www.ndhfa.org](http://www.ndhfa.org)

**NDHFA START** – Grant to help first-time buyers with out-of-pocket cash requirements for buying a home

Customer: First-time homebuyers with low or moderate incomes, for 1-2 person family (100% AMI) and for 3+ person family (115% AMI)  
Typical Terms: Grant is equal to 3% of the first mortgage amount. Interest rate on accompanying first mortgage is slightly higher than FirstHome program.  
Other: Start program functions like FirstHome but with option for down payment assistance in exchange for higher interest rate  
Lender: Must be NDHFA participating lender or access via a correspondent relationship. If not, loans can be referred to CommunityWorks  
Contact: Dean, Kim or Cheryl, NDHFA, (701) 328-8080 or (800) 292-8621, [www.ndhfa.org](http://www.ndhfa.org)

**CommunityWorks DREAM** – Loans to help homebuyers secure the necessary down payment for their home purchase

Customer: Homeowner who is unable to make the required down payment to facilitate a home purchase  
Typical Terms: Varies based on what's affordable to the household (1% to market rate, 5-25 yrs)  
Other: No income limits, some flexibility in assessment of household creditworthiness  
Lender: Local lenders work in partnership with CommunityWorks to originate loans  
Contact: Sherri ([sarenz@communityworksnd.org](mailto:sarenz@communityworksnd.org)), Julie or Sarah at (701) 255-4591 or [www.communityworksnd.org](http://www.communityworksnd.org)

## **RENT ASSISTANCE**

**Section 8 Voucher** – Monthly rent assistance available to low and moderate income tenants

Customer: Renter earning no more than 80% of area median income  
Terms: Renter is required to pay 30% of their income towards housing (includes both rent and utilities). The Section 8 voucher is available to pay the difference between the rent/utilities due and that tenant's ability to pay. Assistance follows the tenant.  
Rent Standard: Units must rent at or below the County payment standard  
Other: Assistance is not time limited. Housing Authority verifies income annually to adjust the distribution of costs between the voucher and tenant payment. Landlord must agree to inspection of unit and to accept the rent voucher.  
Contact: Local Housing Authority, [www.hud.gov/offices/pih/pha/contacts/states/nd.cfm](http://www.hud.gov/offices/pih/pha/contacts/states/nd.cfm)

**Rental Housing in Section 8 and Housing Tax Credit Units** – Temporary rental housing available in subsidized properties statewide.

Customer: Displaced renter or homeowner  
Terms: Unfurnished apartments can be rented on a month-to-month basis, at a rate not to exceed IRS or HUD set limits. Income and other restrictions associated with these rental programs may apply to displaced households.  
Contact: Eldon Krein ([ekrein@ndhfa.org](mailto:ekrein@ndhfa.org)), NDHFA, (701) 328-8080 or (800) 292-8621, [www.ndhfa.org](http://www.ndhfa.org)