



# ***Single Family Rehabilitation Loan Pool***

**SFR LP•13**

Administrator's Manual  
June 2013

NORTH CAROLINA

HOUSING  
FINANCE  
AGENCY

*Let's Make Home Happen*

**SINGLE-FAMILY REHABILITATION LOAN POOL  
ADMINISTRATOR’S MANUAL**

**TABLE OF CONTENTS**

<b>PROGRAM GUIDELINES</b>	<b>Page</b>
SECTION 1 INTRODUCTION AND BACKGROUND.....	3
SECTION 2. PROGRAM REQUIREMENTS .....	7
2.1 Eligible Activities .....	7
2.2 Eligible Uses of Funds .....	7
2.3 Forms of Assistance .....	9
2.4 Eligible Households .....	9
2.5 Eligible Units .....	11
2.6 SFRLP Rehabilitation Standards.....	11
2.7 Environmental Standards.....	11
2.8 Household Relocation.....	11
SECTION 3. PROJECT FINANCIAL ADMINISTRATION .....	14
3.1 Funding Agreement.....	14
3.2 SFRLP Reservations and Disbursements .....	15
3.3 Recipient Accounts .....	17
3.4 Program Income .....	18
3.5 Accounting System Requirements.....	18
3.6 Recordkeeping .....	19
3.7 Procurement.....	19
3.8 Financial Audit Requirements .....	21
3.9 Project Monitoring by the Member .....	22
3.10 Project Reporting.....	22
3.11 Project Monitoring by the Agency .....	23
3.12 Project Close-Out.....	25
SECTION 4. LOAN PROCESSING REQUIREMENTS.....	27
4.1 Selecting Applicants .....	27
4.2 Rehabilitation Procedures .....	29
4.3 Program Documents .....	33
4.4 General Loan and Grant Procedures for SFRLP Program monies.....	35
4.5 Preparing Loan Documents .....	37
4.6 Loan Closing Procedures .....	37
4.7 Loan Disbursement Procedures .....	38
4.8 Loan Close-out Procedures.....	38

INDEX to the Administrator’s Manual

(Following page 38)

## **APPENDIX**

### **A. SFRLP13 REHABILITATION STANDARDS**

Section:

- A. Introduction
- B. General Requirements
- C. Housing Quality Standards
- D. Energy-Efficiency Standards including Home Performance with Energy Star (HPwES)
- E. Environmental Protection
- F. Lead-Based Paint Requirements

### **B. INCOME LIMITS**

### **C. PROGRAM FORMS AND DOCUMENTS**

\*Click on the link provided to access any of the [SFRLP13 Forms and Documents](#) listed below:

- Unit Management Workbook
- Unit Management Forms:
  - 1. Instructions
  - 2. Project Data
  - 3. Loan Application & Reservation Request
  - 4. Environmental Screening and Instructions
  - 5. SHPO – Historical Evaluation
  - 6. Post Rehabilitation Value Certification
  - 7. Homeowner Written Agreement
  - 8. Settlement Data Sheet
  - 9. Requisition for HOME Funds and Invoice Log
  - 10. Unit Completion Report (UCR)
- Written Agreement (Member/Contractor)
- Contract for Rehabilitation
- Release of Liens
- Request for Project Amendment
- Lead-Based Paint Requirement Worksheet
- Pre/Post Rehab Checklist
- Certification of Completion and Final Cost (CCFC)

## SECTION 1. INTRODUCTION AND BACKGROUND

**1.1 Introduction.** 2013 marks the twentieth year since the beginning of the Single Family Rehabilitation Program as the Agency's primary program for comprehensive rehabilitation of owner occupied homes. Since the Program's creation, a total of \$110,250,184 has been committed to rehabilitate 3,590 homes in the state.

Throughout this period, the program has evolved and changed in response to internal program evaluation and to feedback offered by recipient organizations -- both individually and through small, user roundtables convened for that purpose.

For instance, when a comprehensive program review by Agency staff showed that program funds had been concentrated in certain counties while others received less than a fair share, the program was converted in 2006 from a state-wide competition for funding to a rotation through about 25 specific counties per year, such that each of the state's then 98 non-entitlement counties could receive funds once every four-years<sup>1</sup>.

2010 brought the most sweeping changes in SFR's then 17-year history. While the goals and objectives did not change (i.e., to serve seniors and disabled home owners, to promote aging-in-place, energy-efficiency and lead-safety, etc.), the program design changed in numerous ways. Personnel with years of SFR experience are strongly encouraged to read these guidelines carefully and work with their Agency case managers closely to ensure compliance with the Program Guidelines.

Some changes will be seen by Recipients (now called "Members") as major improvements. With the continuation of the three-year funding cycle SFRLP remains in sync with CDBG scattered site grants, and goes far in furthering the ideal of steady-state rehab funding and continuity of local efforts. There is the real possibility that a given county might have rehab assistance opportunities available continuously over time to serve its neediest homeowners. Local and regional rehab organizations can recruit rehab specialists, attract contractors and market their services to the community with assurance that they have a fair chance of being able to do so on a continuous basis. Similar to SFR11 and SFR12, a first-come, first-served

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<sup>1</sup> Unfortunately, while this change served the goal of correcting inequity in geographic distribution, it exacerbated another problem. The four-year rotation put SFR out of sync with the Division of Community Assistance's CDBG scattered-site rehab program, which rotated through the counties on a three-year schedule, and it created more of a feast-or-famine scenario than the reliable, steady-state rehab funding stream that had been intended.

“pool” of funds is available. These funds may be accessed after a Member has completed two (2) units under its initial allocation. Groups with the capacity to use their \$170,000 allocations within 18 months will be able, with reasonable limitations, to keep rehabilitating additional homes until the pool funds (initially \$1.9 million) are all committed. It is hoped that this will help more productive Members do more work without penalizing groups that work at a slower pace. Of equal importance, it should mean that all the funds committed to the program will be invested, and more low-income homeowners will be helped.

Other changes implemented in 2010, 2011 and 2012 SFR cycles perhaps not so popular with Members, were necessitated by new federal and state laws and regulations. Guidance from HUD on “written agreements”, as well as guidance on the treatment of housing rehabilitation assistance more like bank loans (with good faith estimates, settlement statements, rights of rescission, etc.) were among the changes.

Nevertheless, many SFR basics have remained unchanged since the program was created. SFR standards have promoted increasingly comprehensive rehabilitation, resulting in most homes being left better than they were when built in terms of comfort, durability and operating cost. The competitive funding process has favored local groups that employ highly-trained rehabilitation specialists who understand not just the most current construction methods and code requirements, but also the physics behind them (known as building science). Such personnel are essential to success with SFR in converting substandard and deteriorated homes into high-performance homes capable, with reasonable attention to maintenance, of serving new generations of North Carolinians.

As always, we hope you will share with us your ideas about the future of the Program. Please let us know, as specifically as possible, what your community needs, how the current program does or does not meet your needs, and what we might do to improve it. And please keep in touch with your case manager and allow him or her to help you through whatever Program-related challenges you may face.

- 1.2 Program Goals and Objectives.** The primary goal of the 2013 cycle of SFRLP is to encourage the comprehensive rehabilitation of scattered-site single-family housing units owned and occupied by very low- and low-income homeowners with one or more elderly and/or disabled fulltime household members or with a child under the age of 6 whose health is threatened by the presence of lead-based paint hazards.

## 2.2 The objectives of SFRLP13 are:

- 1) To promote equitable distribution of Program funds across the state;
- 2) To serve elderly and disabled homeowners, as well as households with elderly and/or disabled fulltime household members or with a child under the age of six whose health is threatened by the presence of lead hazards, with incomes at or below eighty percent (80%) of area median incomes;
- 3) To facilitate aging in place amongst elderly and disabled fulltime household members of eligible dwelling units through accessibility modifications;
- 4) To promote the long-term affordability and lower operating costs of SFRLP-assisted units through cost-effective, energy-efficiency measures and performance testing;
- 5) To facilitate the continued development of rehabilitation management skills among recipient organizations across the entire state;
- 6) To complement other housing repair and rehabilitation programs; and,
- 7) To ensure that all available program funds are invested within the limited time available.

SFRLP13 Rehabilitation Standards ensure that each unit assisted will make a long-term positive impact on the state's housing stock by providing decent, affordable housing for at least another generation.

**1.3 How To Use This Manual.** Your Administrator's Manual contains program guidelines along with many of the forms and documents needed to successfully manage your project under SFRLP13. For your convenience, all forms and documents can now be found online at NCHFA's website: (<http://www.nchfa.com/Nonprofits/RRformsapps.aspx>). Scroll down to SFRLP13 once you have clicked the link and the web-page opens. An alphabetical, cross-referenced index is provided at the end of the Program Guidelines (*following page 38*). It is a useful tool for finding all significant references to subjects of interest. For example, if you needed to review Program requirements regarding final inspections of rehabilitated properties, you could find the relevant information by looking under either "close-out procedures," "final inspections", or "inspections, final". Each listing would direct you to several different locations in the Program Guidelines (listed by section number) where final inspection requirements are mentioned or discussed. Members are encouraged to call, write or email the Agency with any questions regarding interpretation of Program Guidelines, documents or forms which are found online at (<http://www.nchfa.com/Nonprofits/RRformsapps.aspx>). The Agency has assigned a case manager to serve as your primary contact person for matters relating to SFRLP13.

All correspondence should be directed to your case manager. Case managers are: Senior Housing Rehabilitation Officer, Michael Handley, 919-877-5627 or email [mghandley@nchfa.com](mailto:mghandley@nchfa.com), Housing Rehabilitation Officer, Chuck Dopler, 919-981-5008 or email [jcdopler@nchfa.com](mailto:jcdopler@nchfa.com), Community Development Coordinator, Britni Edwards, 919-981-5006 or email [bwedwards@nchfa.com](mailto:bwedwards@nchfa.com) and Manager, Housing Rehabilitation, Dick Smith-Overman 919-877-5628 or email [dsmithoverman@nchfa.com](mailto:dsmithoverman@nchfa.com). Mr. Handley also serves as SFRLP program coordinator for the Agency.

Other key Agency-SFRLP staff are Program Specialist, Jim Cook, 919-877-5707 or email [jcook@nchfa.com](mailto:jcook@nchfa.com) who processes all SFRLP documentation and requisitions for funds, and Program Compliance Coordinator, Mark Lindquist, 919-501-4263 or [mwlindquist@nchfa.com](mailto:mwlindquist@nchfa.com) who reviews SFRLP reports and documents to help monitor compliance with Program Guidelines and project timelines.

## SECTION 2. PROGRAM REQUIREMENTS

### 2.1 Eligible Activities

1. Members may use Program funds to effect the rehabilitation of owner-occupied site-built or modular dwelling units in accordance with the Member's approved Application for Funding and these Program Guidelines. New construction and replacement housing are eligible only upon prior written approval by the Agency (on a case-by-case basis).
2. Manufactured housing units are eligible for rehabilitation only upon prior written approval by the Agency (on a case-by-case basis), and only if occupied by a household with an elderly or disabled fulltime household member or a child under the age of six whose health is threatened by the presence of lead hazards, and with a household income below 80% of area median income. Additionally, the manufactured home must be on real estate owned by the borrower, be permanently affixed and have permanent utility hook-ups. (See [Section 4.1.4.3, Property Requirements](#) for a definition of "permanently affixed".)

### 2.2 Eligible Uses of Funds

1. SFRLP13 will utilize funds from the HOME Investment Partnerships Program (HOME), only. (Note: The C.F.D.A. number for the HOME Program is 14.239.) The maximum amount of Program assistance, excluding soft costs to any housing unit cannot exceed \$45,000. Variances from this maximum will be considered on a case by-case basis where certain exceptional expenditures, such as water and/or sewer installations or excessive lead-based paint remediation costs are necessary.
2. The minimum amount of Program funds that can be spent on rehabilitation hard costs for any assisted dwelling unit is five thousand dollars (\$5,000).
3. Members must ensure that each dwelling unit assisted will meet all requirements of [SFRLP Rehabilitation Standards](#). Other Program hard cost expenditures are limited to work items consistent with [Section 2.2.4, Eligible Uses of Funds](#).
4. Program funds may be used to pay for hard costs, including the cost of temporary relocation, and soft costs.

- 1) Eligible rehabilitation hard costs are costs necessary to:
  - i) Meet the more stringent of local housing codes or the SFRLP Rehabilitation Standards;
  - ii) Meet the requirements of HUD’s final regulation on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance, published September 15, 1999 in 24 CFR 35 for the remediation of lead-based paint hazards. (See Appendix A [SFRLP Rehabilitation Standards](#)), Section F;
  - iii) Protect neighborhood and unit property values through reasonable cosmetic improvements;
  - iv) Eliminate all imminent threats to the health or safety of occupants, and to the structural integrity of the dwelling unit;
  - v) Install (where practicable) new or replacement items in accordance with “Universal Design” principles, including wheelchair-accessible outlets and switches, wider doors, curbless entries, and a barrier-free corridor connecting bedrooms, baths, kitchens and living rooms, etc. (Refer to the publication “Residential Rehabilitation, Remodeling and Universal Design” available at [www.design.ncsu.edu/cud](http://www.design.ncsu.edu/cud) for further information.);
  - vi) Take reasonable measures to strengthen homes against natural disasters such as wild fire, flooding, and in coastal areas, hurricane force winds (such as those recommended by Blue Sky Foundation of N.C. in the free manual at [www.bluesky-foundation.net/studyguides](http://www.bluesky-foundation.net/studyguides));
  - vii) Make other eligible improvements to dwelling units; and
  - viii) Pay for reasonable, temporary relocation costs in accordance with Agency-approved written relocation plan. (See [Section 2.8](#), Household Relocation).
- 2) SFRLP soft costs are the reasonable and necessary support costs directly associated with the rehabilitation of eligible units. Soft costs are paid on a unit-by-unit basis in accordance with the SFRLP Member’s Agency-approved SFRLP Budget for Soft Costs, as referenced in the Funding Agreement. Potential eligible Soft Costs include:
  - Outreach & Advertising
  - Environmental Review Preparation
  - Asbestos Testing/Clearance
  - Radon Testing

- LBP Inspection/Risk Assessment
  - LBP Clearance
  - Energy Assessment/Test Out and Quality Assurance/HPwES Certification
  - Loan Document Execution; recording & legal fees
  - Pre-rehab Inspection including scope of work
  - Work Write-ups
  - Cost Estimate
  - Project & Construction Management
  - Flood Insurance (units in Flood Hazard Zones)
  - Post-rehab Value Certification
- 3) SFRLP funds may not be used to pay for administrative expenses.
  - 4) No SFRLP funds may be used to rehabilitate housing units that have been rehabilitated with \$5,000 or more of State or Federal funds within the previous ten years without the prior written consent of the Agency.

### **2.3 Forms of Assistance**

1. SFRLP assistance covering only the hard costs of rehabilitation will be provided to eligible home owners in the form of interest-free loans secured by a Deed of Trust, forgiven at the rate of \$3,000 per year, until the principal balance is reduced to zero. Soft costs associated with SFR-assisted units will be granted to homeowners.
2. Agency-prepared loan (Promissory Note and Deed of Trust) and grant (Grant Agreement) documents for each unit to be assisted under SFRLP13 shall be provided to Members, by the Agency, for execution by the Homeowner, following receipt, by the Agency, of information necessary to complete the referenced documents from the Member. The Member shall submit the necessary information to the Agency by completing the “Settlement Data Sheet” (see [Unit Management Workbook](#)).

### **2.4 Eligible Households**

1. No household with a gross annual income exceeding eighty percent (80%) of the area median, as determined by HUD and provided by the Agency, with adjustments for family size, can occupy units assisted under SFRLP. Members must select Program beneficiaries in a manner consistent with their Agency-approved Assistance Policy, which must allow for assistance to households with elderly or disabled fulltime household members, or to households with a child under the age of six whose health is threatened by the presence of lead hazards in the unit, exclusively. Documentation

used to determine income eligibility must be current, that is, within 6 months of the date on which funds are committed to the unit. (Funds are committed to a unit on the date which the “Written Agreement”(see [Unit Management Workbook](#)) between the Homeowner and the Member is executed. See [Section 3.2.1, SFRLP Reservations and Disbursements](#) for additional information on the Homeowner Written Agreement.

2. Income Limits for applicants for SFRLP13 assistance are based on the estimates of county median household incomes published by HUD, with adjustments for household size. Members must, each year use updated income limits and amend their assistance policies to reflect updated income limits as published by HUD annually.
3. Annual Income is the anticipated gross annual income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family, including all net income derived from assets for the 12-month period following the effective date of certification of income, exclusive of certain types of income. “Anticipated” means projecting future income based on current circumstances, which may include recent job loss, recent promotion etc. Gross annual income of households for SFRLP must be calculated in accordance with the part 5 definition of annual income as found at the following link: <http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/>. Should the calculator be unreliable refer to the Office of Affordable Housing Program’s “Technical Guide for determining income and allowances for the HOME Program.”
4. Members must use the calculator provided at this site and place a copy of calculated results in case file, or place a copy of worksheets used to determine income eligibility in the case file. If it is not feasible to anticipate a level of income over a twelve (12) month period, the income anticipated over a shorter period may be annualized, subject to a redetermination at the end of the shorter period.
5. Members must have a fair, systematic and uniform policy (written into their assistance policy) for responding to appeals from applicants who have been denied assistance under SFRLP, pursuant to ([Section 4.8.4, Loan Closeout Procedures](#)).

## **2.5 Eligible Units**

1. Members must certify prior to committing funds to a unit that the value of the property (assisted unit) after rehabilitation will not exceed the greater of the pre-stimulus Section 203b mortgage limits or the actual 95% of the median purchase price for comparable single-family housing in the area. See [section 4.1.4.2, Property Requirements](#). For the post-rehab value limits click this website: <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/maxprice.cfm>.
2. Rental units and Life Estates are not eligible under SFRLP13. Ownership must be Fee Simple or 99 year leasehold interest in a one-to-four-unit dwelling or in a condominium unit.
3. Assisted units, upon completion, must meet the SFRLP Rehabilitation Standards without exceeding the SFRLP hard cost limit (\$45,000).

## **2.6 SFRLP Rehabilitation Standards**

1. All units assisted with any amount of funding from SFRLP13 must, upon completion, meet the [SFRLP Rehabilitation Standards](#). These Rehabilitation Standards incorporate habitability standards consistent with HUD's Section 8 [Housing Quality Standards](#) , [Environmental Standards](#) consistent with federal HOME program requirements, as well as additional standards for energy-efficiency, durability, accessibility, etc.

## **2.7 Environmental Standards**

1. In selecting dwelling units for rehabilitation assistance, and in determining the scope of work for each unit selected, Members must consider and mitigate any significant threats from, or threats to the environment. An [Environmental Checklist](#) must be completed and submitted to the Agency in accordance with the instructions at the top of the checklist, prior to committing funds to a unit. The environmental review process is described in the [SFRLP Rehabilitation Standards](#) under section E, Environmental Protection.

## **2.8 Household Relocation**

1. The Member's Assistance Policy may allow for the temporary relocation of beneficiary households where necessary to facilitate construction activities or to protect the household from dangers inherent in the construction process (such as lead-based paint dust and temporary structural instability). Voluntary, temporary

relocation at homeowner's expense may be included as a condition of participation or allowed as an option where temporary relocation would be required, so long as the requirement is uniformly applied in all cases. No project activities shall result in permanent displacement of households.

2. Households selected for SFRLP13 rehabilitation assistance may be temporarily displaced (relocated) using Program funds if:
  - a. The Member has incorporated into its Assistance Policy (and submitted to the Agency for approval) a written plan specifying terms and conditions of relocation assistance and ensuring temporarily relocated households access to standard temporary housing at reasonable cost to the Program;
  - b. The Agency has approved the Member's relocation plan in writing; and,
  - c. There is a documented need for temporary displacement (relocation) of a household. (e.g. due to lead-based paint abatement or lead hazard reduction activities, asbestos removal, "gut" rehabilitation, etc.) Occupant protection requirements for work involving lead-based paint must be adhered to and are detailed in 24 CFR 35.1345. (See [SFRLP Rehabilitation Standards](#), Section F "Lead-Based Paint (LBP) Requirements").
3. SFRLP-eligible temporary relocation expenses are limited to reimbursement of reasonable out-of-pocket expenses incurred by relocated households in connection with temporary relocation, including the cost of moving to and from the temporarily occupied housing, and any cost associated with the rent of the temporarily occupied housing and storage space necessary to protect home furnishings and effects.
4. Households to be relocated during construction activities, whether at personal or Program expense, should be given reasonable, advance-written notice of the date and approximate duration of the temporary relocation.
5. Households to be temporarily relocated at Program expense should also be advised in writing of:
  - 1) The location of any known suitable, decent, safe and sanitary dwellings which may be made available for the temporary period;

- 2) The terms and conditions under which the household may reoccupy their dwelling unit; and
- 3) The provisions of [Section 2.8.3](#), regarding relocation.

## SECTION 3. PROJECT FINANCIAL ADMINISTRATION

### 3.1 Funding Agreement

1. “Members” are those organizations which have access to the SFRLP13 “Pool” for which a funding allocation has been set aside under SFRLP13. All Members must sign a Funding Agreement (the “Agreement”) with the Agency before funds will be released for disbursement. The Funding Agreement is a contract between the Agency and the Member. It will identify the amount of funding allocated to the Member and allow them access to the SFRLP13 Pool. It also specifies the proposed use of the funds, the effective date of the Agreement, and the required Date of Completion.
2. Before executing a Funding Agreement, the Member must adopt written policies and procedures meeting Program requirements. These policies and procedures must include:
  - 1) The Member’s financial management system;
  - 2) The Member’s Agency-approved Assistance Policy governing eligibility and priority for Program assistance see [Section 4.1.2](#) and,
  - 3) The Member’s rehabilitation management system, including its written procurement and disbursement policies, specific to SFRLP13.
3. The Funding Agreement is subject to these SFRLP13 Program Guidelines which are incorporated into the Agreement by reference. These Guidelines may be revised by the Agency and revisions will be forwarded to the Member and made part of the Agreement.
4. The Agency may terminate the Funding Agreement before the Date of Completion if it determines the Member has failed to comply with the conditions of the Agreement or has failed to implement its project consistent with the approved Application for Funding, Post Approval Documentation or Assistance Policy.
5. The Agency or the Member may terminate the Funding Agreement prior to the Date of Completion by mutual consent with 60 days notice to the other party, or as otherwise provided by law, when both parties agree that continuation would not produce beneficial results commensurate with the further expenditure of funds.

6. Members are not permitted to assign all or any part of their interest in the Funding Agreement or delegate any duty or obligation under the Agreement without the prior written approval of the Agency.
7. Changes to the Member's approved, written Assistance Policy and/or procurement policy, staff assignments, and/or sources or amounts of other funds leveraged must be approved in advance by the Agency. Proposed changes must be submitted via the SFRLP13 form [Request for Project Amendment](#) with an explanation of the reasons for, and/or advantages of, the proposed change. Requests regarding a proposed change in staffing must be accompanied by resumes of any staff members (or consultants) proposed for SFRLP roles who were not identified in the Member's original, approved Application for Funding.
8. Proposed changes will be reviewed with regard to how the change(s) would affect the Member's original Application for Funding rating score, if applicable. If a proposed change would result in a loss of rating points, another rating factor should be changed to affect a comparable increase in points such that no net loss of points would result.
9. If a net loss in rating points results from a Member's proposed amendment, the reasons given for the proposed change(s) will be critical to the success of the request.
10. Failure to fulfill the terms of the Funding Agreement will result in sanctions and penalties which may affect future applications for funding, and which will, at the Agency's discretion, apply to the Member and to any key personnel on the project (and, if applicable, to any firms and individuals contracted to manage the project, or any part of the project).

### **3.2 SFRLP Reservations and Disbursements**

1. Once a Member has selected the units to be assisted under SFRLP13, the Member then submits a Loan Application and Reservation Request with the following attachments (see [Unit Management Workbook](#)) for each unit: the [Environmental Screening Checklist](#), the [Historical Evaluation Form](#) and [SHPO Response](#), if applicable, the [Post-Rehabilitation Property Value Certification](#) and the [Homeowner Written Agreement](#). The Member must also list the approved HPwES Contractor

who will perform the energy assessment and test-out on the selected unit in the space provided on the Loan Application and Reservation Request. The Agency then conducts a title search and notifies the Member of the results of the title search. Once the Member receives notice of clean title from the Agency they may proceed with the rehabilitation process.

2. Under the original set-aside of \$170,000, each Member may reserve funds, for up to 3 units, by submitting the above-stated, required documents to the Agency. Members have until December 31, 2014 to reserve funds under their original set-aside. Any funds not reserved by that date will be returned to the SFRLP13 Pool and made available to all Members. Funds for additional units may be reserved from the pool on a unit-by-unit, first come, first served basis after the Member has completed two (2) units under SFRLP13. No funds may be reserved after December 31, 2015 and all units must be completed and closed out by June 30, 2016.
3. Prior to submitting the first requisition for funds, each Member must submit a completed Signatory Form and Certification card and Direct Deposit form to the Agency with its Post Approval Documentation packet.
4. Reserved
5. Disbursements of SFRLP funds will be made to Members by electronic transfer or by check, once a completed and authorized Requisition for HOME Program Funds and Invoice Log have been received by the Agency. The final requisition for hard and/or soft costs for a unit shall be processed only when the requisition is accompanied by:
  - a. the completed IDIS Activity Completion Report section found at the top of the Unit Completion Report, in the Unit Management Workbook and
  - b. the Home Performance with Energy Star (HPwES) certificate issued by the HPwES Sponsor. If the paper certificate has not yet been received by the Member, an electronic copy of the HPwES State Sponsor portal webpage listing the HPwES-certified unit will suffice.

The final requisition is that requisition which, if processed, causes a \$0.00 balance in the account.

6. A Unit Completion Report must be submitted for each completed dwelling unit, within 60 days of the final drawdown of funds for that unit (i.e., from the date on the check from the Agency).
7. Unless instructed otherwise, all forms shall be mailed to Program Compliance Coordinator, Mark Lindquist at the Agency.
8. Failure of the Member to comply with any requirements of these Guidelines may result in suspension of disbursements, a reduction in the amount of Program monies available and/or other sanctions listed at Section 3.11.5.

### **3.3 Recipient Accounts**

1. The Member shall establish a Federally-insured master account to hold all SFRLP funds. Once SFRLP funds are received, they MUST be expended for eligible costs within twelve (12) days. Any interest earned within the twelve-day period must be treated as program income per [Section 3.4](#), below.
2. Any funds that are “drawn down” and not expended for eligible costs within twelve days MUST be returned to the Agency, immediately. Any SFRLP funds held beyond the 12-day period will be subject to Agency-imputed interest charges.
3. SFRLP funds for soft costs may be paid from the Member’s account only after a written agreement (see [Written Agreement Member/Contractor](#)) has been entered into between the Member and the entity receiving payment. (e.g. If a consultant is to receive payment for a work write-up, or a lead inspector is to receive payment for a lead inspection, then there must be a written agreement between the Member and the entity providing the service, prior to the disbursement of funds to that entity.) Any such agreement must at a minimum contain a scope of work, an amount to be paid for the services and a schedule with a deadline for completing the tasks. (see Section 3.7.3.2, below)
4. Furthermore, hard costs for the actual rehabilitation of a unit may be paid from a Member’s account only after the following:
  - 1) A Note (in the full amount of hard costs) and Deed of Trust have been properly executed and the Deed of Trust has been properly recorded by the Register of Deeds (see [Section 4.8](#), below); and

- 2) A [Contract for Rehabilitation](#) has been executed between the Homeowner and the contractor undertaking the work.

### **3.4 Program Income**

1. Program income is income from monies deposited in interest-bearing accounts and SFRLP loan payments received. Matching funds are not considered Program income.
2. All program income must be credited to the Member's SFRLP account and treated as part of its SFRLP allocation. Any net program income not used for eligible Program activities must be paid to the Agency, along with any unused SFRLP funds on hand, at the time of submitting a [Certification of Completion and Final Cost](#) form (CCFC). Also, any undisbursed balance of the Member's SFRLP award will be de-obligated after receipt by the Agency of the Member's CCFC.

### **3.5 Accounting System Requirements**

1. Members must establish and maintain a system (consistent with financial information reported on Unit Completion Reports, SFRLP Requisitions and Invoice Logs) to account for SFRLP funds separately from funds received from other sources.
2. The accounting system must provide for:
  - 1) Accurate, current and complete disclosure of the financial condition and financial results of the Project in accordance with the reporting requirements herein;
  - 2) Records that adequately identify the source and application of funds for activities supported by SFRLP (These records must contain information pertaining to SFRLP Project awards and authorizations, obligations, unobligated balances, assets, liabilities, expenditures and income);
  - 3) Effective internal control over, and accountability for, all funds received under the Funding Agreement (for example there should be a system whereby SFRLP contract amendments, or change orders are approved by more than one staff member to ensure against impropriety);
  - 4) Comparison of actual expenditures with budgeted amounts for the Project;
  - 5) Accounting records that are supported by source documentation (e.g., invoices, receipts or contracts); and,
  - 6) Systematic methods to ensure timely and appropriate resolution of audit and/or monitoring findings, concerns and recommendations.

### **3.6 Recordkeeping**

1. The Member must maintain financial records (including copies of all [Unit Completion Reports](#) and the [Certification of Completion and Final Cost](#) form), case files (See [Section 4.3, Program Documents](#), below), statistical records and all other records pertinent to the Project for five (5) years from the date of the project closeout letter from the Agency. All records must be sufficient to determine compliance with the requirements and objectives of the Program.
2. The record retention period starts from the date of the close-out letter. If any litigation, claim or audit starts before the expiration of the five years, the records must be retained until all litigation, claims or
3. Financial records must be made available to the Agency immediately upon request for the purpose of making audits, examinations or reports. All invoices, vouchers, statements of cost and records pertaining to the disbursement of Program funds and Project-related matching funds are subject to audit by the Agency. Failure to comply with this requirement will result in the Agency taking one or more of the actions identified in [Section 3.11.5](#) below.

### **3.7 Procurement**

1. Members may not incur any Project costs until a Funding Agreement between the Member and the Agency has been executed.
2. Members must establish written SFRLP-specific procurement procedures consistent with [Section 4.2](#), which provides that proposed procurement and contracting actions will be properly managed. Said procedures must specify how all procurement activities will be conducted so as to promote fair, open/transparent competition to the maximum practicable extent. The procurement procedures shall be approved by Agency staff prior to adoption by the Member.
3. Contract Documents
  - 1) Members must use and retain written contracts with all firms providing services for work under the Program. The Member must include in all Contracts for Rehabilitation those provisions and clauses required by 24 CFR 84 or 24 CFR 85. To view a sample [Contract for Rehabilitation](#) click on the link provided. Also, see [Section 4.3.1.8](#), below;
  - 2) A Written Agreement must be executed between the Member and any entity providing services (lead-based paint inspections/risk assessments, energy

assessments, blower door testing, providing work write-ups and cost estimates etc.) prior to funds being disbursed to that entity. To obtain a sample “[Written Agreement Member/Contractor](#)” click on the link provided.

- 3) Members must execute a tri-party agreement between the HPwES State Sponsor, NCHFA and the Member for Quality Assurance provided by the State Sponsor.
4. Materials and supplies purchased with funds received under the Program will be accounted for separately from all other materials and supplies obtained from any other source.
5. Members should conduct all Project activities fairly, openly (transparently) and competitively so as to eliminate any conflicts of interest and even the appearance of impropriety. In addition, Members that are cities and counties must also comply with state laws applicable to the procurement of supplies, construction and services, including [Session Laws 2001-424, Section 6.6](#) (Conflict of Interest), and [G.S. 44A-25](#) through 33 (Model Payment and Performance Bond).
6. Members who are units of local government, public housing authorities or lead regional organizations must comply with Procurement standards established in [24 CFR 85.36](#) (based on Attachment O of [OMB Circular A-102](#)). Nonprofit organizations and Community Action Agencies must comply with standards established in [24 CFR 84.40](#).
7. Members are required to comply with federal equal opportunity standards in all Program-funded procurement activities pursuant to [24 CFR 92.350](#). Contracting firms, professional service companies, employees and materials suppliers must be selected without regard to, or discrimination based on, race, color, national origin, religion, age or gender.
8. Contracting activities must be conducted in compliance with [Executive Order 11625](#) and [12432](#) (concerning Minority Business Enterprises) and [12138](#) (concerning Women’s Business Enterprises). For compliance guidelines to these requirements see [Section 4.2.6, Rehabilitation Procedures](#) below.
9. Members must ensure that no Program-funded rehabilitation work will be contracted with businesses or individuals which are debarred, suspended or otherwise ineligible

under the terms of 24 CFR part 24, see Section 3.10.4, Project Reporting. When in doubt, the Member should contact its case manager at the Agency.

10. Any modification to a contract completion date, scope of work, or cost must be reduced to writing as a contract addendum, or “change order,” which clearly and completely defines all agreed-upon changes. Change orders must be signed by all parties to the contract and shall be approved by two different representatives of the Member organization. The Member must produce and file a detailed written cost estimate (with the same level of specificity outlined in [Section 4.2.2, Rehabilitation Procedures](#)) for each change order and negotiate a fair and reasonable price for the work based on the estimate. (Note: Changes in the overall cost of rehabilitation shall be reflected in an Estoppel Agreement drawn up by the Agency at the close out of the unit, which will indicate the total amount of hard costs expended on the unit.

### **3.8 Financial Audit Requirements**

1. Members during FY 2013 must comply with the financial audit provisions provided for by [GS 159-34](#) (for units of local government that are subject to the audit and other reporting requirements of the Local Government Commission) or [143C-6-23](#) (for non-governmental organizations), as well as the requirements of [OMB Circular A-133](#) and the State Single Audit Act. Because these statutes are subject to change from time to time, please refer to the following websites for the applicable audit requirements: <http://www.treasurer.state.nc.us> (units of local government), or <http://www.ncgrants.gov> (non-governmental organizations). All required audit reports must be forwarded to the Agency in PDF format.
2. Copies of the current requirements, [GS 159-34](#), “Annual Independent Audit: Rules and Regulations” and [GS 143C-6-23](#) (“Report on State funds by non-state entities”) and applicable forms are found at [Audit Requirements](#). Also see <http://www.whitehouse.gov/omb/circulars/a133/a133.html> for [OMB Circular A-133](#).
3. When an auditor’s report, or auditor’s statement, discloses material non-compliance with the Agreement or material weakness in internal controls, the Member must submit to the Agency within 60 days of the date of the auditor’s opinion letter or statement, a written response to the auditor’s findings and a plan for corrective action.

### **3.9 Project Monitoring by the Member**

1. The Agency expects the Member to be active in the SFRLP Project and to adequately train and supervise its staff in the operation of the Project.
2. The Member's approved Application for Funding included its work plan for staffing and administering the Project. The Member must notify the Agency of any material changes in its work plan or of any events that may have a significant impact on the Project. (see [Section 3.1.7, Funding Agreement](#) above)
3. If the Member is monitored by the Agency, and if a lack of proper financial or project controls is observed, the Agency may withhold all Program funds not already disbursed to the Member and require that unused funds be returned promptly to the Agency.
4. Members must monitor and approve the performance of contractors undertaking rehabilitation work funded by SFRLP to ensure that work specifications and all applicable licensing, insurance, inspection and code requirements are complied with and schedules are met. (see [Appendix A, "SFRLP Rehabilitation Standards](#) for additional guidance)
5. The Agency is currently employing a "desk monitoring" system, under which, Members scan the requested file documents and email them to the Agency prior to the monitoring visit. This system allows Housing Rehabilitation Officers to spend more time providing technical assistance and inspecting the rehabilitation work performed by the Member.

### **3.10 Project Reporting**

1. Members will be provided with reporting forms (electronic versions) to be submitted to the Agency including:
  - 1) Unit Completion Reports, see [Unit Management Workbook](#); and;
  - 2) The [Certification of Completion and Final Cost](#) form.
2. A Unit Completion Report (see [Unit Management Workbook](#)) must be completed by the Member and submitted, with required documentation attached, within 60 days of the final drawdown of funds for a unit (i.e., from the date of the final disbursement of funds, for the unit, by the Agency).

3. The [Certification of Completion and Final Cost](#) form must be submitted to the Agency by the project close-out date (within 6 months following the Completion Date specified in the Funding Agreement). The project completion date for SFR13 projects is December 31, 2015, and the project closeout date is June 30, 2016.
4. Members must ensure that no contractors are allowed to perform Program-funded rehabilitation work if they are then subject to applicable sanctions by HUD, including a Limited Denial of Participation (LDP), suspension or debarment. The listing of LDP contractors is available electronically through the World Wide Web here:  
[http://portal.hud.gov/hudportal/HUD?src=/topics/limited\\_denials\\_of\\_participation](http://portal.hud.gov/hudportal/HUD?src=/topics/limited_denials_of_participation)  
Suspended or debarred contractors are listed on the [System for Award Management \(SAM\)](#). To screen contractors on a case-by-case basis you may call your Case Manager at the Agency.

### **3.11 Project Monitoring by the Agency**

1. The Agency will use the following criteria to review the Member's performance:
  - 1) Conformance with the Member's Application for Funding;
  - 2) Compliance with the requirements of the Program as stated in the Funding Agreement and SFRLP13 Program Guidelines.
2. The Agency will conduct site visits to review the performance of Members and to provide technical assistance. The Agency will review progress made by the Member on its project work plan and will review the Member's financial management, loan and grant processing procedures, rehabilitation management system and other control systems.
3. Members will be required to provide the Agency with data, records, and other information needed for the Agency to conduct the review including, but not limited to, the Member's:
  - 1) Loan and grant procedures and records;
  - 2) Rehabilitation procedures and contract documents; and,
  - 3) Financial records.

4. The Agency will also inspect some of the construction work performed with SFRLP funds to determine if:
  - 1) The scope of work was appropriate;
  - 2) Completed units meet the more stringent of a local housing code or [SFRLP Rehabilitation Standards](#), including SFRLP Energy Efficiency Standards which include HPwES Standards. A percentage of SFRLP assisted units will be inspected by the state sponsor for the North Carolina HPwES, for compliance with the HPwES standards. It is the HPwES contractor's responsibility to ensure that the unit is in compliance with HPwES Standards. If upon inspection by the HPwES State Sponsor a unit fails to meet the HPwES Standards, it shall be the SFRLP Member's responsibility to pay for any additional costs incurred by the State Sponsor in conducting more than one inspection on a unit. SFRLP13 funds shall only cover the cost of the initial quality assurance inspection.
  - 3) Completed units retain no imminent threats to the health or safety of the occupants or to the structural integrity of the dwelling unit itself;
  - 4) All work specified in the contract (including the work write-up and all change orders) was completed as specified;
  - 5) Any unresolved warranty claims are being dealt with as appropriate; and SFRLP funds were appropriately utilized in the rehabilitation.
  
5. If the Agency determines, based on its review of the Member's performance, that the Member is not in compliance with the requirements of SFRLP13, the Agency may:
  - 1) Require the Member to submit additional information to determine the reason for the noncompliance, and describe and document actions being taken to correct the problem;
  - 2) Issue a letter of warning advising the Member of the deficiency and identifying possible sanctions if the deficiency is not corrected;
  - 3) Instruct the Member to suspend, discontinue or not incur costs for the affected activity;
  - 4) Instruct the Member to reimburse the Agency for any amounts improperly expended, with interest if applicable (see [Section 3.3.2](#), Recipient Accounts above);
  - 5) Reduce or withhold all SFRLP funds or terminate the Funding Agreement; and/or,

- 6) Impose rating penalties under future program funding cycles (affecting the Member, key project staff and/or contracted personnel and their companies).

### **3.12 Project Close-Out**

1. The Member must initiate close-out procedures when the Date of Completion identified in the Funding Agreement is reached.
2. No new rehabilitation contracts obligating any SFRLP funds may be executed after the Date of Completion. Contracts executed prior to the Date of Completion may be amended after that date by no more than ten percent (10%) of the original contract amount in order to accommodate necessary changes to the scope of work.
3. Members will be required to submit the [Certification of Completion and Final Cost](#) form (CCFC) to the Agency no later than 6 months following the Date of Completion. The Member will also be required to submit revisions and updates of the Certification that may be necessary as a result of audits or reporting errors.
4. All SFRLP funds not disbursed for eligible costs associated with rehabilitation contracts executed prior to the Date of Completion, including all net Program income/interest earned, must be remitted to the Agency with the CCFC.
5. Members are required to submit a minimum of one (1) human interest story, with photographic documentation of before and after rehabilitation, focusing on one of the households assisted under SFRLP13. The story should tell us about your work and about people who have benefitted from your efforts. Some of the things we would like you to tell us about are:
  - 1) Who are the people who were assisted?
  - 2) Are there any unique facts about the household?
  - 3) Were any needs met by incorporating special features in the rehab?
  - 4) What was the condition of the home prior to rehab?
  - 5) Has the rehab changed their lives in any way?
  - 6) What energy-efficiency measures or accessibility measures were done?
6. Much of this can be told through pictures of homes and of homeowners and other household members. Interior “before and after” shots of some notable repairs or improvements showing a dramatic difference – whole house exterior shots, both before and after, from the same position, casual shots of the homeowner and/or

family; digital JPEG images in a high resolution format, if possible. Prints and slides are ok, but digital images in 6-12 megapixel resolution are best. These can be attached to emails, one or two at a time or burned into a CD or DVD and mailed to us. Also, Members are encouraged to submit any written correspondence from households assisted under the project, to the Agency, if such correspondence would be beneficial in promoting the Program. The story and the photo documentation are to be submitted with the CCFC or any time prior to submitting the CCFC.

7. Members are required to submit a minimum of five (5) before and five (5) after rehabilitation photos of various repairs completed on each unit assisted with the UCR for the unit. Digital images in 6-12 megapixel resolution are best. These can be attached to emails, one or two at a time or burned into a CD or DVD and mailed to the Agency.

## SECTION 4. LOAN PROCESSING REQUIREMENTS

### 4.1 Selecting Applicants

1. Members must establish a system for inviting households to participate in SFRLP13. Members must serve all non-entitled areas of the targeted county equally. Within those areas, Members may prioritize households according to need (e.g., income level or housing condition). Members may draw from existing, or establish new, waiting lists to select eligible applicants, but a system of internal controls must be in place to ensure fair play. Members are required to publicly advertise SFRLP13, so that both those on existing waiting lists and those responding to the public advertisement have equal access to the available assistance.
2. The Member's policy for screening and prioritizing applications for rehabilitation assistance must be contained in a concise written policy adopted by the Member, provided to all applicants for assistance, readily available to the general public and applied uniformly. Said "Assistance Policy" should be consistent with Program Guidelines, as well as the Member's approved Application for Funding and Post Approval Documentation, and should clearly identify and describe:
  - 1) The goals of the Program;
  - 2) The eligibility criteria for SFRLP assistance;
  - 3) Priority system by which eligible applicants will be ranked;
  - 4) The forms of assistance;
  - 5) The specific terms of assistance;
  - 6) Specific service area;
  - 7) The availability of SFRLP Rehabilitation Standards;
  - 8) The rehabilitation process (from the initial inspection to the warranty period);
  - 9) Any limitations to the range of rehabilitation choices (lead-based paint abatement costs, manufactured housing, relocation, etc.);
  - 10) Specific sources of all project funding;
  - 11) Total amount of funding;
  - 12) Maximum and minimum assistance amounts;
  - 13) The Project schedule;
  - 14) A statement certifying that applicants will not be selected or denied assistance based on race, color, religion, gender or national origin;
  - 15) A reference to the lead-based paint requirements;
  - 16) A description of the Member's plan for marketing the Project;

- 17) The right of all applicants for Program assistance to receive a written Notice of Disposition informing them of their status within 30 days of the date of their completed application for an SFRLP loan; and
  - 18) The process for handling complaints and appeals see Section [4.8.4, Loan Closeout Procedures](#).
3. Ownership Requirements
- 1) Loan recipients (borrowers) assisted under SFRLP must possess an ownership interest in the property and have the legal authority to create a valid and unrestricted lien on the property in the form of a Deed of Trust.
  - 2) Housing units must be owned and occupied by very low-and low-income homeowners that meet the income eligibility requirements contained in [Section 2.4, Eligible Households](#), with one or more elderly and/or disabled fulltime household member(s) or a child under the age of 6 whose health is threatened by lead hazards in the home.
4. Property Requirements
- 1) The property must be located in North Carolina and within the service area identified in the Member's approved Application for Funding.
  - 2) Every SFRLP-assisted housing unit must remain "affordable" (pursuant to 24 [CFR 92.254](#)) after its rehabilitation is complete. The value of the property, after rehabilitation (determined prior to committing funds to a unit), must not exceed the greater of pre-stimulus Section 203(b) mortgage limits or the actual 95% of the median sales prices for single-family housing in the area. Members must complete, and retain on file, a copy of the [Post-Rehabilitation Property Value Certification](#) (see [Unit Management Workbook](#)) form for each unit assisted with SFRLP funds. Additionally, Members must submit the original of this form to the Agency along with the SFRLP Loan Application and Reservation Request (see [Unit Management Workbook](#)). Members must carefully follow the instructions on this form and choose one of the three methods presented on the form and consistently use the chosen method throughout the duration of the project to determine the post rehab value of properties.
  - 3) The property must be owner-occupied and must be affixed on a permanent foundation on property owned by the borrower. Manufactured housing is eligible only upon prior approval by the Agency (on a case-by-case basis), and only if it is owner-occupied by a low- or very low-income household and

the manufactured home is on real estate owned by the borrower and is permanently affixed and has permanent utility hook-ups.

- 4) Permanently affixed means the transporting equipment has been removed (e.g. wheels, axles, tongue) and the home has been placed on masonry supports with a full masonry foundation and tie-downs in place.
  - 5) No more than fifty percent (50%) of the total area of the unit may be used for an office or business (e.g. day care). Program funds may only be used to improve the residential portion of mixed-use buildings.
5. Members must evaluate households using a standard application form developed by the Member. The form must contain, at a minimum:
    - 1) Name, address and phone number;
    - 2) Size of household;
    - 3) Age, sex, race and ethnicity (Hispanic or non-Hispanic) of household head;
    - 4) The total amount and all sources of household income and;
    - 5) Disability status.
  6. Members must obtain and retain written third-party verification of the household's principal source(s) of income. The information received from verified sources will be used to determine Program eligibility. (See [Section 2.4](#))
  7. Members must calculate "gross annual income" for households to be assisted under SFRLP in accordance with [Section 2.4.3](#).
  8. Members must maintain on file all Application forms, Written Agreements and Notices of Loan Disposition for all applicants for SFRLP13 assistance, whether or not approved for assistance.

#### **4.2 Rehabilitation Procedures**

1. Members must have an inspection of the property and an energy assessment conducted to identify specific [SFRLP Rehabilitation Standards](#) violations including Section 8 Housing Quality Standards (HQS) deficiencies, minimum housing code violations or Energy-Efficiency Standards deficiencies, prior to preparing a work write-up. The required [SFR Rehabilitation Standards Checklist](#) is provided for this purpose. This written list of violations must be part of the case file for the property.

An energy assessment must also be performed by a Building Performance Institute (BPI) certified HPwES contractor approved by Advanced Energy, the HPwES state sponsor, prior to preparing the work write-up. The assessment must be forwarded to the HPwES State Sponsor for approval of the dwelling unit. The unit is then posted on the State Sponsors portal. Members may:

- 1) [hire an existing State Sponsor-approved HPwES contractor](#), or
- 2) choose to have a staff member to [become a State Sponsor approved HPwES contractor](#) by attending training offered by the State Sponsor.

A current list of HPwES contractors and the requirements for becoming a HPwES contractor may be found by following the respective links above. The HPwES standards can be found in Section D, “Energy Efficiency Standards including Home Performance with Energy Star (HPwES).”

2. Members must prepare a work write-up detailing necessary improvements to the property and an itemized estimate of the cost, broken down by materials, labor, profit and overhead, of all proposed improvements, including the installation of energy efficiency measures and lead hazard remediation.
  - 1) Members are encouraged to maintain a file of the rehabilitation specialist’s notes and calculations used in developing the cost estimate.
  - 2) Work write-ups should be logically organized (trade-by-trade or room-by-room), with individually numbered sections and items. Spaces should be provided for the contractor’s cost breakdown. Work write-ups should provide all information necessary to ensure that all contractors are bidding on the same high quality end product. That information should include, for a given work item: 1) the scope of work; 2) the construction method; 3) the quantity; 4) the quality standard; 5) the location; 6) reference to the Member’s “performance manual” or “general specification manual”; and/or installation and performance standards.
  - 3) If matching funds are used, amounts attributed to each source (SFRLP and source(s) of matching funds) must be identified separately, on an item-by-item basis.
  - 4) If a unit requires lead-hazard reduction or abatement as part of an SFRLP-funded rehabilitation job, amounts attributed to those activities must be identified on an item-by-item basis on the winning bidder’s final cost

breakdown (typically on the work write-up document). If matching funds are used with SFRLP13 funds to affect lead-hazard reduction or abatement activities, the charges to each source must be identified.

3. Members must secure competitive bids from contractors for the eligible improvements or follow written, Agency-approved, procurement standards for work to be performed by the Member.
  - 1) If competitive bidding is used, a written SFRLP-specific bid procedure must be adopted by the overseeing body of the Member Organization and made readily available to contractors and the general public. The bid process must be transparent—designed to maximize fair and open competition, prevent corruption and avoid even the appearance of impropriety.
  - 2) An itemized bid breakdown must be secured from the winning bidder and maintained on file. (The Member must require that all bids be itemized – broken down line item by line item.)
  - 3) Members proposing to perform rehabilitation work themselves or to act as general contractors on their own jobs must not disburse any SFRLP funds until the Agency has reviewed and approved their written procurement standards. Said standards must detail the Member’s proposed methods of: 1) maximizing free and open competition in materials procurement; 2) exerting internal controls against impropriety and the appearance of impropriety; and 3) cost accounting and verification.
  - 4) If the Member is approved to perform rehabilitation work, each case file must contain an itemized summary account of all costs paid for with SFRLP funds, with each work write-up item broken down by labor (hours worked times pay rate, plus taxes and benefits) and materials (each item, by quantity times unit price). Any other job costs charged to the Project must also be detailed in the summary account. Necessary transportation costs directly associated with Program-funded improvements may be charged at a rate not to exceed the lesser of: a) the current IRS mileage reimbursement rate, which at the time of this publication is fifty-six and a half cents (\$0.565) per mile or b) two percent (2%) of total materials and labor costs. Necessary tool rental costs may be charged at a maximum rate not to exceed the lesser of fifty dollars (\$50) per day or two percent (2%) of total materials and labor costs. No other improvement costs can be charged to the Program without the expressed written consent of the Agency. All improvement expenses listed in the

itemized summary account must be supported by original source documentation such as itemized materials invoices, payroll records, indirect cost plans, etc.

4. Members must hold a pre-construction conference (which should include a “walk thru”) prior to commencement of rehabilitation work to discuss the improvements with both the property owner and the contractor. Case files must contain a signed record of the date, time and attendance of the pre-construction conference. The record shall be signed by the homeowner, contractor and a Member representative and dated.
5. Members must have written procedures for the disbursement of SFRLP funds awarded to each property owner and must ensure the proper completion of all work to be performed under the Contract for Rehabilitation (see [Section 4.7, Loan Disbursement Procedures](#), below).
6. Pursuant to [Section 3.7.8, Procurement](#) and consistent with, [Section 3.7.7, Procurement](#) above, Members must ensure and document the inclusion of Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) in procurement activities to the maximum possible extent. Generally, this means that the Member must take affirmative steps to ensure that such enterprises are made aware of, and invited to compete for, all Program-funded contracting opportunities. At a minimum, it is recommended that the Member advertise, at the beginning of the SFRLP project and at least once annually, thereafter, in a local newspaper of general circulation. A Minority Business Enterprise (MBE) is defined as a business enterprise which is at least 51 percent owned by one or more minority individuals and whose management and daily operations are controlled by one or more such individuals. “Minority individuals” include African-Americans who are not of Hispanic origin, Native Americans, Hispanics, and Asians or Pacific Islanders. “Control” means exercising the power to make policy decisions. Women Business Enterprises (WBE) are defined as a business enterprise that is at least 51 percent owned by a woman or women who also control and operate it. “Control” means exercising the power to make policy decisions. “Operate” means being actively involved in the day-to-day management.

### 4.3

#### Program Documents

1. Members **must** use, and retain in individual case files, the following documents;
  - 1) Application for assistance (see [Section 4.1.5, Selecting Applicants](#) above);
  - 2) Verification of occupant income; (see [Section 4.1.6, Selecting Applicants](#) above), including a copy of the income eligibility worksheet (see Section 2.4.4);
  - 3) Verification of ownership [see Section 2.5.2, Eligible Units](#);
  - 4) Work write-up;
  - 5) Cost estimate;
  - 6) Rehabilitation proposals (bids received);
  - 7) Pre-construction conference record;
  - 8) [Contract for Rehabilitation](#) and/or other written agreements, [Written Agreements Member/Contractor](#) with specialty service providers (e.g. lead inspections, blower door testing, etc.);
  - 9) Contractor's [Release\(s\) of Liens](#) \*;
  - 10) A detailed breakdown of Program-eligible expenditures;
  - 11) [Post Rehabilitation Property Value Certification](#) \*;
  - 12) Homeowner Written Agreement,\* See [Unit Management Workbook](#);
  - 13) Promissory Note;
  - 14) Deed of Trust;
  - 15) [SFRLP Rehabilitation Standards Checklist](#) with Pre- and Post-Rehab Sections thoroughly completed and related certifications signed and dated;
  - 16) A completed copy of the Unit Completion Report\*, see [Unit Management Workbook](#);
  - 17) Any documentation required by the age of the unit or the scope of rehabilitation, including, but not limited to, lead-based paint clearance test reports, and flood insurance documentation;
  - 18) Any documentation required to meet the Home Performance with Energy Star (HPwES) requirements, including but not limited to Home Performance with Energy Star certification issued by HPwES State Sponsor and blower door test results;
  - 19) Before and after photographs (at least 2 of each) documenting the need for, and results of, rehabilitation;
  - 20) Unit financial log documenting all financial transactions by date, amount, payee, balance, etc., and consistent with information reported on the [Unit Completion Report](#);

- 21) A copy of the invitation to bid on the work, and a record of all contractors invited to bid;
- 22) Bid opening record/tally identifying date and time of the bid opening, all parties present for the opening, all bidders and the amounts of their bids. The bid tally must be witnessed and signed by all present;
- 23) Owner's Certificate of Satisfaction in which the homeowner certifies that the work has been completed to his/her satisfaction. It should also include language to certify that the homeowner received all warranties from the contractor as well as counseling from the project manager and/or contractor(s) on maintenance issues, instructions on operating new appliances and/or systems, etc.);
- 24) Request for Notice of Sale\*, if applicable (see [Section 4.4.5](#), below);
- 25) Privacy Notice\*, (provided by Agency)
- 26) [Lead Based Paint Requirements Worksheet](#)\*; and
- 27) Unrepresented Borrower Affidavit\*;

Documents with an asterisk (\*) must be used in the form provided in the Program Guidelines.

2. Members are responsible for the proper completion of all documents, including having signatures notarized.
3. Do not use correction fluid ("white-out") or scratch outs on Program legal documents unless each such change/correction is initialed and dated, in ink, by all parties to the transaction.
4. Where applicable, it is recommended that Members also maintain, in the individual case files, the following documentation:
  - 1) A chronological record of all case-related contacts and correspondence, including phone calls, office visits by the owner or contractor, site visits, inspections, emails, etc.;
  - 2) Floor plans (existing and proposed, if relevant);
  - 3) A record of interim inspections of the property, including date, time, inspector, issues and on-site discussions;
  - 4) A "certification of compliance" form signed by a local Code Enforcement Officer certifying that all work completed under the Project was found to meet the N.C. State Building Code;

- 5) All contractor's invoices and receipts, consistent with payment data reported on the [Unit Completion Report](#); and
  - 6) A file documentation index or checklist detailing items in file, their location within the file and status.
5. The Member's case files should be logically and uniformly organized (with documentation arranged by date, by phase, etc.). The use of a case file checklist or documentation index in each case file is highly recommended. Members are encouraged to use the Agency's case file checklist so that the Member's file are organized in a manner consistent with that which the Agency performs its "desk monitoring" of the Member's files.
  6. It is not necessary for all records that are required to document individual cases to be kept in a single case file. However, the locations of all required documents not kept in the case file must be specifically identified in said file and readily available for review by Agency personnel upon request.

#### **4.4 General Loan and Grant Procedures for SFRLP Program monies**

1. Assistance under SFRLP shall take the following forms: a) a grant to the Homeowner, not to exceed the maximum total soft costs in Member's Agency-approved SFRLP soft cost budget; and b) a 0%-interest, deferred-forgivable loan, not to exceed \$45,000 to cover the cost of actual rehabilitation of the home. So long as the Borrower/Homeowner is not in default, the original note balance will automatically be reduced by \$3,000 on each anniversary of the date of the Note such that on the Maturity Date, the principle balance will be zero. The loan, or balance thereof, is due immediately upon transfer of title or default. Prepared Loan and grant documents are provided by the Agency.
2. Under certain circumstances the Agency may allow assumption or refinancing of a loan (e.g., to heirs or income eligible buyers). See [Section 4.4.4, General Loan and Grant Procedures](#), below.
3. Default is defined as:
  - 1) Sale or transfer of the property;
  - 2) Failure to use the home as a principal residence

4. Requests for loan assumptions, subordinations, or refinancing must be submitted to the Agency in writing. In all cases, the Member should offer their recommendation on the action (in the event that they have knowledge beneficial to assist the Agency in making a decision).
  - 1) When a borrower wishes to request the subordination of an SFRLP deferred-forgivable loan to a new private-sector loan, the first step is for the Member to contact their case manager and request a “Request for Subordination” form. The Member will then be contacted by Agency staff and provided with the form and additional instructions on completing the form.
  - 2) After receiving, reviewing and approving the completed Request for Subordination form (with attachments) the Agency will execute a Subordination Agreement and return it to the new lender. Subordination is typically approved only when the Agency is assured that (1) the new loan is being made by a legitimate lender at competitive terms and rates to informed, responsible borrowers, (2) the appraised value of the property exceeds the principal value of all liens, (3) loan payments for all mortgage loans combined do not exceed 30% of income, and (4) the borrower needs funds for a medical emergency or equivalent.
  - 3) With Agency approval, SFRLP deferred-forgivable loans may be assumed by new owners if the transaction is deemed to have no negative impact on Program goals. All assumption requests must be made in writing. This request letter must be provided to the Agency, along with a supporting letter from the Member assuring the Agency that the goals of SFRLP will not be adversely affected by the transaction. If occupancy has changed, the Member must also certify that the new occupant’s income-eligibility has been verified or that the new occupant is a family member who has chosen to reside in the unit.
  - 4) With Agency approval, SFRLP deferred-forgivable loans may be refinanced by new owners if the transaction is deemed to have no negative impact on Program goals. New loan documents, including the terms, will be provided by the Agency at that time. A request to refinance must be submitted to the Agency in writing. Refinancing may be an option in the event of either the sale of the dwelling unit by the original borrower or the death of the original borrower. All requests (other than those involving family members) must be accompanied by a certification of the new borrower’s household income.

5. The following documents must be completed prior to the loan closing:
  - 1) Application for Assistance;
  - 2) Work Write-Up and Cost Estimate;
  - 3) Contract for Rehabilitation;
  - 4) [Homeowner Written Agreement](#);
  - 5) Promissory Note (provided by Agency);
  - 6) Deed of Trust (provided by Agency); and,
  - 7) Request for Notice of Sale (if applicable, provided by Agency);
  - 8) Unrepresented Borrower Affidavit (if applicable, provided by Agency);
  - 9) Grant Agreement (provided by Agency) and
  - 10) Energy Assessment performed by State Sponsor—approved HPwES contractor

Deeds of Trust and Requests for Notice of Sale (if SFRLP lien position other than first) must be recorded at the County Register of Deeds office prior to the start of construction. \*Note: A Request for Notice of Sale (provided by Agency with completed Promissory Note and Deed of Trust) must be completed and recorded for every loan holding superior lien position. It is the Member's responsibility to have the documents recorded.

#### **4.5 Preparing Loan Documents**

It shall be the responsibility of the Member to facilitate the loan closing by presenting, or cause to have presented by an attorney, the Agency-prepared loan documents to the Homeowner for execution and to have the documents recorded and submitted to the Agency once completed.

#### **4.6 Loan Closing Procedures**

1. Members are responsible for obtaining the appropriate signature(s) on all documents listed in [Section 4.4.5, General Loan and Grant Procedures](#) at closing, and prior to the initiation of construction.
2. The Note and Deed of Trust must be executed by all titleholders, with an interest in the property, and their spouses.
3. The Deed of Trust and Request for Notice of Sale (if applicable) should be recorded the day of closing.

4. The Borrower must keep the property and all improvements constantly insured for the benefit of the Beneficiary against loss by fire, windstorm and such other casualties and contingencies, in the manner and with companies as may be satisfactory to the Member or the Agency. The amount of the insurance required by this provision is one hundred and ten percent (110%) of the amount of the loan secured by the Deed of Trust. If the property is located in a special flood hazard zone, the Borrower must maintain flood insurance on the Property in a minimum amount of one hundred and ten percent (110%) of the amount of the loan secured by the Deed of Trust.

#### **4.7 Loan Disbursement Procedures**

1. Members must have written procedures for the periodic disbursement of all Program funds for work to be completed [Section 4.2.5, Rehabilitation Procedures](#) including:
  - 1) Inspecting work prior to each contractor payment;
  - 2) Paying only for satisfactorily-completed work;
  - 3) Making a maximum of five (5) payments per contract;
  - 4) Ensuring that adequate funds are always available to complete the work (e.g., paying 80% or less of the bid value for any completed line item); and,
  - 5) Ensuring that any changes in the work write-up are agreed to in writing by the owner and the contractor and approved and attested to by the Member or Member representative and the Rehab Specialist. See [Section 3.7.10, Procurement](#) above).
2. Members must ensure that the contractor provides lien waivers for SFRLP funds received and work completed. It is recommended that lien waivers be required for all payments, including progress payments, and final lien waivers (for the final payment) must be signed by the general contractor as well as all subcontractors and materials suppliers. To obtain a [Release of Liens](#) form click the link.

#### **4.8 Loan Close-out Procedures**

1. Members must have procedures for closing out the work under the loan including:
  - 1) Making a final inspection and having a lead-based paint clearance test, if applicable, prior to the final contractor payment;
  - 2) Receiving the Home Performance with Energy Star (HPwES) certification from the HPwES State Sponsor;
  - 3) Ensuring and certifying that all items in the work write-up have been

satisfactorily completed, and that all applicable code and inspection requirements have been met;

- 4) Ensuring that a completed [Release of Liens](#) has been provided by the contractor for final payment of Program funds;
  - 5) Ensuring that unspent Program funds reserved for the benefit of the loan recipient are either used for eligible work items through an addendum to the work write-up (“change order”) or the loan balance is reduced, through an executed and recorded estoppel agreement, to reflect the actual loan amount;
  - 6) Securing a signed statement from the owner certifying that the work was satisfactorily completed (see [Section 4.3.1.22, Program Documents](#) above); and,
  - 7) Conducting a post-construction conference with the owner and contractor in the home to review and hand over warranties, owner’s manuals, maintenance schedules, etc.
2. For each loan, the Member must remit the following documents to the Agency:
- 1) Promissory Note;
  - 2) Deed of Trust (recorded); and,
  - 3) Recorded Request(s) for Notice of Sale (Needed if SFRLP Deed of Trust is not the “first” lien.) ***(NOTE: All documents must have original signatures.)***
3. Members are responsible for the proper completion of all documents, including having signatures notarized and documents recorded, as required.
4. Members must have systematic, fair and uniform written policies for resolving disputes between contractors and homeowners, for responding to complaints from homeowners, contractors and/or unsuccessful applicants for Program assistance, and for addressing appeals of decisions by the Member. Resolution of disputes between contractors and homeowners may be addressed in the rehabilitation contract, directly or by reference. Complaints and appeals from homeowners or applicants must be covered in the Member’s Assistance Policy. The Member’s Complaint Policy must, at a minimum:
- 1) Be readily available to the public;
  - 2) Describe the form in which appeals and/or complaints must be submitted;
  - 3) List the name, address and telephone number of the person charged with receiving the appeal or complaint;
  - 4) Describe the time limits within which appeals or complaints will be accepted;

- 5) Describe the time limits within which the Member's written response may be expected;
- 6) Describe the process by which the response may be appealed to a higher local authority;
- 7) Describe the time limits for the secondary appeal and for the response;
- 8) Allow for a final mediated or arbitrated settlement in the event that the dispute cannot be settled by the previous steps;
- 9) Describe the time limits for the mediation or arbitration of the final appeal;
- 10) Ensure a written response to the homeowner stating the Member's final ruling on the appeal or complaint; and,
- 11) Provide a form to be signed by the homeowner accepting resolution of the appeal or complaint.

# SINGLE-FAMILY HOUSING REHABILITATION PROGRAM

## INDEX TO PROGRAM GUIDELINES

<u>Item</u>	<u>Section(s)</u>
<b>A</b>	
Accounting System Requirements	3.05
Annual Income	2.4.3
Appeals	2.4.5, 4.8.4, 4.8.4.2, 4.8.4.4
Application Form	4.1.5
Application for Funding	2.1.1, 3.01.4, 3.01.7, 3.01.8, 3.09.2, 3.11.1.1, 4.1.2
Area Median Income (AMI)	1.2.2, 2.1.2
Asbestos	2.2, 2.8.2.c
Assistance Policy	2.4.1, 2.4.2, 2.7.1, 2.8.1, 2.8.2.a, 3.01.2.2, 3.01.4, 3.01.7, 4.1.2, 4.8.4
Audit Findings	3.05.6 3.08.3
<b>B</b>	
Beneficiary	4.6.4
Bids	4.2.3, 4.2.3.2, 4.3.1.06, 4.3.1.22
Building Code	4.3.4.4
<b>C</b>	
Case Files	3.06.1, 4.2.4, 4.3.1, 4.3.4, 4.3.5
Case Managers	1.3
CCFC	3.04.2, 3.06.1, 3.10.1.2, 3.10.3, 3.12.3, 3.12.4, 3.12.6, Appendix C
Certification of Completion and Final Cost	See CCFC
Change Orders	3.05.3, 3.07.10, 3.11.4.4, 3.12.2
Close-Out	3.12
Competitive Bidding	4.2.3.1
Complaints	4.8.4, 4.8.4.2, 4.8.4.4
Completion Date	3.10.3
Construction Contract	3.03.4.2, 3.11.4.4, 4.3.1.08, 4.4.4.5.3
Contract Amendments	3.07.10, 3.12.2
Contractor Performance	3.09.4
Contractor's Cost Breakdown	4.2.2.2
Contracts	3.07.03.1, 3.12.2, 3.12.4
Control Systems	3.11.2
Correspondence during Rehabilitation	4.3.4.1
Correspondence from Homeowners	3.12.6
Correspondence with the Agency	1.3
Cost Estimate	4.3.1.05
<b>D</b>	
Date of Completion	3.01.1, 3.01.4, 3.01.5, 3.12.1, 3.12.2, 3.12.3, 3.12.4
Death	4.4.4.4
Debarred Contractors	3.07.09, 3.10.4
Deed of Trust	2.3.1, 2.3.2, 3.03.4.1, 4.1.3.1, 4.3.1.14, 4.4.4.5, 4.4.4.5.6, 4.6.2, 4.6.3, 4.6.4, 4.8.2.2
Default Defined	4.4.3

## D (cont.)

Desk Monitoring	3.09.5
Disbursement Policy	3.01.2.3, 4.7.1
Disbursement Procedures, Loan	4.2.5, 4.7
Discrimination	3.07.07
Displacement	2.8.1, 2.8.2, 2.8.3, 2.8.4, 2.8.5
Disputes	4.8.4

## E

Effective Date	2.4.3, 3.01.1
Efficiency Standards	Appendix A
Eligible Activities	2.1
Eligible Households	2.4, 3.01.2.2, 4.1.3.2
Eligible Units	2.5, 4.3.1.03
Eligibility	2.4.1
Energy Efficiency Standards	4.2.1, Appendix A
Environmental Standards	2.6.1, 2.7
Estoppel	3.07.10
Expenses	4.2.3.4

## F

Failure to Comply	3.02.7
Final Inspection	1.3, 4.8.1.1
Financial Audit Requirements	3.08
Financial Management System	3.01.2.1
Financial Records	3.06.1, 3.06.3
Flood Insurance	4.3.1.17, 4.6.4
Forms	1.3, 3.02.1, 3.02.6, 3.08.2, 3.10.1
Forms of Assistance	2.3
Funding Agreement	3.01, 3.01.1, 3.01.10, 3.01.2, 3.01.3, 3.01.4, 3.01.5, 3.01.6, 3.05.3, 3.07.01, 3.09.2, 3.10.3, 3.11.1.2, 3.11.5.5, 3.12.1,
Funds not Expended within 12 Days	3.03.2

## G

Grant Procedures	4.4.1
Gross Annual Income	2.4.1, 2.4.3, 4.1.7

## H

Hard Costs	2.2.2, 2.3.1, 2.4, 2.4.1, 3.02.4, 3.03.4, 3.03.4.1, 3.07.10
Home Performance	1.1, 1.2.4
Home Performance with Energy Star (HPwES)	3.02.4.b, 4.2.1, 4.3.1.18, 4.8.1.2, Appendix A
HOME Program	2.2.1, 2.6.1, 3.02.4
Household Relocation	See Relocation
Housing Code	3.11.4.2
Housing Quality Standards	2.6.1, 4.2.1, Appendix A
HUD	1.1, 2.4.1, 2.4.1.ii, 2.4.2, 2.6.1

## I

IDIS	3.02.4.a
Imminent Threats	2.4.1.iv, 3.11.4.3
Income Eligibility	4.1.3.2, 4.1.6, 4.4.4.3
Incurring Project Costs	3.07.01

## I (cont.)

Inspections by the Agency	1.3
Interest Earned	3.03.1
Internal Control	3.05.3
Itemized Summary of Costs	4.2.3.4

## L

Lead-Based Paint	1.2, 1.2.2, 2.1.2, 2.2, 2.2.1, 2.4.1, 2.4.1.ii, 2.8.1, 2.8.2.c, 3.07.03.2, 4.3.1.17, 4.3.1.26, 4.8.1.1
Letter of Warning	3.11.5.2
Lien Waivers	4.3.1.09, 4.7.2
Life Estates	2.5.2
Limitation to Rehabilitation	4.1.2.9
Loan Application and Reservation Request	3.02.1, 4.1.4.2
Loan Assumptions	4.4.4
Loan Close-out	4.8
Loan Closing Procedures	4.6
Loan Procedures	4.4, 4.4.2, 4.6.1

## M

Manufactured Housing	2.1.2, 4.1.4.3
Marketing	4.1.1
Master Account	3.03.1
Matching Funds	4.2.2.3
Materials and Supplies	3.07.04
Member Defined	1.1, 3.01.1
Member Organization	3.07.10
Member Performance	3.11.1, 3.11.2, 3.11.5
Mileage Reimbursement	4.2.3.4
Minimum Housing Code	4.2.1
Minority Business Enterprises	3.07.08, 4.2.6
Mixed-Use Buildings	4.1.4.5
Mobile Homes	2.1.2, 4.1.4
Modification of Contract	3.07.10
Monitoring by Agency	3.11
Monitoring by Member	3.09

## N

NC Housing Partnership	2.2.1
Noncompliance	3.11.5.1
Notarizing Signatures	4.3.2, 4.8.3
Notice of Disposition	4.1.8,
Notice of Sale	4.3.1.24, 4.4.4.5, 4.4.4.5.7, 4.6.3, 4.8.2.3

## O

Organization of case files	4.3.4
Original Set-Aside	3.02.2
Owner Occupied	4.1.4.3
Ownership	4.1.3.1, 4.3.1.03
Ownership Documentation	4.3.1.03
Ownership Requirements	4.1.3

## P

Payment	4.3.4.5, 4.7.1.1, 4.7.2, 4.8.1.1, 4.8.1.4
Payment from the Agency	3.03.3
Performance Manual	4.2.2.2
Performance Testing	1.2.4
Photographs	3.12.5, 3.12.6
Pool Funds	1.1, 3.02.2
Post Approval Documentation	3.01.4, 3.02.3, 4.1.2
Post-Construction Conference	4.8.1.7
Post-Rehabilitation Property Value	4.1.4.2
Pre-Construction Conference	4.2.4, 4.3.1.07
Preparing Loan Documents	4.5
Prioritizing Applicant Households	4.1.2
Privacy Notice	4.3.1.25
Procurement	3.01.7, 3.07, 3.07.02, 3.07.05, 3.07.07, 3.10.4, 4.2.3, 4.2.3.3, 4.2.6
Procurement Policy	3.01.2.3, 3.01.7
Profit and Overhead	4.2.2
Program Documents	4.3
Program Income	3.04, 3.04.1
Project Controls	3.09.3
Promissory Note	2.3.2, 3.03.4.1, 4.3.1.13, 4.4.4.5, 4.4.4.5.5, 4.8.2.1
Property Requirements	2.1.2, 2.5.1, 4.1.4

## R

Radon	2.2
Recipient Accounts	3.11.5.4,
Record Retention Period	3.06.2
Recordkeeping	3.06.1, 3.06, 3.11.3, 4.1.8, 4.3.1
Rehabilitation Checklist	4.3.1.15
Rehabilitation Procedures	4.2
Rehabilitation Standards	1.2, 2.3, 2.4.1.i, 2.4.1.ii, 2.6, 2.7.1, 2.8.2.c, 3.09.4, 3.11.4.2, 4.2.1
Rehabilitation Standards Checklist	4.2.1
Release of Liens	4.3.1.09
Relocation	2.4.1.viii, 2.4, 2.8.1, 2.8.2, 2.8.3, 2.8.4, 2.8.5
Relocation Expenses	2.8.3
Request for Project Amendment	3.01.7, Appendix C
Request for Subordination	4.4.4.1

## S

Sample Construction Contract	3.07.03.1
Selecting Applicants	4.1, 4.3.1.01
SFRLP Program Goals and Objectives	1.2
SFRLP Staff	1.3
Soft Costs	2.2, 2.2.1, 2.4, 3.02.4, 3.03.3
Specification Manual	4.2.2.2
Structural Integrity	2.4.1.iv, 3.11.4.3
Subordination	4.4.4.2
Supporting Documentation for Expenses	4.2.3.4
Suspended Contractors	3.07.09, 3.10.4

**T**

Tool Rental 4.2.3.4

**U**

Unit Close-Out 3.07.10  
Unit Completion Report 3.02.5, 3.10.2  
Universal Design 2.4.1.v

**V**

Verification of Income 4.3.1.02

**W**

Women Business Enterprises 4.2.6, 3.07.08  
Work Write-up 3.03.3, 3.11.4.4, 4.2.1, 4.2.2, 4.2.3.4, 4.7.1.5, 4.8.1.3, 4.8.1.5

# Appendix A

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## REHABILITATION STANDARDS

- A. Introduction
  - B. General Requirements
  - C. Housing Quality Standards
  - D. Energy-Efficiency Standards including Home Performance with Energy Star (HPwES)
  - E. Environmental Protection
  - F. Lead-Based Paint Requirements
-

NORTH CAROLINA HOUSING FINANCE AGENCY  
SINGLE-FAMILY REHABILITATION LOAN POOL

# Rehabilitation Standards

## SFRLP13

*(effective June, 2013)*

### A. Introduction

1. The Single-Family Rehabilitation Loan Pool (SFRLP) is a comprehensive rehabilitation program, intended to ensure that each assisted home will be, upon completion of work, essentially equivalent to a new home and good to serve as standard, attractive, affordable housing for at least another 30 years. In many or most cases, that will mean that the finished product of an SFRLP-funded rehab job will be better than that particular house was when it was new because it will have been air-sealed, pressure-balanced and insulated for the first time ever.

It will also mean that not all houses occupied by otherwise-eligible households can be rehabilitated with Program funds, and that the scope of rehabilitation work on homes that do qualify must be governed more by these standards than by the judgment or desires of either the Recipient or the homeowner. In short, if a dollar of SFR funding is invested in a given home, that home must meet all SFRLP Rehabilitation Standards.

2. **Contents.** The Rehabilitation Standards are segmented into 6 major subject areas as follows:
  - A. **Introduction,**
  - B. **General Requirements,**
  - C. **Housing Quality Standards,**
  - D. **Energy Efficiency, with HPwES**
  - E. **Environmental Protection, and**
  - F. **Lead-Based Paint**

Within each segment you will find an introduction to the topic, the specific applicable standards, and related documents, forms, checklists, etc.

3. **General Principles.** When determining the feasibility of rehabilitation for a given dwelling unit and the prioritization of optional rehabilitation work items, recipients should be guided by these general principles:

- 3.1** Do not "throw good money after bad." That is, if a unit cannot be made standard (decent, safe, sanitary and affordable) with the funds available for the purpose, do not treat the unit. A unit rehabilitated with Program assistance should be capable, with reasonable maintenance, of providing standard housing for at least 30 more years.
- 3.2** Do not leave "bad apples." Whenever possible avoid leaving dilapidated units in close proximity of treated units. Such structures contribute to neighborhood disinvestment and can ultimately undermine the work you have done.
- 3.3** When in doubt about the appropriateness of an optional energy-related rehabilitation work item, consider whether the proposed improvement will pay for itself over its expected useful life. If it will not, it may be best not to do it.
- 3.4** Remember that home energy conservation is a year-round process. In addition to winter heat-loss, attention should be paid to summer heat-gain, ventilating, shading, drainage, etc.
- 3.5** Where local utility companies offer discount rates to homes meeting certain energy standards, every effort should be made to qualify each dwelling unit for the discount.

**NORTH CAROLINA HOUSING FINANCE AGENCY  
SINGLE-FAMILY REHABILITATION LOAN POOL**

# **Rehabilitation Standards**

*(Effective June, 2013)*

## **B. General Requirements**

1. All rehabilitation work funded by SFRLP must meet or exceed N.C. State Building Code standards, and all local permitting and inspection requirements.
2. In those jurisdictions with an adopted minimum housing code, all units rehabilitated with SFRLP funds must meet or exceed all local codes, rehabilitation standards, ordinances and zoning ordinances upon the completion of rehabilitation.
3. All units rehabilitated with SFRLP funds must meet or exceed HUD's Housing Quality Standard (HQS) (see Rehabilitation Standardd Section C) upon the completion of rehabilitation.
4. No unit rehabilitated with SFRLP funds shall retain imminent threats to the health or safety of the occupants or to the structural integrity of the unit.
5. All units rehabilitated with SFRLP funds must meet or exceed SFRLP Rehabilitation Standards stated herein.
6. All units considered for rehabilitation assistance must be reviewed for environmental effects pursuant to Section E, below.
7. It is imperative that close attention be paid to manufacturers' installation instructions and the workmanship applied to all SFRLP-related rehabilitation items.
8. It is the Member's responsibility to advise clients of proper care and maintenance of equipment and materials installed with SFRLP funds. Examples include when and how to change HVAC filters, how to set thermostats, when and how to use bath and kitchen exhaust fans, when and how to clean and/or replace range hood filters, how to test and reset GFCI breakers/outlets, and when to have HVAC equipment cleaned and tuned.
9. Where applicable, all SFRLP-funded products shall carry the Energy Star label and energy-efficiency rehabilitation measures shall be guided by Home Performance with Energy Star principles (as specified herein). See Section 1.3 of "Energy-Efficiency Standards", Section D,

10. The North Carolina Housing Finance Agency promotes the concept of “universal design.” Therefore, SFRLP-funded work should, where practicable, be performed in accordance with universal design principles, including things such as wheelchair ramps, wheelchair-accessible electrical outlets and switches, wider doors, curbless entries, and a barrier-free corridor connecting bedrooms, baths, kitchens and living rooms. For more information regarding universal design click on web-link provided [NCSU Center for Universal Design](#).
11. To the maximum practicable extent, excessive moisture in crawlspaces or basements shall be eliminated. Remedial measures may include foundation/footing drainage systems, sealing plumbing penetrations, water-proofing foundations below grade, gutter systems, and/or sump pumps. All accessible crawlspace area must have continuous 6-10 mil poly ground cover, wall to wall.
12. In addition to the above general requirements all units and work performed must comply with the following written standards:

## 1) Health and Safety

### 1.1 Mold

- A. Repair Standards- Any presence of mold in the conditioned space is unacceptable and must be addressed per National Center for Healthy Housing. You can find NCHH protocol Here: [“Creating a Healthy Home”](#).
- B. Replacement Standards– All carpeting, drywall or other gypsum-based wall coverings or any other components with mold present will be removed and replaced. The [National Center for Healthy Housing](#) protocol “Creating a Healthy Home” will be followed for remediation of structural components.

### 1.2 Smoke and CO Alarms

- A. Repair Standards– Existing fire and smoke, carbon monoxide and security systems that meet code will be repaired to operating condition.
- B. Replacement Standards- Directly wired smoke detectors are required on each dwelling floor at a minimum, battery powered in all bedrooms. CO detectors are required, with all fuel-burning furnaces and water heaters, in sleep areas and on each floor level.

## 2) Site

### 2.1 Outbuildings

- A. Repair Standards- Unsafe and blighted structures, including outbuildings, will be removed if it is not financially feasible to complete the repairs required to make them structurally sound, leak-free, with lead hazards stabilized.
- B. Replacement Standards– No outbuilding replacement is permitted without prior approval by the Agency.

### 2.2 Paving and Walks

Repair Standards - Essential paving, such as front sidewalks and driveways with minor defects, will be repaired to match. Tripping hazards greater than  $\frac{3}{4}$ " must be addressed. Non-essential, highly deteriorated paving, such as sidewalks that are unnecessary, will be removed and appropriately landscaped.

Replacement Standards - Un-repairable essential walks and driveways will be replaced with permeable paving when financially feasible or concrete per local Ordinance. Wood-framed, handicapped-accessible ramps are an eligible expense

### 2.3 Trees and Shrubbery

- A. Repair Standards - Trees that are dead, dying, or hazardous shall be removed. Removal will include cutting close to the ground, grinding of the stump to 12 inches below the finished grade, installation of topsoil and re-seeding.
- B. Replacement Standards- N/A

## 3) Exterior Building Surfaces

### 3.1 Exterior Cladding

- A. Repair Standards– Siding and trim will be intact and weatherproof. All exterior wood components will have a minimum of one continuous coat of paint, and no exterior painted surface will have any deteriorated paint. Buildings designated as historic will have existing wood siding repaired in kind. New exterior wood will blend with existing and will be spot-primed and top coated in a lead-safe manner.
- B. Replacement Standards– Buildings not designated as historic may have siding replaced with vinyl siding to match the existing configuration. CertainTeed and Mastic brands are approved. <http://www.fsc.org/>

### 3.2 Exterior Porches

- A. Repair Standards- Deteriorated concrete porches shall be repaired when possible or replaced. Unsafe wood porch components will be repaired with readily available materials to conform loosely to historical accurate porches in the neighborhood. Porches will be structurally sound, with smooth and even decking surfaces. Deteriorated wood structural components will be replaced with preservative treated wood.
- B. Replacement Standards– Porches on buildings designated as historic will be rebuilt to conform closely to historically accurate porches in the neighborhood. Decks on non-historic porches will be replaced with 5/4” preservative-treated decking. Replaced railings will meet code. Replaced railings will meet code. Replaced wood structure components will be pressure-treated.

### 3.3 Exterior Railings

- A. Repair Standards– Existing handrails will be structurally sound. Guard rails are required on any accessible area with a walking surface over 30” above the adjacent ground level. Sound railings may be repaired if it is possible to maintain the existing style. On historic structures railing repairs will be historically sensitive.
- B. Replacement Standards– Handrails will be present on one side of all exterior steps or stairways with more than two risers and around the porches or platforms over 30” above the adjacent ground level, and will meet local codes. Handrails and guard rails will conform to the style of the similar components in the neighborhood. On historic structures new railings will be historically sensitive.

### 3.4 Exterior Steps and Decks

- A. Repair Standards- Steps, stairways, and porch decks will be structurally sound, reasonably level, with smooth and even surfaces. Repairs will match existing materials.
- B. Replacement Standards- In non-historic structures wood decking may be replaced with 5/4” X 6” preservative-treated material and new steps will be constructed from nominal 2” preservative-treated wood. On historic structures new wood decking will be 3/4” clear T & G, SYP or equal, primed on all 6 sides before installation.

#### 4) Foundations and Structure

##### 4.1 Foundations

- A. Repair Standards- Foundations will be repaired to be sound, reasonably level, and free from movement.
- B. Replacement Standard– If foundations are replaced they must be constructed according to state and local applicable codes.

##### 4.2 Structural Walls

- A. Repair Standard- Structural framing and masonry will be free from visible deterioration, rot, or serious termite damage, and be adequately sized for current loads. Prior to rehab, all sagging floor joists or rafters will be visually inspected, and significant structural damage and its cause will be corrected.
- B. Replacement Standard- New structural walls will be minimum 2" x 4", 16" OC. All exterior walls that are part of the building envelope (the air barrier and thermal barrier separating the conditioned space from the non-conditioned space) will be insulated is a minimum of R-18 including R-15 in cavities and R-3 in exterior sheathing.

#### 5) Windows and Doors

##### 5.1 Interior Doors

- A. Repair Standard - Baths and occupied bedrooms will have operating doors and lock sets.
- B. Replacement Standard - Hollow-core, pressed-wood product consistent with the style of existing doors including a brass-plated bedroom lock set.

##### 5.2 Exterior Doors

- A. Repair Standard - Exterior doors will be solid, weather-stripped and will operate smoothly. They will include a dead bolt, and an entrance lock set.
- B. Replacement Standard - Replacement doors at the front of the property for historically significant buildings will be historically sensitive. Steel, six-panel doors may be installed at entrances not visible from the front street and on the front of the property for buildings that are not historically significant. Dead bolt locks will be installed on all exterior doors keyed to match. All new doors will be weather-stripped to be air tight. See Sections 2.4 and 3.5 of “Energy-Efficiency Standards”, Section D.

### 5.3 Windows

- A. Repair Standard - All windows will operate, remain in an open position when placed there, lock when closed and the open section will be covered with a screen.
- B. Replacement Standard - Windows that are not repairable may be replaced and will meet the ENERGY STAR standard for the geographic region. See Sections 2.3 and 3.5 of “Energy-Efficiency Standards”, Section D, and click on [www.energystar.gov](http://www.energystar.gov) and click on Energy Star products, windows and doors link.

## 6) **Roofing**

### 6.1 Flat and Low-Slope Roofing

- A. Repair Standard - Built-up roofing that is leak-free will be re-coated and flashing and accessories repaired if their minimum life is questionable.
- B. Replacement Standard - The most cost-effective roof – either 3-ply, hot built-up or EPDM – will be installed.

### 6.2 Pitched Roofs ( $\geq$ 2:12)

- A. Repair Standard - Missing and leaking shingles and flashing will be repaired on otherwise functional roofs. Slate, metal and tile roofs will be repaired when possible. Antennae will be removed and re-installed.
- B. Replacement Standard – Remove existing shingles and felt to sheathing. Fiberglass, asphalt, 3-tab, class A shingles with a prorated 25-year warranty with a continuous ridge vent and soffit ventilation will be installed over 15-lb. felt (30 lb if pitch between 2:12 & 4:12) with new drip edge on all edges.

### 6.3 Gutter and Downspout

- A. Repair Standard – Gutters and downspouts must be in good repair, leak free and collect storm water from all lower roof edges. Concrete splash blocks will be installed to move water away from the foundation. The system must move all storm water away from the building and prevent water from entering the structure. In addition to positive drainage away from the building, discharge shall be a minimum of 3 feet away from the foundation whenever there is a history of water problems.
- B. Replacement Standard - Gutters and downspouts will be installed and collect storm water from all lower roof edges. Concrete splash blocks will be installed to move water away from the foundation. The system must move all storm water away from the building and prevent water from entering the structure. In addition

to positive drainage away from the building, discharge will be a minimum of 3 feet away from the foundation whenever there is a history of water problems.

## 7) **Insulation and Ventilation**

See Sections 3.0 “Insulation” and 5.0 “Ventilation” of Section D, “[Energy-Efficiency Standards](#)”.

## 8) **Interior Standards**

### 8.1 Interior Walls and Ceilings

- A. Repair Standard - Holes, cracks and deteriorated plaster will be repaired to match the surrounding surfaces. All visual surfaces will be stabilized to minimize lead paint hazards using premium vinyl acrylic paint.
- B. Replacement Standard - When necessary plaster will be replaced by ½” gypsum board.

### 8.2 Flooring

- A. Repair Standard - Bathroom, kitchen and other water-susceptible floor areas will be covered with water-resistant flooring that is free from tears or tripping hazards. Damaged wood floor will be repaired. Where existing deteriorated carpet has been installed over hardwood floors, the hardwood will be refinished whenever possible.
- B. Replacement Standard - Baths will receive resilient sheet goods over plywood underlayment, and kitchens will receive resilient sheet goods or tile over plywood underlayment. Whenever possible rooms other than kitchens and baths with existing wood flooring will be maintained as wood floors and refinished when appropriate. Rooms other than kitchens or baths without usable wood floors may be finished with carpet.

### 8.3 Closets

- A. Repair Standard – Existing closets with a minimum depth of 2 feet (finished) will be maintained in good repair and have a shelf and clothes rod.
- B. Replacement Standard - New closets may be created if there is a significant lack of storage space and the budget permits. New closets will have a depth of 2 feet and include a shelf and clothes rod.

#### 8.4 Kitchen Cabinets and Countertop

- A. Repair Standard - Kitchens will have a minimum of 10 feet of countertop with base and wall cabinets (or dishwasher) to match. Existing cabinets with hardwood doors or plywood and face frames may be repaired if in good condition. All cabinets will be sound and cleanable.
- B. Replacement Standard - Cabinets will have hardwood or  $\frac{3}{4}$  "grade A" plywood doors and face frames. There will be a minimum of 10 lineal feet of post-formed countertop with corresponding base cabinets and wall cabinets. Corners in countertop designs are permitted if factory assembled. A drawer base (12" or 15") will be included in new cabinetry. A plastic laminate panel to match the countertop will be installed as a base cabinet to wall cabinet backsplash behind the range and extending 6 inches past the range on both sides, or if the range is in a corner along the side wall, and trimmed with chrome metal edging.

### 9) **Electric**

#### 9.1 Ground Fault Interrupter Circuits

- A. Repair Standard - Non-functioning GFCIs will be replaced. Kitchen counter, bath and laundry receptacles within 6' of a sink will be replaced with a GFCI-protected receptacle or protected by a GFCI device.
- B. Replacement Standard - Kitchen counter, bath and laundry receptacles within 6' of a sink will be replaced with a GFCI-protected receptacle or protected by a GFCI device

#### 9.2 Passage Lighting

- A. Repair Standard - All lights and switches in hallways, stairs and other passages will be operable and safe. Existing fixtures with incandescent lamp fittings will have minimum 7W CFL replacement lamps installed.
- B. Replacement Standard - All halls, stairs and rooms necessary to cross to other rooms and stairways must be well lit and controlled by a 3-way switch or greater using concealed wiring. Attics, basements and crawl spaces must have utility fixtures. All new light fixtures will be ENERGY STAR labeled.

#### 9.3 Kitchen Electric Distribution

- A. Repair Standard - Existing receptacles, fixtures and switches will be safe and grounded.

- B. Replacement Standard - Permanently installed or proposed stoves, refrigerators, freezers, dishwashers and disposals, washers and dryers will have separate circuits sized to National Electric Code (N.E.C.). Two separate 20-amp counter circuits are required with each kitchen area.

#### 9.4 Interior Electric Distribution

- A. Repair Standard - Exposed knob and tube shall be replaced. Every room will have a minimum of two duplex receptacles, placed on separate walls and one light fixture or receptacle switched at each room entrance. Where the source wiring circuit is accessible (e.g. First floor above basements, in gutted rooms, etc.), receptacles will be grounded. All switch, receptacle, and junction boxes will have appropriate cover plates. Wiring will be free from hazards, and all circuits will be properly protected at the panel. Floor receptacles will be removed and a metal cover plate installed. Exposed conduit is allowed, only if necessary and appealing to the eye. Bedroom receptacles will be protected by an Arc Fault breaker. There must be one electrical receptacle at the service panel.
- B. Replacement Standard - When a room's wall finishes are removed, it will be rewired to the latest version of the National Electric Code.

#### 9.5 Service Panel

- A. Repair Standards – Distribution panels will have a main-disconnect, at least 10 circuit-breaker-protected circuits, a 100-amp minimum capacity and be adequate to safely supply existing and proposed devices. If a working central air conditioning system is present, minimum service will be 150 amps.
- B. Replacement Standard - 200-amp service with a main disconnect panel containing at least 30 circuit breaker positions.

### **10) Plumbing System**

#### 10.1 Drain, Waste, Vent Lines

- A. Repair Standard - Waste and vent lines must function without losing the trap seal.
- B. Replacement Standard - When walls are removed exposing vent and waste lines those lines will be reworked to the current plumbing code if not in compliance.

#### 10.2 Plumbing Fixtures

- A. Repair Standard - All Fixtures and faucets will have working, drip-free components.

- B. Replacement Standard - Single lever, metal faucets and shower diverters with 15-year, drip-free warranty and compliance with section 6.3 of Section D, for water usage standards. White ceramic low-flow toilets with 1.3 g/f double bowl stainless steel sinks, and fiberglass tubs with surrounds. See Section 6.3 Section D, "Energy Efficiency Standards", for water usage table for fixtures.

### 10.3 Plumbing Minimum Equipment

- A. Repair Standards - Existing equipment will be repaired to conform to the Housing Quality Standards.
- B. Every dwelling unit will have a minimum of one single bowl sink with hot and cold running water in the kitchen and at least one bathroom containing a vanity with a sink, and a shower/tub unit, both with hot and cold running water, and a toilet.

### 10.4 Water Supply

- A. Repair Standard - The main shut off valve must be operable and completely stop the flow of water to the house. All fixtures must be leak-free and deliver sufficient cold water and, where applicable, hot water.
- B. The main shut off valve must be operable and completely stop the flow of water to the house, and should be replaced if it does not. Lead and galvanized pipe that is part of the water service or the distribution system will be replaced with copper. All fixtures will have brass shut off valves.

## 11) HVAC

### 1.1 Air Conditioning

- A. Repair Standard - Non-functioning, non-repairable air conditioners will be removed and drained of all CFCs. Existing central air conditioning will be inspected, serviced and refurbished to operate safely.
- B. Replacement Standard - New HVAC systems will have a rough-in installed for air conditioning ( $\geq$ SEER), and must be installed in accordance with Section 4.0 of Section D, "[Energy Efficiency Standards](#)".

### 11.2 Chimney Repair

- A. Repair Standard - Unused chimneys will be removed to below the roof line wherever roofing is replaced. Unsound chimneys will be repaired or removed.

- B. Replacement Standard - The creation of new flues is not recommended in this program. The use of high efficiency closed combustion appliances is recommended to avoid the need for new flues. Replacement furnace flues, when required, will be metal double- or triple-walled as recommended by the furnace manufacturer.

**12) Distribution System**

See Section D, of "[Energy-Efficiency Standards](#)", Section 4.0.

**13) Heating System**

See Section D, of "[Energy- Efficiency Standards](#)", Section 4.0.

NORTH CAROLINA HOUSING FINANCE AGENCY  
SINGLE-FAMILY REHABILITATION LOAN POOL

# Rehabilitation Standards

*(effective June, 2013)*

## C. Housing Quality Standards

**1. Sanitary facilities**

- 1.1** Performance requirements. The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.
- 1.2** Acceptability criteria:
  - 1.2.1** The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.
  - 1.2.2** The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.
  - 1.2.3** The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.
  - 1.2.4** The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

**2. Food preparation and refuse disposal**

- 2.1** Performance requirement:
  - 2.1.1** The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.
  - 2.1.2** There must be adequate facilities and services for the sanitary disposal of food wastes and refuse.
- 2.2** Acceptability criteria:
  - 2.2.1** The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.
  - 2.2.2** The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

**2.2.3** The dwelling unit must have space for the storage, preparation, and serving of food.

**2.2.4** There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

### **3. Space and security**

#### **3.1** Performance requirement:

**3.1.1** The dwelling unit must provide adequate space and security for the family.

#### **3.2** Acceptability criteria:

**3.2.1** At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

**3.2.2** The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

**3.2.3** Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

**3.2.4** The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

### **4. Thermal environment**

#### **4.1** Performance requirement:

**4.1.1** The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

#### **4.2** Acceptability criteria:

**4.2.1** There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat and cooling, either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

**4.2.2** The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

### **5. Illumination and electricity**

#### **5.1** Performance requirement:

**5.1.1** Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

**5.2** Acceptability criteria:

**5.2.1** There must be at least one window in the living room and in each sleeping room.

**5.2.2** The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

**5.2.3** The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

**6. Structure and materials**

**6.1** Performance requirement:

**6.1.1** The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

**6.2** Acceptability criteria:

**6.2.1** Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

**6.2.2** The roof must be structurally sound and weathertight.

**6.2.3** The foundation and exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

**6.2.4** The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

**6.2.5** Elevators must be working and safe

**7. Interior air quality**

**7.1** Performance requirement:

**7.1.1** The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

**7.2** Acceptability criteria:

**7.2.1** The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

**7.2.2** There must be adequate air circulation in the dwelling unit.

**7.2.3** Bathroom areas must have one openable window or other adequate exhaust ventilation.

**7.2.4** Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work.

- 8. Water supply**
  - 8.1 Performance requirement:**
    - 8.1.1** The water supply must be free from contamination.
  - 8.2 Acceptability criteria.**
    - 8.2.1** The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.
- 9. Lead-based paint**
  - 9.1 Performance requirement:**
    - 9.1.1** The Lead-Based Paint Poisoning Prevention Act ([42 U.S.C. 4821-4846](#)), the Residential Lead-Based Paint Hazard Reduction Act of 1992 ([42 U.S.C. 4851-4856](#)), and implementing regulations at part 35, subparts A, B, M, and R of this title apply to units assisted under this part.
- 10. Access**
  - 10.1 Performance requirement:**
    - 10.1.1** The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).
- 11. Site and neighborhood**
  - 11.1 Performance requirement:**
    - 11.1.1** The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.
  - 11.2 Acceptability criteria:**
    - 11.2.1** The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.
- 12. Sanitary condition**
  - 12.1 Performance requirement:**
    - 12.1.1** The dwelling unit and its equipment must be in sanitary condition.
  - 12.2 Acceptability criteria:**
    - 12.2.1** The dwelling unit and its equipment must be free of vermin and rodent infestation.

**13. Smoke detectors**

**13.1** Performance requirement:

**13.1.1** Each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the [National Fire Protection Association Standard \(NFPA\) 74](#) (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, - smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in [NFPA 74](#) (or successor standards).

NORTH CAROLINA HOUSING FINANCE AGENCY  
SINGLE-FAMILY REHABILITATION LOAN POOL

# Rehabilitation Standards

*(effective June, 2013)*

## D. Energy Efficiency Standards

Energy-Efficiency Standards for the Single-Family Rehabilitation Program (SFR) have evolved over the years, incorporating many of the latest principles of Building Science in an effort to decrease residential energy usage and increase affordability of dwelling units rehabilitated using SFR funds. Home Performance with Energy Star (HPwES) is a national program aimed at taking a whole-house approach to enhance comfort and indoor air quality while reducing energy usage. While there are no measurable standards associated with HPwES on a national level, the North Carolina Energy Star sponsor, Advanced Energy, Incorporated, in collaboration with the North Carolina Housing Finance Agency, has developed a set of standards for HPwES as it relates to affordable housing in the state. The 2013 cycle of SFR (Single-Family Rehabilitation Program Loan Pool, SFRLP13) incorporates the HPwES standards into its Energy Efficiency Standards and provides SFR assisted houses with HPwES certification.

In order for homes to receive the HPwES certification and meet the SFRLP13 Energy Efficiency Standards, Members must work with a participating HPwES contractor\* who will perform a pre- and post-rehab energy assessment of the home. It is preferred that the HPwES contractor be a third party. However, given the statewide distribution of participating contractors, Members will be allowed to use the same contractor to perform the initial assessment, the Energy Efficiency improvements and the HPwES post-rehab assessment or test out. Alternatively, Members may wish to have their rehab specialist become a participating HPwES contractor.

More information on this option can be found at:

<http://www.advancedenergy.org/buildings/nhomeperformance/contractors.php>.

A current list of participating HPwES contractors can be found at:

<http://www.advancedenergy.org/buildings/nhomeperformance/contractorsList.php>.

Following are the Energy Efficiency Standards for SFRLP13. HPwES standards are in **bold** print with additional SFRLP13 Energy Efficiency requirements in standard text. Homes rehabilitated with Program funding must meet all criteria below.

An Energy Efficiency Certificate shall be completed by the builder, permit holder, or registered design professional and shall be permanently posted on or in the electrical panel, in the attic next to the attic insulation card, or inside a kitchen cabinet as per Section 401.3 of the 2012 NC Energy Conservation Code.

\* HPwES Contractor – A Building Performance Institute-(BPI) certified Building Analyst Professional or an organization with a BPI-certified Building Analyst Professional on staff who has been trained and certified as a HPwES Contractor by Advanced Energy. Performs initial whole-house HPwES energy assessments, assists Members with development of work write-ups, helps to support the contractor in properly performing the work and performs the post-work assessment (test-out) and verification inspection.

## 1. Air Tightness

- 1.1 **There shall be a continuous, durable air barrier enclosing the conditioned space. This includes features such as chases, knee walls, soffits, garage interfaces, intersecting walls and dropped ceilings.**
- 1.2 **Air sealing shall be required for the following building planes:**
  - 1.2.1 **Attic Plane - The highest priority for air sealing shall be given first to any plane adjacent to the attic space. Any visible hole or crack leading from the attic into the building or building cavities shall be sealed (e.g., plumbing penetrations, electrical penetrations, chases, dropped soffits, chimney penetrations, top plate to drywall connections, bonus room floors, and balloon framing.)**
  - 1.2.2 **Exterior Walls - Windows, doors and any visible hole or crack leading from the building to the exterior shall be weatherstripped or sealed.**
  - 1.2.3 **Crawlspace and Basement – All plumbing penetrations as well as mechanical and electrical penetrations between conditioned and unconditioned spaces shall be sealed. Sealing shall be performed with Siliconized acrylic/latex caulk, polyurethane foam, or an Agency-approved alternative.**
- 1.3 A blower test shall be performed by a qualified technician before and after rehabilitation. If the home is centrally heated and cooled, a duct leakage test shall also be performed by a qualified technician (see 'Section 4, HVAC Sizing and Installation' below for more information. Pre- and post-rehab values for blower door and duct leakage values shall be documented on the Energy Efficiency Certificate referenced in 4.9 below and maintained in the case files for each rehabbed unit.

## 2. Ventilation

- 2.1 **There shall be a whole-house mechanical fresh air ventilation system in compliance with ASHRAE 62.2-2010.** This ventilation system typically includes either a fresh air make-up duct to the return side of the air handler (the preferred approach) or a continuously running bathroom fan set at the calculated air flow rate in compliance with ASHRAE 62.2.
- 2.2 **All bathrooms with showers and bathtubs shall have an Energy Star rated fan vented to the outside exhausting at a rate of 50 CFM intermittent (requiring a minimum fan rating of 70 CFM).** *If the existing bathroom fan is exhausting at 50 CFM and properly operating, replacement is not necessary.*
- 2.3 **All ventilation ducts shall terminate at or beyond the exterior skin of the building.**
- 2.4 All kitchens shall have an Energy Star rated fan vented to the outside exhausting at a minimum rate of 100 CFM intermittent. *If the existing kitchen fan is exhausting at 100 CFM and properly operating, replacement is not necessary.*
- 2.5 All units rehabilitated with Program funds must have adequate attic ventilation per NC State Residential Building Code, at a minimum. *A minimum of one square foot (SF) of free vent area per 150 SF of attic floor area is recommended.*

## 3. Insulation, Windows and Doors

- 3.1 **Insulation shall be installed in walls, ceilings, and floors to manufacturer specifications with no gaps, voids, compression or wind intrusion.**

- 3.2 Insulation and the air barrier shall be installed in physical contact with each other.**
- 3.3 Accessible attics shall be insulated to R-38 or greater.**
- 3.4 Replacement windows, if installed, shall be ENERGY STAR labeled.** The U-factor and SHGC of new windows must meet the current NC Energy Conservation Code.
- 3.4.1** When windows are proposed for new locations they shall be minimized on the east and west sides of the house where feasible. South-facing windows shall be shaded in the summer by overhangs, awnings, trees, etc.
- 3.4.2** Storm windows with screens shall be installed if existing single-glazed primary windows are sound and weatherized per this section. Storm windows over double-glazed windows are eligible but optional.
- 3.5 Knee walls shall be insulated and backed with support material.** The insulation must completely fill the wall cavities and come in contact with all surfaces, including both sides of the wall.
- 3.6 New exterior walls (or interior walls separating unconditioned space from conditioned space – e.g. garage, etc.) constructed as part of the Program-funded rehabilitation project shall be insulated to a minimum of an R-18 rating (including R-15 in cavities and R-3 exterior sheathing).
- 3.7 Where practicable, exterior wall cavities shall be insulated with blown-in, dense pack cellulose or Agency-approved alternative.
- 3.8 Uninsulated masonry block exterior walls (mass walls) shall be insulated to at least R-5 and in accordance with Table N1102.1 of the NC Energy Code. If space and funds permit, it is preferable to construct a stud wall inside the existing exterior block wall and insulate with R-15 batts.
- 3.9 R-19 (R-30 in climate zone 5) insulation shall be installed between floor joists of all conditioned areas over basements, cantilevers or crawlspaces with 18” clearance or more. The distance between tension support wires or other devices that hold the floor insulation in place against the sub-floor shall not exceed 18 inches and such supports shall be no further than 6 inches from each end of the insulation.
- 3.10 All water supply pipes in unconditioned spaces shall be insulated with ½” (minimum) preformed foam insulation or equivalent insulation material labeled for use on pipes. Insulation shall be installed such that no gaps exist and be fastened per manufacturers specifications.
- 3.11 Electric water heaters in accessible unconditioned spaces shall be insulated to R-6 (minimum) unless otherwise specified in the manufacturers specifications. Access plates to heating elements, thermostat controls, junction boxes, cover plates, and pressure-relief or drain valves should not be covered.
- 3.12 All attic stairs, attic access scuttles and other access openings to unconditioned space shall be treated to minimize radiant and infiltration heat-loss.
- 3.12.1 Attic scuttles shall be framed such that R-38 insulation can be blown up to and around the opening.
- 3.12.2 Scuttle doors shall be weatherstripped and insulated to R-10 minimum. An R-10, minimum, styrofoam “lid” or “box,” or R-8 minimum manufactured “tent” shall be installed over folding stair frames.
- 3.12.3 Vertical access doors to attic space shall be weatherstripped and insulated to R-5 as per NC Energy Code.
- 3.13 Where new or replacement exterior doors are indicated, they shall be ENERGY STAR-rated (or meet ENERGY STAR criteria, R-7 minimum), insulated doors with double silicone weatherstripping and energy-efficient thresholds. All lights (windows in doors) shall be double-glazed.

- 3.13.1 All exterior doors and interior doors separating conditioned space from unconditioned areas shall have thresholds if feasible.
- 3.13.2 Defective thresholds shall be repaired if feasible, or replaced.
- 3.14 When windows or exterior doors are to be installed in new locations, ½”-1” rigid foam insulation board should be sandwiched between two-by headers.
- 3.15 In locations where new windows/doors are not installed, existing windows/doors shall be repaired as follows, when defective or deficient: caulking exterior casing, sills and jambs; installing weatherstripping on operable sashes; and installing storm windows over single-glazed prime windows. The installation of storm doors should be restricted to those situations where the primary door is wood and is not protected by the roof of a porch, carport, garage, or the like.

## 4. HVAC Sizing and Installation

- 4.1 **Heat pumps shall have an outdoor thermostat installed and set to the balance point of the house to prevent supplementary heater operation when the heat pump is capable of meeting the load.** At least one thermostat in the home shall be programmable with the capability of controlling heating and cooling system on a daily schedule to maintain different temperature set points at different times of the day.
- 4.2 **All accessible duct connections shall be sealed with a UL-listed bucket mastic product.** Seal insulation seams against moisture intrusion using pressure-sensitive metallic tape, or as prescribed by the insulation manufacturer
- 4.3 **New mechanical systems shall be sized to within ½ ton of an ACCA Manual J load calculation. ACCA Manual J load calculations, including all inputs, shall be submitted for each replacement unit to verify sizing.** If the existing delivery system ductwork is to be removed and replaced, the new system shall be designed in accordance with ACCA Manual D standards.
- 4.4 **Replacement furnaces, if installed, shall be 90 percent efficient or greater.**
- 4.5 If existing HVAC system is to be retained it must be adequately sized, safe, and appropriately placed in the home in order to ensure reasonable comfort and efficiency while heating and cooling the unit. Additionally the age and remaining functional life of the existing equipment (5 year useful life threshold) should be considered. If the remaining useful life is less than 5 years, HVAC system shall be replaced.
- 4.6 Whether installing a new mechanical system or upgrading the old one, the applicable work to be completed on the house as shown in the Work Write-up must be included in the Manual J and Manual D calculations in 4.3 and 4.5 above.
- 4.7 All accessible supply and return-air ducts and plenums in unconditioned spaces, as well as outdoors shall be insulated to R-8. Where ductwork is located in semi-conditioned space such as a basement (and some crawl spaces), supply ducts shall be insulated to R-4. Vertical clearance of 18” or more shall be deemed “accessible” in attics or crawlspaces.
- 4.8 No dwelling rehabilitated with Program assistance shall retain any electric resistance heating appliance as its primary heat system.
- 4.9 If existing delivery system ductwork is to be retained it must be of appropriate size and design so as to function adequately and in accordance with the existing or new HVAC forced-air system with which it is being used. Additionally, it must be insulated, and sufficiently sealed in accordance with 4.2 above. All case files must contain an executed Energy Efficiency Certificate on which is recorded the total duct leakage test results. In no case shall the building envelope or framing be used as part of the duct system. Refer to section N1103.2.2 of the NC Energy Code for the protocol for duct testing.
- 4.10 Any existing wood-burning space heater should be replaced unless it is:

1) certified by the EPA to meet current emissions regulations; or, 2) air-tight and equipped with a thermostatically-controlled damper/air intake or, 3) air-tight and equipped with a secondary combustion chamber and/or a catalytic combustor. For a list of EPA-approved models see their web site at [www.epa.gov](http://www.epa.gov) .

- 4.11 If it is the owner's preference that an existing space heater be replaced with a wood-burning space heater, the new unit must be installed according to NC Residential Building Code and be certified by EPA. The Recipient must retain a copy of the EPA the client's case file. Any installation of a wood-burning heater should include direct piping of combustion air into the stove, essentially decoupling the combustion air/combustion products from the air inside the house. For a list of EPA-approved models see their web site at [www.epa.gov](http://www.epa.gov) .

## 5. Lighting and Appliances

- 5.1 All light fixtures shall utilize compact fluorescent lamps (CFLs), light emitting diodes (LEDs) or tubular fluorescent bulbs.** Sockets for bulbs located in the attic and crawl space shall be located to minimize the chance of breakage to the bulbs.
- 5.2 Appliances (e.g. refrigerator, dishwasher, clothes washer, water heater), if installed, shall be ENERGY STAR labeled.**
- 5.3 If the scope of work includes the installation of new bathroom or replacement of existing bathroom fixtures, all fixtures must meet or exceed the water usage standards provided in the NC State Plumbing Code, Table 604.4. (See Table below.)

## 6. Combustion Safety

- 6.1 If existing gas equipment will remain atmospherically vented after the energy efficiency retrofits, BPI protocol or other Advanced Energy approved combustion safety testing protocol must be completed.**
- 6.1.1 Combustion safety tests shall be performed before and after the retrofit, as well as before leaving a multi-day retrofit.**
- 6.1.2 Results shall be documented and repairs must be performed immediately, once a negative result is discovered (e.g., pressure balancing, gas leaks repaired, correction to venting, increased make-up air)**
- 6.2 Homes containing vent-free gas logs or space heaters (or other unvented combustion heating appliance) shall not be retrofitted until units are removed.**
- 6.3 If gas equipment is replaced and gas appliances are installed inside of the conditioned space, other than gas ranges, the new appliances shall be direct-vent or power-vented.**
- 6.4 One carbon monoxide (CO) detector shall be installed outside of each bedroom area and to manufacturer specifications in homes that have a combustion appliance or an attached garage (minimum 1 per floor).**

## 7. Crawlspace

- 7.1 All crawlspaces shall have a 100 percent ground cover of 6 mil thickness or greater.**
- 7.2 Houses having crawlspaces with standing water shall not be included in the program unless drainage is a part of the retrofit plan.**

**TABLE 604.4**

MAXIMUM FLOW RATES AND CONSUMPTION  
FOR PLUMBING FIXTURES  
AND FIXTURE FITTINGS

PLUMBING FIXTURE OR FIXTURE FITTING	MAXIMUM FLOW RATE OR QUANTITY <sup>b</sup>
Water closet	1.6 gallons per flushing cycle
Urinal	1.0 gallon per flushing cycle
Shower head <sup>a</sup>	2.5 gpm at 60 psi
Lavatory, private	2.2 gpm at 60 psi
Lavatory (other than metering), public	0.5 gpm at 60 psi
Lavatory, public (metering)	0.25 gallon per metering cycle
Sink faucet	2.2 gpm at 60 psi

For SI: 1 gallon = 3.785 L, 1 gallon per minute = 3.785 L/m, 1 psi = 6.895 kPa.

- a. A hand-held shower spray is a shower head.
- b. Consumption tolerances shall be determined from referenced standards.

# ENERGY EFFICIENCY CERTIFICATE

401.3

Builder, Permit Holder or Registered Design Professional

Print Name:

Signature:

Property Address:

Date:

Insulation Rating - List the value covering largest area to all that apply

R-Value

Ceiling/roof:

R-

Wall:

R-

Floor:

R-

Closed Crawl Space Wall:

R-

Closed Crawl Space Floor:

R-

Slab:

R-

Basement Wall:

R-

Fenestration:

U-Factor

Solar Heat Gain Coefficient(SHGC)

Building Air Leakage

Visually inspected according to 402.4.2.1 OR

Building Air Leakage Test Results (Sect. 402.4.2.2)

Name of Tester / Company:

Date:

Phone:

Ducts:

Insulation

R-

Total Duct Leakage Test Result (Sect. 403.2.2)

Name of Tester or Company:

Date:

Phone:

Certificate to be displayed permanently

NORTH CAROLINA HOUSING FINANCE AGENCY  
SINGLE-FAMILY REHABILITATION PROGRAM  
**Rehabilitation Standards**

*(effective June, 2013)*

## **E. Environmental Protection**

1. **Threats from the environment** Section B.4 in General Requirements requires that units rehabilitated with SFRLP assistance retain no imminent threats to the health or safety of the household or to the structural integrity of the dwelling itself. Examples of such threats from environmental sources include, but are not limited to:
  - 1.1 Radon gas. Reducing infiltration through rehabilitation can exacerbate existing radon threats. All units assisted in Zone 1 or Zone 2 of the North Carolina EPA Map of Radon Zones (see <http://www.epa.gov/radon/states/northcarolina.html>) must be tested for radon levels. In the event that measured levels of radon exceed 20 picoCuries per liter of air (pCi/l), remediation measures must be taken to reduce the level to 4 pCi/l or below. Where tested levels are between 4 and 20, homeowners must be informed of the level and provided with [EPA's "Home Buyer's and Seller's Guide to radon"](#) or an Agency-approved alternative.
  - 1.2 Friable asbestos. A dangerous mineral, especially when its microscopic fibers are inhaled, asbestos is found in several building products common in North Carolina. Among them are ceiling tiles, pipe or duct wrap resembling coarse, thick paper or papier mache. Asbestos-cement shingle siding is not considered friable and is not a hazard unless removed, sawn, broken or otherwise disturbed, at which point it must be treated as a hazard. There are over 3,000 different building products, which contain asbestos. Some are considered "friable and regulated", some are not and some depend on the method of removal to trigger regulation. Rehabilitation specialists must learn to recognize the most commonly encountered of these products and how to stabilize, encapsulate or have them removed safely and legally to protect the health of workers, the household and the environment. Certain threshold limits regarding the quantity and type of asbestos to be removed may require certified contractors. Applicable federal regulations are found [at 40 CFR, Part 61, Subpart M](#). The rehabilitation specialist should contact the [Asbestos Hazard Management Branch of the Division of Epidemiology](#) at 9 to discuss the treatment of any suspected asbestos hazard.
  - 1.3 Over-hanging trees. Members should consider whether limbs or trees that overhang an assisted unit pose a threat to the unit and/or its occupants. If so, appropriate pruning should be included in the scope of work.

- 1.4 Poor drainage. Excessive moisture in crawlspaces and basements may be the most common and odious environmental threat encountered in SFR-funded rehabilitation work, serving as a catalyst to decay, mildew, mold, radon-transfer, corrosion, and other problems. Correcting drainage problems should be a top priority in SFR-funded rehabilitation work.
  - 1.5 Lead-based paint. All units rehabilitated with SFRLP assistance are deemed "HUD-associated housing" for the purpose of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et seq.) and are, therefore, subject to [24 CFR part 35](#) (as published in the *Federal Register* on September 15, 1999) requiring testing, abatement and/or lead hazard reduction activities under certain circumstances (See **Section F**, below). Members are responsible for ensuring that rehabilitation specialists, contractors and workers are trained and/or certified in accordance with [24 CFR 35](#). **It is also the responsibility of the Member to provide the pamphlet, "Renovate Right", to households occupying pre-1978 dwelling units.**
  - 1.6 Volatile Organic Compounds (VOCs). Rehabilitation specialists should avoid specifying, especially for indoor use, building products high in VOCs which may threaten the comfort and/or well-being of the household. Particular sensitivities or allergies should be ascertained in initial interviews with applicants for assistance.
  - 1.7 Flooding. If the Member's Assistance Policy allows for assistance to units within the floodplain, owners of any such units selected for assistance must be required to carry flood insurance in an amount equal to or greater than 110% of Program loan's principal balance for the term of the loan.
  - 1.8 Natural Disasters. Reasonable measures should be taken to strengthen homes against natural disasters such as wild fire, flooding, and in coastal areas, hurricane force winds. For related information and suggestions as to what measures might be effected to help safeguard against excessive structural damage due to natural disasters visit the Blue Sky Foundation of N.C.'s web site at <http://www.bluesky-foundation.net>.
2. **Threats to the environment.** Although single-family rehabilitation activities are "categorically excluded" under the [National Environmental Policy Act of 1969 \(NEPA\)](#), such activities are not excluded from individual compliance requirements of other environmental statutes, including the [North Carolina Environmental Policy Act \(SEPA\)](#). To ensure that all SFRLP-funded activities are in compliance, the Member must complete a brief review ("Environmental Screening Checklist"), using forms and instructions supplied by the Agency, for each unit targeted for rehabilitation assistance. An Environmental Screening Checklist must be submitted to the Agency prior to committing funds to a unit. Although numerous areas of concern are covered in the required review, only a few of them are often relevant to SFRLP work. Those are:

- 2.1** Historic Properties. If a property deemed to have bonafide historical significance is targeted for SFRLP-funded rehabilitation, the scope of work must meet or exceed the Secretary of the Interiors Standards for Rehabilitation and Guidelines for Historic Buildings. To ensure compliance with applicable regulations and guidelines, Members must complete an additional form ("Historical Evaluation Request Form") for any unit targeted for Program-funded rehabilitation which is 50 years old or older or is deemed by the Member to have potentially significant architectural or historical importance. Historical Evaluation Request Form must be forwarded, with photographs of the unit and a location map attached, to the state [Historic Preservation Office](#) (SHPO) for review, and a copy, with the SHPO's response, must be submitted to the Agency with the Environmental Screening Checklist. (Note: meeting the required standards for historic properties can be expensive. Members may deem it necessary to exclude historic properties from eligibility in their Assistance Policies or require matching funds from other sources in order to meet their average-cost targets.)
- 2.2** Floodplain Management. Although traditionally listed with threats to the environment for the purposes of environmental reviews, the primary concern here is with protection of the property from the environment (as discussed at section 2.6.2, above). The owner of any dwelling unit located within the 100-year floodplain, which is rehabilitated with Program funds is required to carry flood insurance on the unit continuously throughout the term of the SFRLP loan in an amount not less than 110% of the principal balance of the SFRLP loan. NCHFA, as mortgagee for the SFRLP loan, shall be named as an insured lender on the policy. The first year's premium is an eligible Program soft cost. Property location must be documented by providing the map and panel numbers as supporting documentation to the Environmental Screening Checklist. (See "Instructions to Environmental Review" and "Environmental Review Checklist")
- 2.3** Toxic chemicals. Defunct buried oil or gas tanks, stored chemicals, old car batteries and the like are sometimes found in or near units targeted for rehabilitation. The Member's rehabilitation specialist should ask the homeowner and inspect the house and grounds to determine if any such hazard exists and, if so, consult their case manager at the Agency regarding appropriate mitigation measures. Though lead-based paint, another toxic chemical, can be a threat to the environment, it is discussed above (Section E.2) as a threat from the environment.
- 2.4** Wells and septic systems. The installation of a new well or septic system could conceivably have a deleterious effect on wetlands and/or water quality. To ensure that this is not the case, any such installations must be done under the supervision of local health department officials.

NORTH CAROLINA HOUSING FINANCE AGENCY  
SINGLE-FAMILY REHABILITATION POOL  
**Rehabilitation Standards**

*(effective June, 2013)*

## **F. Lead-Based Paint Requirements**

As you know, SFRLP13 is funded with dollars from the HOME Program and, therefore, any unit to which SFRLP funds were committed after September 10, 2001 is subject to the requirements of 24CFR35 regarding lead-based paint. I'm sure you are also very aware that there has been much confusion about implementing the lead-based paint rule.

We hope the following will provide some clarification on implementing 24CFR35, as well as offer some guidance on what your case manager will be looking for during a monitoring visit with respect to this regulation. Our goal is to be as flexible as we can by providing you, the SFRLP Member, with options that you can take to comply with 24CFR35.

**Lead Hazard Information Pamphlet** For all pre-1978 units assisted with SFRLP funds, 24CFR35 requires that the occupants of the units be provided with the lead hazard information pamphlet developed by HUD, EPA and the Consumer Product Safety Commission entitled "*2010 Lead-Safe Certified Guide to Renovate Right*". Members must keep documentation in the case file certifying that the households received this pamphlet.

**Notices** For all pre-1978 units assisted with SFRLP funds, Members have the option of evaluating the units for lead-based paint, or presuming that lead-based paint is present throughout a unit. Copies of all notices must be kept in the respective case file.

**Notice of Presumption** If the presumption is made that lead-based paint is present, then the occupants must be provided with a notice of presumption within 15 calendar days of the date on which the presumption was made. The notice shall include: a) the nature and scope of presumption; b) a contact name, address and telephone number for additional information and; c) the date of the notice. Along with the copy of the notice of presumption there must be documentation certifying the date on which the presumption was made.

**Notice of Evaluation** If evaluation (a lead hazard screen, lead-based paint inspection, paint testing, risk assessment or combination thereof) is undertaken and lead-based paint or lead-based paint hazards are found to be present, then the occupants must be provided with a notice of evaluation within 15 calendar days of the date when you, the Member, receive the evaluation report. The notice of evaluation shall include: a) the nature, scope and results of the evaluation; b) a contact name, address and telephone number for additional information and to allow access to the actual evaluation report and; c) the date of the notice.

**Notice of Hazard Reduction** When hazard reduction activities (i.e., measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of the two) are undertaken, occupants must be provided with a notice of hazard reduction activities within 15 days of the completion of such activities. Completion is designated by clearance. The notice of hazard reduction shall include: a) a summary of the nature, scope and results (including clearance), of the hazard reduction activities; b) a contact name, address and telephone number for additional information and; c) available information on the location of any remaining lead-based paint in the rooms, spaces or areas where hazard reduction activities were conducted, on a surface-by-surface basis.

**Relocation** In most cases it will be necessary to relocate the occupants of the units to be assisted under SFRLP. During hazard reduction activities occupants shall not be permitted to enter the worksite until hazard reduction is complete and clearance has been achieved. With some exceptions, as listed at 24CFR35.1345, occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe and similarly accessible dwelling unit which does not have lead-based paint hazards

**Calculating hard costs of rehabilitation, and determining the approach to LBP** Lead-Based Paint requirements for the rehabilitation of units using SFRLP funds fall into three categories that depend on the amount of federal funds applied toward the hard costs of rehabilitation of the unit. Under 24CFR35.915 hard costs of rehabilitation do not include LBP hazard evaluation and hazard reduction activities, cost of site preparation, occupant protection, relocation, interim controls, abatement, clearance, or waste handling attributable to LBP hazard reduction. Therefore, the hard cost of rehabilitation is equal to the contract price (labor and materials) of performing “ordinary” rehabilitation, in other words, the cost of bringing the unit up to the rehabilitation standards of SFRLP in the absence of the LBP regulation.

Work write-ups should provide the following information: a description of the item to be addressed, the material cost (without lead work), the labor cost (without lead work), total rehab cost for each item (i.e. labor + material, without lead) and the extra cost of completing the item due to the presence, or presumed presence, of LBP. See example below:

Item	Material	Labor	Rehab	LBP
Replace window (using safe work practices)	\$300	\$50	\$350	\$50

Rehabilitation costs (excluding all lead-based paint hazard evaluation and reduction activities) are then calculated by totaling the Rehab column. The total of all figures in the Rehab column will then determine the appropriate approach to lead hazard evaluation and reduction.

If rehabilitation costs total \$5,000 or less, then the approach would be that outlined in 24CFR35.930(b), which says to either conduct paint testing on surfaces to be disturbed by rehabilitation or presume the presence of LBP. Following evaluation or presumption, the measure to be taken to address LBP would be that of using safe work practices.

If rehabilitation costs total more than \$5,000 but are less than or equal to \$25,000, then the approach would be that outlined in 24CFR35.930(c), which states to conduct paint testing or presume the presence of LBP, and conduct a risk assessment if paint testing results are positive (one has the option of not doing paint testing, but beginning with the risk assessment). Following evaluation the use of interim controls and safe work practices is the prescribed measure of lead hazard reduction. Following the presumption of LBP, use standard treatments as the prescribed measure.

Where rehabilitation costs exceed \$25,000, the approach would be that outlined in 24CFR35.930(d), which says to conduct paint testing or presume LBP. If the paint test is positive, then conduct a risk assessment. In this approach also one has the option of not doing paint testing, but beginning with the risk assessment. Following evaluation, abate all LBP hazards identified in the paint testing or risk assessment and any LBP hazards created as a result of the rehabilitation work, except, if you choose, interim controls may be used on exterior surfaces that are not disturbed by rehabilitation. Following presumption of LBP, abate all applicable surfaces.

**North Carolina's Lead Hazard Management Program for Lead-Based Paint Renovation, Repair and Painting Rule (RRP)** Many of you have asked how "RR&P" or "RRP" will affect your rehab projects. As public health authorities have learned more and more over the last decades about the danger from working on old houses with lead-based paint, more and more targeted controls have been implemented. RRP is the latest, and it affects all repair and rehab work, whether publicly funded or not.

The RRP rule, which took effect January 1, 2010, requires (1) that all contractors working in homes built before 1978 become NC Certified Renovation Firms, and (2) that all workers on these homes work under the direction of an accredited NC Certified Renovator. Under RRP, those working on pre-1978 homes are also required (1) to follow specific work practices to prevent lead contamination and (2) to provide the lead pamphlet "2010 Lead-Safe Certified Guide to Renovate Right" to owners and occupants before starting renovation work.

For a wealth of information on North Carolina's requirements under RRP -- how to get training, guidance documents, forms and applications, links to other resources, etc. -- go to <http://www.epi.state.nc.us/epi/lead/lhmp.html>. There you will find the actual North Carolina Rules, a 7-page document, which makes frequent reference to the 79-page Federal law. Although the Housing Finance Agency is not the enforcement entity for RRP, your program guidelines require you to remain in compliance with all state and local construction laws.

**Documentation associated with LBP hazard reduction** Throughout the process of implementing 24CFR35 there are certain items that the Member must maintain in the case file to document the lead hazard reduction process such as the "[Lead Requirements Worksheet](#)".

In addition to the required notices listed above and the work write-up/cost estimate delineating those items attributable to lead hazard reduction from those associated with the rehabilitation of the unit, the Member must be prepared to provide the following documentation during a typical

monitoring visit: 1) documentation showing the amount of federal funds attributed to the hard costs of rehabilitation of a unit and the method used in calculating this amount; 2) documentation showing the approach used in addressing lead hazard reduction (e.g., safe work practices, interim controls, abatement); 3) documentation of the necessary certifications required by [24CFR35](#) for those performing evaluations, clearances, lead hazard reduction activities, etc. (e.g. Abatement Worker Certification for those involved with the abatement of lead hazards or Risk Assessor Certification for those performing risk assessments); 4) documentation showing clearance of the worksite/unit; and 5) documentation showing that the recipient has complied with [24CFR35.1345](#) regarding the relocation of the occupants of the dwelling unit.

The Office of Community Planning and Development (CPD) and the Office of Healthy Homes and Lead Hazard Control (OHHLHC) have jointly created the “Lead-Safe Housing Rule Checklist” and the “Lead-Safe Housing Rule Applicability Form” to aid in the implementation and compliance with the Lead-Safe Housing Rule (see below). These forms may be used and kept in the case file to ensure the required procedures are performed and the appropriate documentation is maintained for each assisted unit. However, the “[Lead Requirements Worksheet](#)” must be used and kept in each SFRLP-assisted case file.

## **Lead-Safe Housing Rule Checklist For General Compliance Documentation**

Program participants can use this checklist as a guide for determining whether or not they are proceeding in a manner required by the Lead-Safe Housing Rule, and that they are maintaining documentation for each SFRLP-assisted project. Compliance with the program-specific requirements may not be substantiated solely by the documents included on this general checklist. Additional guidance is provided as referenced in the checklist.

- Applicability Form-** Attach the *Lead-Safe Housing Rule Applicability* form indicating that the property is *covered by* or *exempt from* Lead-Safe Housing Rule.  
(Note: (A) If the property owner is exempt, the file should include the reason for the exemption and no further documentation is required; (B) if the property is covered by the Rule, the file should include the appropriate documentation to indicate basic compliance, as listed below.)
  
- Summary Paint Testing Report or Presumption Notice-** Attach a paint testing report to indicate the presence of lead-based paint (LBP) for projects receiving up to \$5,000 per unit in rehabilitation assistance. If no testing was performed, then LBP is presumed to be on all disturbed surfaces and the *Notice of Lead Hazard Presumption* should be attached.
  
- Risk Assessment Report-** Attach the Risk Assessment Report (in addition to the requirement to indicate any presence of lead-based paint hazards for projects receiving more than \$5,000 per unit in rehabilitation assistance.  
(Note: If the property receives more than \$25,000 in assistance, more stringent requirements apply.)
  
- Notice of Evaluation-** Attach the *Summary Notice of Lead Hazard Evaluation & Lead-Based Paint Risk Assessment* demonstrating that an evaluation summary was provided to residents following risk assessment or other LBP inspection or paint testing.
  
- Clearance Report-** Attach the clearance report indicating a “clearance examination” was performed of the work-site upon completion, and the *Clearance Report Review Worksheet*.
  
- Notice of Hazard Reduction Completion-** Upon completion, attach the *Summary Notice of Completion of Lead-Based Paint Hazard Reduction Activity* to show that a LBP remediation summary was provided to residents

# LEAD-SAFE HOUSING RULE APPLICABILITY FORM

Address/location of subject property:

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**Regulation Eligibility Statements (check all that apply):**

Property is receiving Federal funds.

Unit was built prior to 1978.

Note: If both Eligibility Statements above have been checked, continue with the Exemption Statements below. Otherwise, the regulation does not apply, sign and date the form.

**Regulation Exemption Statements [24 CFR 35.115] (check all that apply):**

Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency.

The property will not be used for human residential habitation. This *does not* apply to common areas such as hallways and stairways of residential and mixed-use properties.

Housing "exclusively" for the elderly or persons with disabilities, with the provision that children less than six years of age will not reside in the dwelling unit.

An inspection performed according to HUD standards found the property contained no lead-based paint.

According to documented methodologies, lead-based paint has been identified and removed; and the property has achieved clearance.

The rehabilitation will not disturb any painted surface.

The property has no bedrooms.

The property is currently vacant and will remain vacant until demolition.

If any of the above Exemption Statements have been checked, the Regulation does not apply. In all cases, sign and date the form.

I, \_\_\_\_\_, certify that the information listed above is true  
(Printed Name) and accurate to the best of my knowledge.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Organization

# **Appendix B**

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## **Income Limits**

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## 2013 Income Limits by County, by Household Size\*

County	Median Income	Percent Median Income	Household Size (Number of Household Members)							
			One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
Alexander	\$51,100	30%	\$10,750	\$12,300	\$13,850	\$15,350	\$16,600	\$17,850	\$19,050	\$20,300
		50%	\$17,900	\$20,450	\$23,000	\$25,550	\$27,600	\$29,650	\$31,700	\$33,750
		60%	\$21,480	\$24,540	\$27,600	\$30,660	\$33,120	\$35,580	\$38,040	\$40,500
		80%	\$28,650	\$32,750	\$36,850	\$40,900	\$44,200	\$47,450	\$50,750	\$54,000
Beaufort	\$52,800	30%	\$11,100	\$12,700	\$14,300	\$15,850	\$17,150	\$18,400	\$19,700	\$20,950
		50%	\$18,500	\$21,150	\$23,800	\$26,400	\$28,550	\$30,650	\$32,750	\$34,850
		60%	\$22,200	\$25,380	\$28,560	\$31,680	\$34,260	\$36,780	\$39,300	\$41,820
		80%	\$29,600	\$33,800	\$38,050	\$42,250	\$45,650	\$49,050	\$52,400	\$55,800
Buncombe	\$53,800	30%	\$11,700	\$13,350	\$15,000	\$16,650	\$18,000	\$19,350	\$20,650	\$22,000
		50%	\$19,450	\$22,200	\$25,000	\$27,750	\$30,000	\$32,200	\$34,450	\$36,650
		60%	\$23,340	\$26,640	\$30,000	\$33,300	\$36,000	\$38,640	\$41,340	\$43,980
		80%	\$31,100	\$35,550	\$40,000	\$44,400	\$48,000	\$51,550	\$55,100	\$58,650
Cabarrus	\$64,100	30%	\$13,700	\$15,650	\$17,600	\$19,550	\$21,150	\$22,700	\$24,250	\$25,850
		50%	\$22,800	\$26,050	\$29,300	\$32,550	\$35,200	\$37,800	\$40,400	\$43,000
		60%	\$27,360	\$31,260	\$35,160	\$39,060	\$42,240	\$45,360	\$48,480	\$51,600
		80%	\$36,500	\$41,700	\$46,900	\$52,100	\$56,300	\$60,450	\$64,650	\$68,800
Carteret	\$57,500	30%	\$12,150	\$13,850	\$15,600	\$17,300	\$18,700	\$20,100	\$21,500	\$22,850
		50%	\$20,200	\$23,050	\$25,950	\$28,800	\$31,150	\$33,450	\$35,750	\$38,050
		60%	\$24,240	\$27,660	\$31,140	\$34,560	\$37,380	\$40,140	\$42,900	\$45,660
		80%	\$32,300	\$36,900	\$41,500	\$46,100	\$49,800	\$53,500	\$57,200	\$60,900
Caswell	\$47,200	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Catawba	\$51,100	30%	\$10,750	\$12,300	\$13,850	\$15,350	\$16,600	\$17,850	\$19,050	\$20,300
		50%	\$17,900	\$20,450	\$23,000	\$25,550	\$27,600	\$29,650	\$31,700	\$33,750
		60%	\$21,480	\$24,540	\$27,600	\$30,660	\$33,120	\$35,580	\$38,040	\$40,500
		80%	\$28,650	\$32,750	\$36,850	\$40,900	\$44,200	\$47,450	\$50,750	\$54,000
Cherokee	\$47,800	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050

## 2013 Income Limits by County, by Household Size\*

County	Median Income	Percent Median Income	Household Size (Number of Household Members)							
			One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
Cleveland	\$50,500	30%	\$10,650	\$12,150	\$13,650	\$15,150	\$16,400	\$17,600	\$18,800	\$20,000
		50%	\$17,700	\$20,200	\$22,750	\$25,250	\$27,300	\$29,300	\$31,350	\$33,350
		60%	\$21,240	\$24,240	\$27,300	\$30,300	\$32,760	\$35,160	\$37,620	\$40,020
		80%	\$28,300	\$32,350	\$36,400	\$40,400	\$43,650	\$46,900	\$50,100	\$53,350
Columbus	\$48,000	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Davie	\$59,500	30%	\$12,500	\$14,300	\$16,100	\$17,850	\$19,300	\$20,750	\$22,150	\$23,600
		50%	\$20,850	\$23,800	\$26,800	\$29,750	\$32,150	\$34,550	\$36,900	\$39,300
		60%	\$25,020	\$28,560	\$32,160	\$35,700	\$38,580	\$41,460	\$44,280	\$47,160
		80%	\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850
Duplin	\$43,300	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Durham	\$67,700	30%	\$14,250	\$16,250	\$18,300	\$20,300	\$21,950	\$23,550	\$25,200	\$26,800
		50%	\$23,700	\$27,100	\$30,500	\$33,850	\$36,600	\$39,300	\$42,000	\$44,700
		60%	\$28,440	\$32,520	\$36,600	\$40,620	\$43,920	\$47,160	\$50,400	\$53,640
		80%	\$37,950	\$43,350	\$48,750	\$54,150	\$58,500	\$62,850	\$67,150	\$71,500
Edgecombe	\$55,300	30%	\$11,100	\$12,650	\$14,250	\$15,800	\$17,100	\$18,350	\$19,600	\$20,900
		50%	\$18,450	\$21,100	\$23,750	\$26,350	\$28,500	\$30,600	\$32,700	\$34,800
		60%	\$22,140	\$25,320	\$28,500	\$31,620	\$34,200	\$36,720	\$39,240	\$41,760
		80%	\$29,550	\$33,750	\$37,950	\$42,150	\$45,550	\$48,900	\$52,300	\$55,650
Forsyth	\$59,500	30%	\$12,500	\$14,300	\$16,100	\$17,850	\$19,300	\$20,750	\$22,150	\$23,600
		50%	\$20,850	\$23,800	\$26,800	\$29,750	\$32,150	\$34,550	\$36,900	\$39,300
		60%	\$25,020	\$28,560	\$32,160	\$35,700	\$38,580	\$41,460	\$44,280	\$47,160
		80%	\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850
Franklin	\$75,300	30%	\$16,000	\$18,250	\$20,550	\$22,800	\$24,650	\$26,450	\$28,300	\$30,100
		50%	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$50,200
		60%	\$31,920	\$36,480	\$41,040	\$45,600	\$49,260	\$52,920	\$56,580	\$60,240
		80%	\$42,600	\$48,650	\$54,750	\$60,800	\$65,700	\$70,550	\$75,400	\$80,300

## 2013 Income Limits by County, by Household Size\*

County	Median Income	Percent Median Income	Household Size (Number of Household Members)							
			One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
Gates	\$59,000	30%	\$12,400	\$14,200	\$15,950	\$17,700	\$19,150	\$20,550	\$21,950	\$23,400
		50%	\$20,650	\$23,600	\$26,550	\$29,500	\$31,900	\$34,250	\$36,600	\$38,950
		60%	\$24,780	\$28,320	\$31,860	\$35,400	\$38,280	\$41,100	\$43,920	\$46,740
		80%	\$33,050	\$37,800	\$42,500	\$47,200	\$51,000	\$54,800	\$58,550	\$62,350
Granville	\$60,800	30%	\$12,800	\$14,600	\$16,450	\$18,250	\$19,750	\$21,200	\$22,650	\$24,100
		50%	\$21,300	\$24,350	\$27,400	\$30,400	\$32,850	\$35,300	\$37,700	\$40,150
		60%	\$25,560	\$29,220	\$32,880	\$36,480	\$39,420	\$42,360	\$45,240	\$48,180
		80%	\$34,100	\$38,950	\$43,800	\$48,650	\$52,550	\$56,450	\$60,350	\$64,250
Halifax	\$43,100	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Harnett	\$51,000	30%	\$11,150	\$12,750	\$14,350	\$15,900	\$17,200	\$18,450	\$19,750	\$21,000
		50%	\$18,550	\$21,200	\$23,850	\$26,500	\$28,650	\$30,750	\$32,900	\$35,000
		60%	\$22,260	\$25,440	\$28,620	\$31,800	\$34,380	\$36,900	\$39,480	\$42,000
		80%	\$29,700	\$33,950	\$38,200	\$42,400	\$45,800	\$49,200	\$52,600	\$56,000
Jackson	\$52,600	30%	\$11,100	\$12,650	\$14,250	\$15,800	\$17,100	\$18,350	\$19,600	\$20,900
		50%	\$18,450	\$21,050	\$23,700	\$26,300	\$28,450	\$30,550	\$32,650	\$34,750
		60%	\$22,140	\$25,260	\$28,440	\$31,560	\$34,140	\$36,660	\$39,180	\$41,700
		80%	\$29,500	\$33,700	\$37,900	\$42,100	\$45,500	\$48,850	\$52,250	\$55,600
Lenoir	\$45,000	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
New Hanover	\$62,700	30%	\$13,200	\$15,050	\$16,950	\$18,800	\$20,350	\$21,850	\$23,350	\$24,850
		50%	\$21,950	\$25,100	\$28,250	\$31,350	\$33,900	\$36,400	\$38,900	\$41,400
		60%	\$26,340	\$30,120	\$33,900	\$37,620	\$40,680	\$43,680	\$46,680	\$49,680
		80%	\$35,150	\$40,150	\$45,150	\$50,150	\$54,200	\$58,200	\$62,200	\$66,200
Randolph	\$54,500	30%	\$11,450	\$13,100	\$14,750	\$16,350	\$17,700	\$19,000	\$20,300	\$21,600
		50%	\$19,100	\$21,800	\$24,550	\$27,250	\$29,450	\$31,650	\$33,800	\$36,000
		60%	\$22,920	\$26,160	\$29,460	\$32,700	\$35,340	\$37,980	\$40,560	\$43,200
		80%	\$30,550	\$34,900	\$39,250	\$43,600	\$47,100	\$50,600	\$54,100	\$57,600

## 2013 Income Limits by County, by Household Size\*

County	Median Income	Percent Median Income	Household Size (Number of Household Members)							
			One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
Richmond	\$41,300	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Robeson	\$33,700	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Rutherford	\$41,300	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Stokes	\$59,500	30%	\$12,500	\$14,300	\$16,100	\$17,850	\$19,300	\$20,750	\$22,150	\$23,600
		50%	\$20,850	\$23,800	\$26,800	\$29,750	\$32,150	\$34,550	\$36,900	\$39,300
		60%	\$25,020	\$28,560	\$32,160	\$35,700	\$38,580	\$41,460	\$44,280	\$47,160
		80%	\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850
Tyrrell	\$40,100	30%	\$10,150	\$11,600	\$13,050	\$14,500	\$15,700	\$16,850	\$18,000	\$19,150
		50%	\$16,950	\$19,350	\$21,750	\$24,150	\$26,100	\$28,050	\$29,950	\$31,900
		60%	\$20,340	\$23,220	\$26,100	\$28,980	\$31,320	\$33,660	\$35,940	\$38,280
		80%	\$27,100	\$30,950	\$34,800	\$38,650	\$41,750	\$44,850	\$47,950	\$51,050
Union	\$64,100	30%	\$13,700	\$15,650	\$17,600	\$19,550	\$21,150	\$22,700	\$24,250	\$25,850
		50%	\$22,800	\$26,050	\$29,300	\$32,550	\$35,200	\$37,800	\$40,400	\$43,000
		60%	\$27,360	\$31,260	\$35,160	\$39,060	\$42,240	\$45,360	\$48,480	\$51,600
		80%	\$36,500	\$41,700	\$46,900	\$52,100	\$56,300	\$60,450	\$64,650	\$68,800
Wilson	\$45,800	30%	\$10,250	\$11,700	\$13,150	\$14,600	\$15,800	\$16,950	\$18,150	\$19,300
		50%	\$17,050	\$19,450	\$21,900	\$24,300	\$26,250	\$28,200	\$30,150	\$32,100
		60%	\$20,460	\$23,340	\$26,280	\$29,160	\$31,500	\$33,840	\$36,180	\$38,520
		80%	\$27,250	\$31,150	\$35,050	\$38,900	\$42,050	\$45,150	\$48,250	\$51,350
Yadkin	\$59,500	30%	\$12,500	\$14,300	\$16,100	\$17,850	\$19,300	\$20,750	\$22,150	\$23,600
		50%	\$20,850	\$23,800	\$26,800	\$29,750	\$32,150	\$34,550	\$36,900	\$39,300
		60%	\$25,020	\$28,560	\$32,160	\$35,700	\$38,580	\$41,460	\$44,280	\$47,160
		80%	\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850

# Appendix C

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## PROGRAM FORMS & DOCUMENTS

- Unit Management Workbook
    1. Instructions
    2. Project Data
    3. Loan Application & Reservation Request
    4. Environmental Screening and Instructions
    5. SHPO – Historical Evaluation
    6. Post Rehabilitation Value Certification
    7. Homeowner Written Agreement
    8. Settlement Data Sheet
    9. Requisition for HOME Funds and Invoice Log
    10. Unit Completion Report (UCR)
  - Written Agreement (Member/Contractor)
  - Contract for Rehabilitation
  - Release of Liens
  - Request for Project Amendment
  - Lead-Based Paint Requirement Worksheet
  - Pre/Post Rehab Checklist
  - Certification of Completion and Final Cost (CCFC)
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# **Unit Management Workbook**

## Instructions

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North Carolina Housing Finance Agency  
**SINGLE-FAMILY REHABILITATION LOAN POOL**  
**Instructions for SFRLP Unit Management Workbook**

Project tab – Choose your SFR Member organizational name and complete form. Please ensure that you enter the Soft Cost Budget Amounts that were approved as a part of your PAD submittal. The Total Soft Cost Budget will auto-sum at the bottom of the form.

Reservation tab – Complete all cells of the SFR Loan Application and Reservation Request form except the cell for “Activity Number Assigned for IDIS”. NCHFA will assign an IDIS activity number for the unit and fax the confirmation back to the Project Administrator. Please note that only complete SFR Loan Application and Reservation Request forms submitted with the Environmental Screening Checklist, Historical Evaluation Request, Post-Rehabilitation Property Value Certification, and the Homeowner Agreement found on the subsequent tabs will be processed.

Settlement tab – Please submit the Settlement Data Sheet at least one week prior to the loan closing date to allow NCHFA sufficient time to prepare the loan documents.

R1 through R8 tabs – Requisition for Home Funds will be submitted by individual unit. Additionally, please note the pull down lists available in the Invoice Log's Description of Payment to document allowable expenses. The Requisition for will auto-calculate the amount of Soft Cost Budget remaining for each requisition (based on the approved Soft Cost Amounts entered at the time of set-up). The Requisition Form will also auto-calculate the total amount of Hard Costs and Soft Costs being requested based on the values entered in the Invoice Log (page 2 of the Requisition).

UCR tab – The Unit Completion Report must be submitted to NCHFA within 60 days of the date of the final disbursement check for hard and soft costs from NCHFA for each unit assisted. If, upon completion of all rehabilitation work, the contract price has changed due to change orders, NCHFA will execute and record the appropriate documents to reflect the resulting change.

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# **Unit Management Workbook**

## **Project Data**

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# Unit Management Workbook

North Carolina Housing Finance Agency  
**Single-Family Rehabilitation Loan Pool Program - 2013**

Member:

Funding Agreement #  -  NCHFA Case Manager:

Street Address:

Town or City:  State:  Zip Code:

Phone:  Fax:

Recipient's Chief Operating Officer:  Title:

Project Administrator:  Title:  Phone:

Email Address:  Fax:

Street Address:

Town or City:  State:  Zip Code:

**Approved & Eligible Soft Cost Budget Amounts:**

- |   |   |
|---|---|
| 1. Outreach & Advertising                               | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 2. Environmental Review Preparation                     | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 3. Asbestos Testing/ Clearance                          | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 4. Radon Testing  | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 5. LBP Inspection/ Risk Assessment                      | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 6. LBP Clearance  | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 7. Energy Assessment/ Test Out                          | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 8. Loan document execution, recording & legal fees      | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 9. Pre-rehab Inspection including scope of work         | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 10. Work write-ups                                      | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 11. Cost estimate                                       | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 12. Project & construction management                   | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 13. Flood Insurance (units in Flood Hazard Zones)       | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 14. Post-rehab value certification                      | <input style="width: 90%; height: 15px;" type="text"/>                            |
| 15. Home Performance with Energy Star Quality Assurance | <input style="width: 90%; height: 15px;" type="text"/>                            |
| <b>TOTAL APPROVED SOFT COST BUDGET:</b>                 | <input style="width: 100%; height: 15px; background-color: yellow;" type="text"/> |



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# **Unit Management Workbook**

Loan Application &  
Reservation Request

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# SFRLP Loan Application and Reservation Request

**Instructions:**

1. Complete form (except "Activity Number Assigned") and submit this form along with the Environmental Review and Historical Forms by Mail, Fax, or E-mail to Jim Cook --- NCHFA, PO Box 28066, Raleigh, NC 27611-8066 e-mail: jcook@nchfa.com
2. Jim Cook will enter the "Activity Number Assigned" and fax or e-mail the form back to the person identified below.

**Important note: Requisitions for this activity will not be approved by your Case Manager unless the required documents identified above are received at the Agency prior to the Requisition.**

IDIS Project Number:	Funding Agreement #:	Agency Project ID Number	Check the appropriate box  <input type="checkbox"/> Original <input type="checkbox"/> Revision <input type="checkbox"/> 2nd Revision <input type="checkbox"/> 3rd Revision  <b>FOR NCHFA USE ONLY:</b> IDIS: _____ MISTR Data: _____ Date: _____
Member Name (Project):			
Mailing Address:		Email Address (Project Administrator):	
City, State, Zip:			
Phone: _____		Fax: _____	
Person completing this form:		DU #:	
Activity Number Assigned for IDIS: <i>(the assigned # will be faxed or emailed to the person listed above)</i>			

Name of Owner: Last Name:		First Name and Middle Initial:	
Date of Birth	Gender	Social Security Number	Marital Status
Name of Co-Owner: Last Name:		First Name and Middle Initial:	
Date of Birth	Gender	Social Security Number	Marital Status
Relationship of Co-Owner to Owner:			
Street Address of Activity:			
City:		State: <b>NC</b>	Zip:

Mailing Address of Activity: *(If different from street address)*

CHDO Tax ID Number: Not applicable for SFR	CHDO Loan?: <b>No</b> <i>(Not Applicable for SFR)</i>
Activity Set-up Type 1 <input checked="" type="checkbox"/> Rehabilitation only 2 <input type="checkbox"/> New construction only 3 <input type="checkbox"/> Acquisition only 4 <input type="checkbox"/> Acquisition and rehabilitation 5 <input type="checkbox"/> Acquisition and new construction	<b>TOTAL Projected Assistance for this Unit.</b> SFR:                      Other:                      Total: Hard Cost: _____ Soft Cost: _____ Total: _____

Estimated Units Upon Completion <i>(always "1" for SFR)</i> <b>1</b>	Total HOME-assisted Units Upon Completion: <i>(always "1" for SFR)</i> <b>1</b>	Loan Guarantee? <b>No</b> <i>(Not Applicable for SFR)</i>	Tenure Type: (check one box only) 1 <input type="checkbox"/> Rental 2 <input type="checkbox"/> Homeownership First-Time Buyer 3 <input checked="" type="checkbox"/> Homeownership Rehabilitation
Type of Ownership: <b>1. Individual</b>		County Code: (see list)	Identify if the Community Housing Development Organization Project is Owned, Sponsored, or Developed: <i>(Not Applicable)</i>

**Total Estimated Costs:** \_\_\_\_\_ *(Including total SFR funds from above and all other public/private funds)*

**Home Performance with Energy Star (HPwES) Contractor:** \_\_\_\_\_  
\*Reservation cannot be processed without HPwES Contractor

**Documentation Attached** *(Please check the box left of each item enclosed)*

... SFR Environmental Screening Checklist *(Required for all assisted units.)*

... SFR Historical Evaluation Form *(Required for all potentially historical properties, per Program Guidelines section 2.6.3.)*

... SHPO response to Historical Evaluation Form *(Required if Historical Evaluation Form was required.)*

... Post-Rehabilitation Property Value Certification *(Required for all assisted units.)*

... Written Agreement *(Required for all assisted units.)*

**Request and Certification:**

- I hereby request that the North Carolina Housing Finance Agency reserve the total SFR projected assistance listed above to cover hard costs (loan amount) and soft costs to provide SFR assistance to the above-named applicant.
- I certify: 1) that the homeowner's/borrower's income eligibility for SFR has been verified and documented in accordance with SFR guidelines; and 2) that all the information provided above is true to the best of my knowledge.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**NCHFA Confirmation of Reservation**

**The requested SFR funds have been reserved for the above-named Applicant. This reservation (original or revision) will remain in effect for 180 days from the date the original reservation was received.**

Confirmation certified by: \_\_\_\_\_ Date: \_\_\_\_\_  
*C. William Dowse, Director of Strategic Investment*

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**Unit Management Workbook**  
Environmental Screening

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North Carolina Housing Finance Agency  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**Environmental Screening Checklist**

Homeowner Name \_\_\_\_\_  
 Property Address \_\_\_\_\_ City \_\_\_\_\_, NC ZIP \_\_\_\_\_

**Directions:** To ensure that SFR-funded rehabilitation results in no damage to the environment and that the Member, the Agency and the State are in compliance with all applicable environmental regulations, each dwelling unit targeted for rehabilitation must be reviewed, using this form, prior to rehabilitation. Please answer ALL questions below, following the "Instructions to Environmental Review" in your Administrator's Manual. Submit the original signature copy, along with any required documentation, to the Agency with the Activity Set-Up form for the unit and prior to committing funds to the unit. Keep a copy of the checklist and attachments in the case file for the unit.

**A. Floodplain Management:**

	Yes	No
1. Is the dwelling unit located outside of a 100-year floodplain? .....	<input type="checkbox"/>	<input type="checkbox"/>
a. If "no", is unit covered by flood hazard insurance? ( <b>Attach documentation</b> ) .....	<input type="checkbox"/>	<input type="checkbox"/>
b. Please provide the "FIRM" panel number and date for the dwelling unit: _____		

**B. Historic Property:**

1. Is the house < 50 years old? (Year built: _____) .....		
2. Is the house outside of any recognized historical district? .....		
3. Is the house deemed ineligible for inclusion in a historic district? .....		
4. Does it appear to have no unique or significant architectural/historical features? .....		
5. If "no" to any of the previous four questions, submit a "Historical Evaluation Request" form.		

**Was the unit found free of significant concerns with regard to:**

C. Wetlands Protection? .....		
D. Coastal Areas Protection and Management? .....		
E. Endangered Species? .....		
F. Water Quality? .....		
G. Solid Waste Management? .....		
H. Farmland Protection? .....		
I. Noise? .....		
J. Thermal and Explosive Hazards? .....		
K. Runway Zones and Accident Potential Zones? .....		
L. Toxic Chemicals and Radioactive Materials? .....		
1. Were there no buried fuel tanks, stored chemicals, old car batteries, etc? .....		
2. Was there no evidence of a lead-based paint hazard? (if unknown check "no") .....		
3. Was there no evidence of radon? (Tested? Yes <input type="checkbox"/> No <input type="checkbox"/> ; Radon Zone # _____) .....		
4. Was there no evidence of asbestos .....		
M. Local Plans and Zoning? .....		
N. Wild and Scenic Rivers? .....		
O. Sole Source Aquifers? .....		
P. Fish and Wildlife? .....		
Q. Air Quality? .....		

For each "no" answer, attach an explanation of the cause for concern, the authority(ies) consulted, the advice received, and any mitigation activities completed. Include copies of all relevant documentation. (**Keep copies in case files also.**)

Report Prepared By: \_\_\_\_\_ (Signature) \_\_\_\_\_ (Date)

Person completing this form: _____		Phone: _____	
IDIS Project Number: _____ #REF!	Funding Agreement #: _____ #REF!	DU #: _____	Agency Project ID Number _____
Recipient Name (Project): _____			
<b>For NCHFA Use Only</b>			
Reviewed By: _____	Date: _____	Entered by: _____	Date: _____
			DU# _____

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# **Unit Management Workbook**

SHPO – Historical Evaluation

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North Carolina Housing Finance Agency  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**Historical Evaluation Request**

Homeowner Name \_\_\_\_\_ County \_\_\_\_\_  
 Property Address \_\_\_\_\_  
 City \_\_\_\_\_, NC ZIP \_\_\_\_\_

**To SHPO:** The property identified above and described below, which has been selected for rehabilitation assistance under the North Carolina Housing Finance Agency's Single-Family Rehabilitation Program ("SFR" or "Program"), is 50 years old and/or thought to have potential historical significance. We are, therefore, requesting your review and comment with regard to the scope of proposed rehabilitation work, pursuant to section 106 of the National Historic Preservation Act of 1966, as amended. (The SFR program is funded by the HOME Investment Partnerships Program of the U.S. Department of Housing and Urban Development ("HUD").)

**A. Description of structure:**

1. Approximate age:.....		years	4. Current tax value: .....	
2. Square feet of heated space:.....		s.f.	5. Estimated cost of rehab.:.....	
3. Number of stories:.....			6. Maximum SFR\$ available:...	

**B. Setting:**

	YES	NO		YES	NO
1. Isolated rural property.....			4. In an industrial area.....		
2. In a small town neighborhood.....			5. In a post-WW2 subdivision.....		
3. In a commercial area.....			6. Other _____		

**C. Previous evaluation for historical significance:**

	YES	NO
1. Is the unit in a previously reviewed CDBG target area?.....		
2. Has it been identified by a local preservation commission or historical society?.....		
3. Is it listed in the National Register of Historic Places?.....		
4. Is it on the N.C. state study list for possible nomination to the National Register?.....		
5. Does it appear to have unique or significant arthitectural or historical features?.....		

**D. Proposed scope of rehabilitation work:**

Site work, grading, landscaping	
Roof, gutters, boxing	
Siding, porches, trim	
Foundation, masonry, concrete	
Windows, doors, glass	
Exterior painting and finishing	
Interior walls and ceilings	
Interior floors	
Kitchen and bath	
Interior doors and trim	
Interior painting and finishing	

**Historical Evaluation Request** (continued)

**E. Photo documentation:**

Attach a minimum of two photographs of the exterior of the dwelling, as needed to clearly show each side of the building. Attach additional photographs if needed to illustrate potentially unique or significant architectural details. Photos should be at least 3-1/2" by 5" and clearly focused. Polaroids are discouraged.

**F. Area map:**

Attach an area map clearly identifying the property location. *(On 8-1/2 by 11 paper if possible.)*

**G. Other comments to SHPO:**

--

**H. SFR Recipient Organization requesting this review** *(SHPO: Return of a copy with comments to Recipient.)*

Recipient Org.:					
Phone #:	-	Fax #	-	SFR Funding Agreement #	#REF!
Address:			NC	0	
	<i>(Street)</i>	<i>(City)</i>	<i>(State)</i>	<i>(Zip)</i>	

Report Prepared By:	<i>(Please Type or Print legible in ink)</i>	
Title:		<i>(Signature &amp; Date)</i>

**I. Mail report to:** Renee Gledhill-Earley, Environmental Review Coordinator  
 State Historic Preservation Office  
 North Carolina Division of Archives and History  
 4617 Mail Service Center  
 Raleigh, NC 27699

<b>Recipient: Please do not write below this line. For SHPO use only.</b>	
<b>J. SHPO Response:</b>	
1. <input type="checkbox"/>	No comment. Thank you for the request.
2. <input type="checkbox"/>	Additional information needed. Please send the full proposed work write-up.
3. <input type="checkbox"/>	Additional information needed. Please send floor plan.
4. <input type="checkbox"/>	Additional information needed. Please send photograph(s) of: <input style="width: 150px;" type="text"/>
5. <input type="checkbox"/>	Please call Renee Gledhill-Earley at 919/733-4763.
6. <input type="checkbox"/>	See comments in attached letter.
7. <input type="checkbox"/>	See comments below:
Comments:	For SHPO use only
	ER
	David Brook, Deputy State Historic Preservation Officer
<b>FOR N. C. H. F. A. USE ONLY</b>	
Reviewed By:	Date:
Entered by:	Date:
	DU#

---

**Unit Management Workbook**  
Post Rehabilitation Value Certification

---

North Carolina Housing Finance Agency  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**Post-Rehabilitation Property Value Certification**

*(Type or Print Legibly in Ink)*

Date:		SFR Member (Organization):	
Homeowner:			Unit Number:
Property Street Address:			Size of dwelling (in square feet)
City or Town:	Zip:	No. of Bedrooms:	
		Feb. 2008 203(b) limit	95% median sales price
County:	Maximum Property Value:		

**Property Value:**

*Establish the post-rehab value by selecting one of the following methods and enter the value on the corresponding line. Once a Member selects a method it must be used consistently to determine the post-rehab value on each unit being certified.*

**1. Estimate of Value: (Comparable sales)** \_\_\_\_\_

*This is a value based on sale prices of comparable properties in the immediate neighborhood, within the prior year. (Member's project file must contain an estimate of value and document the basis for the value estimates)*

**2. Tax Assessments:** \_\_\_\_\_

*Base valuation on tax assessments of comparable properties located in the same neighborhood. The assessments used must be current and accurately reflect the market values of **standard** (not deteriorated) properties.*

**3. Appraisals:** \_\_\_\_\_

*These are appraisals prepared by a licensed fee appraiser or by the Member's staff appraiser. (Member's project file must include a copy of the post-rehab appraisal report.) This method requires the Member to provide the appraiser with the written work write-up for the proposed rehabilitation for the subject property. The SFR assistance will be assumed to raise the property to standard level.*

**Member's Certification**

I hereby certify that the post-rehab value of the above property to be assisted under SFR is less than (select either a or b):

- a) the February 2008 section 203(b) mortgage limits;
- b) the actual 95% of the median sales price for the area;

and the property is eligible for HOME Program Assistance in accordance with 24CFR92.254(a)(2), provided through SFR.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

---

**Unit Management Workbook**  
Homeowner Written Agreement

---

North Carolina Housing Finance Agency  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**Homeowner Agreement**

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between \_\_\_\_\_ (herein after referred to as the "SFR Project Administrator", "Project Administrator" or "Member") and \_\_\_\_\_ (herein after referred to as "the Homeowner").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

WHEREAS the North Carolina Housing Finance Agency ("the Agency") has received HOME Investment Partnerships Program funds ("HOME funds") from the US Department of Housing and Urban Development; and

WHEREAS the Agency funds the Single-Family Rehabilitation Program ("SFR") with HOME funds, henceforth these funds shall be referred to as "SFR funds"; and

WHEREAS the Project Administrator and the NCHFA have entered into agreement granting the Program Administrator Membership in the SFR Program and authorizing the Member to provide SFR assistance to homeowners residing within the Member's predetermined target area: and

WHEREAS the Homeowner has made application for SFR assistance; and

WHEREAS, The Homeowner holds title to and occupies the property located at \_\_\_\_\_, \_\_\_\_\_, NC as principal residence; and

WHEREAS the Property has one or more conditions that pose a threat to the Property's structural integrity, its energy-efficiency and/or the safety and health of its occupants.

NOW, THEREFORE, the Member and the Homeowner do mutually agree to the following:

**1    CONDITIONAL APPROVAL FOR SFR ASSISTANCE**

The Homeowner is conditionally approved to receive SFR assistance in accordance with the Member's SFR Assistance Policy, the SFR Program Guidelines, and any subsequent agreement(s) executed between the Member and/or the Homeowner and/or NCHFA. By signing this Agreement the Homeowner authorizes the Member to remit to NCHFA on behalf of the Homeowner an SFR Loan Application and Reservation Request and, if the loan is approved and funds made available, move ahead with the SFR rehabilitation process. Conditional approval, and all subsequent provisions of this agreement, are contingent upon: 1) the NCHFA's approval of the SFR Loan Application and Reservation Request and, 2) the continued fiscal and practical feasibility of the rehabilitation of the subject property as solely determined by the Member.

**2    USE OF FUNDS**

SFR funds shall be used to pay for the rehabilitation of the Property. The costs shall include both the hard costs (actual cost of construction) and soft costs (costs associated with construction, including: the environmental review of the Property, evaluating the Property to determine the scope of work to be performed, inspecting the property for compliance with the work specifications and applicable codes).

### 3 AMOUNT & FORM OF ASSISTANCE

The Project Administrator shall provide SFR funds to the Homeowner in the form of a grant, in an amount not to exceed \$ 500.00 for the purpose of having the home inspected and evaluated to determine the scope of work necessary to bring the home up to the Rehabilitation Standards of SFR. The Project Administrator shall provide additional SFR funds in the form of an interest-free, non-amortizing, forgivable loan, forgiven at the rate of \$3,000/year, in an amount not to exceed \$45,000 for the purpose of rehabilitating the Property.

### 4 SCOPE OF REHABILITATION WORK

The property is currently in violation of various housing standards (SFR Rehabilitation Standards) and is in need of repairs, improvements and alterations. The Member shall provide a scope of work and a set of specifications (which together constitute the work write-up) to the Homeowner defining the work to be performed to bring the Property up to the SFR Rehabilitation Standards. Following rehabilitation, the Property shall meet the SFR Rehabilitation Standards which include Housing Quality Standards and Energy-Efficiency Standards and applicable local codes.

### 5 DATE OF COMPLETION

The rehabilitation of the Property shall be complete and acceptable to the Homeowner and the Project Administrator within \_\_\_\_\_ days after the date of the Notice to Proceed. Failure to complete the rehabilitation within this time period, or any extensions granted by the Project Administrator, shall be cause for termination of this agreement.

### 6 AFFORDABILITY REQUIREMENT

Upon completion of the rehabilitation, the Property must have a post-rehabilitation value a) equal to or less than the maximum property value limit under the Federal Housing Administration's pre-2/08, 203 (b) schedule or b) less than 95% of the actual median sales price for the area and be suitable for occupancy. The Member has determined the post-rehabilitation value of the Property to be \_\_\_\_\_ and has deemed the Property eligible for funding.

### 7 RESPONSIBILITIES OF MEMBER (PROJECT ADMINISTRATOR)

- a) The Member shall act on the Homeowner's behalf, as may be required, to facilitate the work to be completed under the Single-Family Rehabilitation Program. Such actions shall include procuring the services of qualified contractors experienced in the type of work required under SFR.
- b) Inspect the work being performed by contractors during the rehabilitation process to ensure compliance with that specified in the work write-up.
- c) To approve periodic and final payment to the contractors based on the results of inspections.

### 8 RESPONSIBILITIES OF HOMEOWNER

- a) The Homeowner shall allow the Project Administrator, at reasonable times, and after reasonable notice to inspect the work and any contracts, materials, equipment, records, documents and conditions of employment pertaining to the rehabilitation of the Property.
- b) The Homeowner agrees to sign a Grant Agreement allowing the use of funds for the purpose of inspecting and evaluating the home to determine the scope of work necessary to bring the home up to the SFR Rehabilitation Standards.
- c) The Homeowner agrees to sign a Promissory Note and Deed of Trust, which will constitute a lien on the Property, for a designated amount, to cover the cost of rehabilitation (hard costs only).
- d) The Homeowner acknowledges that they have the right to legal representation at the loan closing but may choose to not exercise the right by signing an Unrepresented Borrower Affidavit.

IN WITNESS WHEREOF, the parties hereto executed this agreement.

HOMEOWNER(S)

\_\_\_\_\_  
*(signature)*

\_\_\_\_\_  
*(Printed Name)*

\_\_\_\_\_  
*(Date)*

\_\_\_\_\_  
*(signature)*

\_\_\_\_\_  
*(Printed Name)*

\_\_\_\_\_  
*(Date)*

PROJECT ADMINISTRATOR

\_\_\_\_\_  
*(signature)*

\_\_\_\_\_  
*(Printed Name)*

\_\_\_\_\_  
*(Date)*

\_\_\_\_\_  
*(Title)*

---

# **Unit Management Workbook**

## Settlement Data Sheet

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North Carolina Housing Finance Agency  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**Settlement Data Sheet**

Check the appropriate box	
<input type="checkbox"/>	Original
<input type="checkbox"/>	Revision
Date: _____	

Homeowner: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Town or City: \_\_\_\_\_ State: NC Zip Code: \_\_\_\_\_

IDIS Project #	Funding Agreement #	Agency Project ID #	IDIS Activity #

**Construction Management - Soft Costs -- Grant**

	Amount	Funds Disbursed
Outreach & Advertising		
Environmental Review Preparation		
Asbestos testing/clearance		
Radon Testing		
LBP-insp/risk assessment		
LBP clearance		
Energy Assessment/Test Out		
Loan document executing & recording, legal fees		
Pre-rehab inspection including Scope of Work		
Work write-ups		
Cost estimate		
Project & construction management		
Flood Insurance (units in Flood Hazard Zones)		
Post-rehab value certification		
Home Performance with Energy Star Quality Assurance	\$500	No
Other eligible soft costs		
(describe) _____		

**Construction - Hard Costs -- Loan**

	Amount	Funds Disbursed
Construction contract		
Temporary relocation		
Construction contingency funds	\$0	
Other eligible hard costs		
(describe) _____		

	Soft Costs - Grant	Hard Costs - Loan	Total
Funds Disbursed	\$0	\$0	\$0
Funds Not Disbursed	\$500	\$0	\$500
Funds Disbursed At Closing	\$0	\$0	\$0
<b>Total Assistance</b>	<b>\$500</b>	<b>\$0</b>	<b>\$500</b>

*Please identify the person responsible for closing the SFR loan and provide their contact information below. The prepared loan package will be e-mailed to the person identified below.*

Closing Administrator: \_\_\_\_\_ Phone: \_\_\_\_\_  
Title: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Town or City: \_\_\_\_\_ State: NC Zip Code: \_\_\_\_\_

Closing Location: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Town or City: \_\_\_\_\_ State: NC Zip Code: \_\_\_\_\_

Proposed Closing Date: \_\_\_\_\_

---

**Unit Management Workbook**

Requisition for HOME Funds and  
Invoice Log

---

## REQUISITION FOR HOME FUNDS

Name and address of Recipient:  _____  _____  _____  Person to whom check should be mailed: _____  Email to notify if ACH (Direct Deposit): _____	Person to contact if there are questions about this requisition:  _____ (Name)  _____ (Telephone number)  _____ (Fax number)	<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>FOR NCHFA USE ONLY:</b>  <b>Final Soft Cost Draw?</b> </div> Fund  <div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>20201</b> </div> Total funds requested on this requisition.  _____
---	---	---

Activity/Unit Description		IDIS Unit Activity Numbers	Amount of Request by Type of Eligible Use			Final* Requisition?	
SFR Unit Number	Homeowner Information: Last Name, First Name Address		Hard Cost	Soft Cost	Total	Yes	No
_____	_____	IDIS Activity # _____	_____	_____	_____	_____	_____
		<b>Total Funds Requested</b>	_____	_____	_____	_____	_____

\* Enter "X" under "Yes" if the amount requested represents the final draw for the unit.

<b>Cumulative Totals Drawn Down to Date:</b>	<b>Hard Costs</b>	<b>Soft Costs</b>	<b>Remaining Soft Costs Available</b>
	Requested previously: _____	Requested previously: _____	Total Soft Cost Budget: _____
	Amount of this request: _____	Amount of this request: _____	Total Soft Cost Req to date: _____
	Total requested to date: _____	Total Requested to date: _____	Remaining Soft Cost Budget: _____

**CERTIFICATION**

I certify that the data presented in this requisition is correct, that this requisition is in accordance with the terms and conditions of the SFR Program Funding Agreement and that the amount requested is not in excess of current needs. I understand that if funds are not disbursed according to federal regulations, funds will immediately be returned to NCHFA (subject to interest). I understand and will comply with regulations requiring a Unit Completion Report (UCR) to be submitted to NCHFA within 60 days of the date of the final disbursement check for hard and soft costs from NCHFA for each unit assisted.

\_\_\_\_\_ Date                      \_\_\_\_\_ Authorized Signature                      \_\_\_\_\_ Title

FOR NCHFA USE ONLY			
Voucher #: _____	_____	_____	_____
	Case Manager	Date	Manager/Director
Comments: _____			Date
_____	Processed by	Date	Controller/CFO
			Date

**North Carolina Housing Finance Agency  
Single-Family Rehabilitation Loan Pool Program (SFRLP)  
Invoice Log**

**Recipient:**

**Award Number:**

**Requisition #1**

	Invoice Date	Invoice/Pmt./Voucher Number	Amount			Vendor/Payee	Description of Payment	
			SFR*	Other	Total		<i>Instructions:</i> 1. Choose category from box at left 2. Choose eligible cost category from box at right 3. Add Notes or Comments as needed	
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
<b>Totals</b>						*Total of SFR funds must equal or exceed total Requisition amount.		

Instructions: Complete a copy of this Invoice Log and attach to each Requisition for SFR Program funds.

---

**Unit Management Workbook**  
Unit Completion Report (UCR)

---

Recipient. \_\_\_\_\_ Case Mgr \_\_\_\_\_

**NCHFA -- SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**

**Unit Completion Report** Original  Revision  DU# \_\_\_\_\_

**IDIS Activity Completion Report**

Project # \_\_\_\_\_ F.A.# \_\_\_\_\_ IDIS Activity Number \_\_\_\_\_  
Project title \_\_\_\_\_ County \_\_\_\_\_  
Owner's name \_\_\_\_\_ Owner's Soc. Sec. # \_\_\_\_\_  
Co-Owner's name \_\_\_\_\_ Co-Owner's Soc. Sec. # \_\_\_\_\_  
Owner's telephone number (include area code) \_\_\_\_\_ After rehab value \$0  
Address of property \_\_\_\_\_ City \_\_\_\_\_ ZIP \_\_\_\_\_  
Dwelling unit ("DU") size in SF \_\_\_\_\_ Enter age of DU \_\_\_\_\_ Number of Bedrooms \_\_\_\_\_

**Income Information** Household income per year \_\_\_\_\_ Household size \_\_\_\_\_ Category \_\_\_\_\_

**Racial Composition of Household** \_\_\_\_\_ **Hispanic?** \_\_\_\_\_

**Special Needs of Household** Elderly (62+)  Disabled  Other \_\_\_\_\_  
Child under age 6 frequently present  (a child visits the home at least 60 hours a year)

HUD matrix code 14A Environmental Assessment Code C (Completed)

Accompl. Data: Actual 04 (Households) Units 1 Completion Homeowner Assistance

Type of Homeowner Property 1 (1-4 Single Family) Activity Type 1 (Rehabilitation only)

FHA insured? N 504 Accessible N

**Rehabilitation Contract Information**

Rehabilitation General Contractor (Name of company) \_\_\_\_\_  
Mailing Address \_\_\_\_\_ Contractor License No. \_\_\_\_\_  
City, State and ZIP code \_\_\_\_\_ Fed Tax ID or Soc Sec # \_\_\_\_\_  
Owner of Company \_\_\_\_\_ Telephone Number \_\_\_\_\_  
LBP/Sec. 3 - Enter "Y" if the contractor qualifies as a: Section 3 Contractor  and/or Lead Paint Certified Contractor   
Race: \_\_\_\_\_ Minority Business Enterprise (MBE)  Women Business Enterprises (WBE)

<b>Contract Log:</b>		Amount	Date	<b>Payment Log:</b>		Amount	Date
Original contract	_____	_____	_____	Partial payment #1	_____	_____	_____
Amendment/change order #1	_____	_____	_____	Partial payment #2	_____	_____	_____
Amendment/change order #2	_____	_____	_____	Partial payment #3	_____	_____	_____
Amendment/change order #3	_____	_____	_____	Partial payment #4	_____	_____	_____
Amendment/change order #4	_____	_____	_____	Final payment	_____	_____	_____
Final contract amount	_____	_____	<= should equal =>	Total paid	_____	_____	_____

Other hard costs not detailed in main contract above:

	Company Name	Amount	Explanation
1)	_____	_____	_____
2)	_____	_____	_____
3)	_____	_____	_____
4)	_____	_____	_____
5)	_____	_____	_____
Total other hard costs		_____	_____

**Funding Sources and Uses** (Enter final data after rehabilitation is completed)

Costs	SFRLP Amount	Other funds* -- public sources				Other funds** -- private sources				Totals by Use
		Amount	Source	Amount	Source	Amount	Source	Amount	Source	
Total hard costs	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Total soft costs	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Administration	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Totals by source	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

Loan Amount \_\_\_\_\_ Grant Amount \_\_\_\_\_ Closing date \_\_\_\_\_  
Loan Terms Deferred/Forgiven \$3,000 per year Maturity date \_\_\_\_\_  
Amortization period (yrs) \_\_\_\_\_ Amortization period (mths) 0 Annual Int. Rate 0%  
SFRLP Lien Position \_\_\_\_\_

**Recipient Certification**

As an authorized representative of the Recipient, \_\_\_\_\_

I, \_\_\_\_\_  
Do hereby certify that the information presented in this report is both complete and accurate. \_\_\_\_\_  
Signature \_\_\_\_\_ Date \_\_\_\_\_

**This section is for NCHFA Use Only**

Received/entered on MISTR Data by: \_\_\_\_\_ Date \_\_\_\_\_  
Received/entered on IDIS by: \_\_\_\_\_ Date \_\_\_\_\_  
Reviewed by (case manager) \_\_\_\_\_ Date \_\_\_\_\_

Recipient: \_\_\_\_\_ Unit # \_\_\_\_\_  
Bank: \_\_\_\_\_ 20: Single Family Program Type: \_\_\_\_\_ Single Family Rehabilitation  
Investor: \_\_\_\_\_ 026: NonCapitalized Deferred/Forgiven Loan Pool (SFRLP)  
Group: (Navigator Fund) \_\_\_\_\_ 201: HOME Program Agency Number: \_\_\_\_\_  
Type Funds: \_\_\_\_\_ Federal Funds Lien Position: \_\_\_\_\_

Reviewed/entered by \_\_\_\_\_ Sent to Records (Date) \_\_\_\_\_

---

**Written Agreement**  
(Member/Contractor)

---

**ORGANIZATION NAME**

**WRITTEN AGREEMENT**

**IMPORTANT NOTICE:** Any change which occurs after the execution of this written agreement and not agreed to by the Organization in writing, including the terms of any funding source, may result in a Reduction of the loan amount or the cancellation of this commitment.

Contractor:

# SINGLE-FAMILY REHABILITATION PROGRAM

## Written Agreement (Contractor)

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (herein after referred to as the "SFR Project Administrator", "Project Administrator" or "Member") and \_\_\_\_\_ (herein after referred to as "the Contractor"), for the purpose of \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
*(provide description of work to be performed e.g. conducting a Lead-Based Paint Inspection/Risk Assessment, Energy Assessment, or Blower Door test; or if Member is acting as GC, then for plumbing, electrical or installation of HVAC system)*

Funds from the HOME Investment Partnerships Program shall be provided by the North Carolina Housing Finance Agency (NCHFA) to the Project Administrator to pay the Contractor for completing the scope of work outlined above.

### 1. Amount of HOME Funds Budgeted

The total amount of HOME funds budgeted for this work is \_\_\_\_\_. See attached budget, included as part of the written agreement.

### 2. The Use of the Funds

HOME funds, received by the Project Administrator from NCHFA shall be used to pay the Contractor for completing the work described above.

### 3. Performance Measures

The Contractor shall begin performance of this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 201\_\_ and shall complete performance no later than one year from this date. This Agreement will expire in 12 months from this date.

The Project Administrator's shall disburse funds to the Contractor only for completed work or services. Failure to meet the approved construction schedule or scope of work may result, at the discretion of the Project Administrator, in a reduction of the amount of funds available under this Agreement.

**4. Other Requirements**

At all times during the term of participation in the project, the Contractor shall comply with all the regulations pursuant to HOME Program Regulations, as the same may be amended from time to time, including but not limited to the following:

- a. The Project shall qualify as and shall be maintained as "affordable housing" as prescribed in the applicable Program Regulations (24 CFR 92.254) and shall be suitable for occupancy.
- b. The Project shall meet the "Property Standards" as prescribed in the Program Regulations (24 CFR 92.251).
- c. The Borrower shall comply with the limitations on the uses of HOME funds as prescribed in the Program Regulations (for example, 24 CFR 92.257).

**5. Entire Agreement**

This Agreement consists of 3 pages, including the cover page, and is the entire Written Agreement between the Project Administrator and the Contractor. In witness whereof, the parties below have executed this Agreement on the date first written above and is evidence of the commitment of HOME funds to this Agreement. It will expire upon work completion or one year from today, the \_\_\_\_\_ of \_\_\_\_\_, 201\_\_, whichever is sooner.

**Contractor**

\_\_\_\_\_ By: \_\_\_\_\_  
 Attest Its: (Title)

**Project Administrator**

\_\_\_\_\_ By: \_\_\_\_\_  
 Attest Its: (Title)

---

**Contract for Rehabilitation**  
(Model)

---

**E X A M P L E**  
TOWN OF MCGILICUDDY  
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

**CONTRACT FOR REHABILITATION**

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_

\_\_\_\_\_, 20\_\_

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_ (hereinafter referred to as "the Contractor") and \_\_\_\_\_ (hereinafter referred to as "the Owner"); with the Town of McGillicuddy (hereinafter referred to as "the Town") acting as an interested third party.

**WITNESSETH:**

THAT wherein the Contractor and the Owner by mutual agreement for the consideration hereinafter set forth, do hereby agree as follows:

1. **Scope of Work.** That the contractor shall furnish all labor, materials, equipment, supervision and services required to perform all the work described in the Work Write-up dated \_\_\_\_\_, 20\_\_, and consisting of \_\_\_\_\_ pages.

THAT the parties agree that there shall be no change in the Contract or in the Work Write-up/Specifications unless reduced to writing as a Change Order and duly executed as an Addendum to this Contract by the parties hereto.

2. **Contract Documents.** THAT the Contract consists of the "General Conditions of Rehabilitation Contract," the "Non-Collusive Affidavit of Prime Bidder," the "Work Write-up" and attendant drawings, the "Notice to Proceed," and the "Rehabilitation Specifications" of the Town, which, together with this Agreement, form the entire contract between the parties hereto, and are hereby incorporated into this Agreement by reference.

3. **Contract Sum.** THAT for the services rendered under the terms and conditions of this Contract by the Contractor, the Owner or its representative shall pay the Contractor, subject to any additions and deductions, as provided in Article I of this Contract, the sum of \_\_\_\_\_ DOLLARS AND \_\_\_\_\_ CENTS (\$ \_\_\_\_\_) upon the completion of the work described in this Contract.

4. **Payment Schedule.** THAT the Contractor shall not be entitled to any progress (partial) payment on contracts of less than \$5,000.

THAT for contracts exceeding \$5,000 but less than \$12,000, the Contractor shall be entitled to one (1) progress payment after a minimum of fifty percent (50%) of the total contract work is completed.

EXAMPLE  
THAT for contracts exceeding \$12,000, but less than \$22,000, the Contractor shall be entitled to two (2) progress payments, the first after a minimum of forty percent (40%) of the total contract work is completed and the second after an additional forty percent (40%) of the work is done.

And, THAT for contracts of \$22,000 or more, the Contractor shall be entitled to three (3) progress payments, the first after thirty percent (30%) of the work, the second after an additional thirty percent (30%) and a third after an additional thirty percent (30%) of the total contract work is completed.

THAT said progress payments shall be based upon eighty percent (80%) of the contract price (from the Contractor's cost breakdown as approved by the Town) of the work completed on each line item which is one-hundred percent (100%) complete. The contractor shall furnish release of liens or claims for liens by subcon-tractors, laborers and material suppliers for completed work or installed materials before payment will be made.

THAT upon completion of all (100%) of the contracted work and the execution of the Town's "Certificate of Satisfaction," a final payment will be issued on the Owner's behalf. Prior to final payment the Contractor shall execute, and cause to be executed by all subcontractors, laborers and suppliers which contributed labor and/or materials furnished or used in the performance of the work covered by this Agreement, a "Release of Liens" on a form provided by the Town on behalf of the Owner.

5. **Time of Commencement and Completion of Work.** THAT the Contractor agrees to begin work under this contract within five calendar days of the day stipulated in the written "Notice of Proceed" which shall be issued by the Town on the Owner's behalf after all project funding has been encumbered and/or the pre-audit statement signed by the Finance Director of the Town.

THAT work shall be satisfactorily completed by the Contractor within \_\_\_\_\_ ( ) working days of the stipulated date of commencement. Time is of the essence.

6. **Contract Time Extensions.** THAT it is expressly understood and agreed that the time for completion of the work described herein is a reasonable time, taking into consideration the prevailing climatic and economic conditions. Time extensions shall be granted to the Contractor only for the following reasons:
- A. Unforeseeable causes beyond the control and without fault or negligence of the Contractor, including but not limited to, acts of God, acts of the Owner or the Town, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and abnormal and unforeseeable weather;
  - B. Any delays of Subcontractors occasioned by any of the causes specified in paragraph A, above; and/or,
  - C. Delays caused by the addition of work to the contract through Change Orders.

THAT the Town shall determine a reasonable length for the contract extension time.

7. **Liquidated Damages.** THAT if the Contractor shall fail to complete the work within the contract time, or an extension of the time granted per Article IV, above, then the Contract price shall be reduced in the amount of \$50.00 per each working day from the stipulated completion date until the work shall be satisfactorily completed. In the event that such reductions in the Contract price should equal or exceed the encumbered balance, the Contractor shall be found in default and the Contract shall be terminated.

8. **Guarantee of Materials and Workmanship.** THAT all work performed under this agreement shall be done in a good and workmanlike manner, using quality materials.

## EXAMPLE

THAT the Contractor does hereby guarantee all materials and workmanship supplied under this contract to be of a quality meeting the standards current in the N.C. Uniform Residential Building Code and shall correct any defect or deficiency that may occur or become evident during the period of twelve (12) months from and after the date of execution of the Certificate of Final Inspection.

THAT any damage to the building, grounds or appurtenances that is the result of the construction work performed by the Contractor will also be corrected by the Contractor at no cost to the Owner or the Town. The Contractor shall furnish the Owner with all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment under this contract.

9. **Lead Based Paint.** The Contractor will: 1) use no lead-based paint in connection with this contract; 2) report any suspected existing lead-based paint to \_\_\_\_\_ (Recipient) \_\_\_\_\_; 3) handle any confirmed lead-based paint in accordance with HUD 24CFR35 and OSHA regulations.

10. **Protection of Persons and Property.** THAT the Contractor shall exercise proper precaution at all times for the protection of persons and property, on or off the site, which occur as a result of performance of the work.

THAT the Contractor shall keep the premises reasonably clean and orderly during the course of the construction and, if the house is occupied, the Contractor shall make every effort to minimize disruption of the occupants' daily routine.

THAT the Contractor shall remove debris as it is generated so as to reduce the risk of accidents, infestation and/or damage to plants/lawns. All debris shall be removed from the site prior to final payment. (Unless otherwise agreed, all material and equipment that have been removed and/or replaced as a part of the work herein described shall belong to and be the responsibility of the Contractor.)

THAT the Contractor shall take or have taken any and all necessary precautions to prevent undue exposure of workmen and/or occupants to occupational health hazards such as solvents, asbestos, dust, fumigants, etc. No lead-based paint shall be used by the contractor, and no existing lead-based paint shall be disturbed (through sanding or scraping or with heat guns or solvents, etc.) except in full compliance with OSHA regulations.

11. **Owner's Responsibilities.** THAT the Owner shall permit the Contractor to use, at no cost, existing utilities such as light, heat, power and water necessary to carry out and complete the work. If the subject building is vacant it shall be the Owner's responsibility (unless otherwise agreed) to provide electrical service for the Contractor's use prior to the stipulated date of commencement.

THAT the Owner shall cooperate with the Contractor to facilitate the performance of the work, including the removal and replacement of rugs, coverings, pictures, keepsakes, furniture, etc., as necessary.

THAT the Owner shall allow the Contractor to work at the site during the contract period between the hours of 8:00 a.m. and 6:00 p.m., Monday through Friday (excluding legal Holidays).

# E X A M P L E

THAT the Owner shall permit the Town, the U.S. Government or its designee, the North Carolina Housing Finance Agency, or other funding source assisting in the financing of the Contract to examine and inspect the rehabilitation work.

12. **Resolution of Disputes.** THAT in the event that there is any question or dispute with respect to the interpretation or the manner of implementation of this Contract or related documents or relating to the execution, progress and completion of, or payment for, the work, the Owner and the Contractor agree that the Town shall resolve any such dispute in accordance with the General Conditions hereto and such resolution shall be final and binding upon the parties. If formal resolution becomes necessary, the Town shall provide a written Finding to each party within ten (10) calendar days.

13. **Acceptance and Final Payment.** THAT upon receipt of notice that the work is ready for final inspection and acceptance, the Owner and the Town shall promptly make such inspection. When the work is found acceptable under the Contract and the Contract fully performed, the Owner shall sign a Certificate of Satisfaction, the Town shall execute a Certificate of Final Inspection, and payment to the Contractor shall be authorized in an amount sufficient to cover the balance of the Contract amount.

THAT prior to final payment, the Contractor shall submit written certification that all payrolls, materials and other indebtedness connected with the Contracted work have been paid and that the Contractor will hold the Owner harmless from all claims of liens for labor or materials furnished or used in the performance of the work, whether by the Contractor or by any Subcontractor.

14. **Insurance and Licensing.** THAT the Contractor shall furnish the Town evidence of comprehensive liability insurance protecting the "Owner for not less than ONE HUNDRED THOUSAND DOLLARS (\$100,000) and THREE HUNDRED THOUSAND DOLLARS (\$300,000) in the event of bodily injury, including death, and FIFTY THOUSAND DOLLARS (\$50,000) in the event of property damage arising out of the work performed under the Contract; and evidence of Workmen's Compensation on all employees of himself and any subcontractor.

THAT the Contractor shall obtain all permits and licenses necessary for the completion and execution of the work and labor performed. The Contractor shall perform all work in conformance with applicable local codes and requirements whether or not so indicated in the Work Write-up.

15. **Federal Statutes and Provisions.** THAT the Contractor agrees to comply and conform with the following provisions of the Town and the U.S. Department of Housing and Urban Development (HUD) which are published in the General Conditions to this Contract and made a part hereto by reference: 1) Conflict of Interest Provision; 2) Legal Remedies; 3) Termination Provision; 4) Nondiscrimination Clauses; 5) Executive Order 11246; 6) Copeland "Anti-Kickback" Act Provision; 7) Access to Records and Records Retainage Clause; and 8) Lead-Based Paint Clause.

16. **Non-Assignment of Contract.** THAT the Contractor shall not assign this Contract without the prior written consent of the Owner and the Town. The request for assignment must be addressed to the North Carolina Housing Finance Agency.

**EXAMPLE**

IN WITNESS WHEREOF, by signature affixed below, said Contractor and Owner do hereby approve and accept all terms and conditions of this Contract as herein stated.

Owner(s)

Contractor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
By

\_\_\_\_\_  
Title

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

TOWN OF MCGILLICUDDY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

By: \_\_\_\_\_

Title: \_\_\_\_\_

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**Release of Liens**  
(Model)

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**NORTH CAROLINA HOUSING FINANCE AGENCY  
Single-Family Rehabilitation Program Loan Pool**

**Contractor's Release of Liens**

**A. Sub-contractor's and Supplier's Certification**

WHEREAS we, the undersigned sub-contractor(s) and/or supplier(s), have furnished the materials and work for the repair of the dwelling unit described below:

HOME OWNER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PRIME/GENERAL CONTRACTOR: \_\_\_\_\_

CONTRACT DATE: \_\_\_\_\_

WHEREAS we, the undersigned sub-contractors and suppliers, have agreed to release all liens which we, or any of us, have, or might have on the said buildings for work or materials contracted for or furnished in, for, or about the repairing or modification of the said building.

WITNESSETH, that we, the undersigned sub-contractors and suppliers, do hereby certify that all work required to be done by us in association with the above-referenced contract has been done in good and workmanlike manner in accordance with the terms thereof, and that we have been paid or definite arrangements have been made for us to be paid by the prime/general contractor;

WITNESSETH, that we, the undersigned sub-contractors and suppliers, do hereby release any and all claims for damages, loss or amounts owed or claimed to be owed by either the Contractor or Homeowner as a result of the above contract and work done thereunder.

IN WITNESS WHEREOF, we hereunto set our hands and seals, on the date written opposite our respective signatures:

(1) \_\_\_\_\_  
Date Sub-contractor/Supplier

\_\_\_\_\_  
Witness By: Authorized Signature

(2) \_\_\_\_\_  
Date Sub-contractor/Supplier

\_\_\_\_\_  
Witness By: Authorized Signature

(3) \_\_\_\_\_  
Date Sub-contractor/Supplier

\_\_\_\_\_  
Witness By: Authorized Signature

(4) \_\_\_\_\_  
Date Sub-contractor/Supplier

\_\_\_\_\_  
Witness By: Authorized Signature

(5) \_\_\_\_\_  
Date Sub-contractor/Supplier

\_\_\_\_\_  
Witness By: Authorized Signature

**B. Prime/General Contractor's Certification and Request for Payment:**

I do hereby certify to the Owner of the above property that the signatures signed to this Release of Leins comprise a true and complete list of all corporations and persons who have contracted for or furnished any and all repairs or improvements of the said building(s) or premises, or who are, or have been, sub-contractors upon said building(s) or any part thereof or for any furnishing and any and all fixtures or improvements to said real estate under any contract or agreement with the undersigned.

Upon receipt of payment of the balance due under the contract this document shall become effective to release all liens which I, the undersigned, have or might have on the said buildings for work or materials contracted for or furnished in, for, or about the repairing or modification of the said building. Payment shall be considered received when the related payment check has been properly endorsed and has been paid by the bank upon which it is drawn.

I hereby request payment of the balance due under the contract.

\_\_\_\_\_  
Contractor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Witness

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## **Request for Project Amendment**

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North Carolina Housing Finance Agency  
**Single-Family Rehabilitation Loan Pool**  
**Request for Project Amendment**

Member Organization:		Date:	
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*Amount of SFRLP Award, per Funding Agreement:*

**1. Dwelling units served:** *(Please check either A or B.)*

- A. No change in number of dwelling units to be served is requested.
- B. The Member requests that the number of dwelling units to be served be amended in accordance with the following matrix.

Number of Dwelling units	Approved			Proposed		
	DUs	SFRLP \$ Amount	SFRLP \$ per unit	DUs	SFRLP \$ Amount	SFRLP \$ per unit
<b>Totals =</b>		\$170,000				

Reason for requested change:

*(Attach additional page if needed)*

**2. Other Funds:** *(Please check either A or B)*

- A. No change in other funds to be leveraged is requested.
- B. The Member requests that the other funds target be amended in accordance with the following:

				<i>Total number of approved dwelling units:</i>	
		Approved	Actual to date	Proposed	Pct. Change
Source 1:					
Source 2:					
Total amount of other funds:					
Other funds per dwelling unit:					

Reason for requested change:

*(Attach additional page if needed)*

North Carolina Housing Finance Agency  
**Single-Family Rehabilitation Loan Pool**  
**Request for Project Amendment**

**4. Project Role:**

(Please check either A or B.)

- A.  No change of personnel is requested.
- B.  The Member requests approval of changes in key personnel as indicated below. A current resume is attached for each officer who was not named in our approved application.

Project Role	As Approved		Proposed Changes	
a. Project administration	Name:		Name:	
	Title:		Title:	
b. Financial management/ loan administration	Name:		Name:	
	Title:		Title:	
c. Attorney	Name:		Name:	
	Title:		Title:	
d. Rehabilitation management	Name:		Name:	
	Title:		Title:	
e. Work write-ups/ cost estimates	Name:		Name:	
	Title:		Title:	
f. Interim inspections of work	Name:		Name:	
	Title:		Title:	
g. Final inspections of work	Name:		Name:	
	Title:		Title:	
h. Applicant intake/ qualification	Name:		Name:	
	Title:		Title:	
i. Client Counseling	Name:		Name:	
	Title:		Title:	
j. Other: (Identify below.)	Name:		Name:	
	Title:		Title:	

**5. Member Certifications:**

The above-named Member organization hereby requests that its NCHFA Single-Family Rehabilitation Loan Pool project, (Funding Agreement # ) be amended as indicated above. I certify that all supporting information provided herein is accurate and the proposed changes are feasible and necessary to the success of the project.

*Authorized Officer*

*Date*

*Title*

**6. NCHFA Approval:**

The North Carolina Housing Finance Agency hereby approves the above Funding Agreement changes

as proposed, **or**

as revised by Agency staff (in blue ink). Said changes are hereby made a part of the Funding Agreement by mutual consent.

*Authorized Officer*

*Date*

*Title*

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# **Lead-Based Paint Requirement Worksheet**

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# Lead Requirements Worksheet

## North Carolina Housing Finance Agency Single-Family Rehabilitation Program (SFR)

*DIRECTIONS: This worksheet must be completed and placed in all unit files assisted with SFR funds.*

Street Address: \_\_\_\_\_ DU# \_\_\_\_\_

City: \_\_\_\_\_ State: NC Zip: \_\_\_\_\_

### **Part 1: Regulation Eligibility Statements**

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**Check all that apply:**

Property is receiving Federal funds.

Unit was built prior to 1978.

Note: Continue with the Exemption Statements below. If the home was built after January 1, 1978, check the first exemption and file form in the case file.

### **Part 2: Full Exemptions from All Requirements of 24 CFR Part 35 (The Lead Regulation)**

---

If any of the exemptions are applicable, the property is exempt from the requirements of 24CFR Part 35 per the regulatory citation. Note: ONLY eligible exemptions for SFR are listed.

**Check all that apply:**

The property was constructed after January 1, 1978. [35.115(a)(1)]

A paint inspection conducted in accordance with 35.1320(a) established that the property is free of lead-based paint. [35.115(a)(4)]

The date of the original paint inspection was \_\_\_\_\_. An optional paint inspection conducted on \_\_\_\_\_ confirmed this prior finding.

ALL lead-based paint in the property been identified and removed, and has clearance been achieved. [35.115(a)(5)]

ALL rehab **excludes** disturbing painted surfaces. [35.115(a)(8)]

Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency. [35.115(a)(9)]

# Lead Requirements Worksheet

## North Carolina Housing Finance Agency Single-Family Rehabilitation Program (SFR)

### Part 3: Hazard Reduction Requirements - Partial Waivers

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If any of the partial waivers are applicable, the grantee and/or homeowner may waive certain requirements as described below.

**A) De minimis [35.1350(d)(1) & (2)]**

The amount of painted surface that is being disturbed during construction is below "de minimis" levels. Safe work practices and clearance are not required in that work area.

\_\_\_\_\_ Less than 9 SF of bare soil?

\_\_\_\_\_ Less than 20 square feet on an exterior surface

\_\_\_\_\_ Less than 2 square feet in the following rooms:

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

**B) Elderly Relocation Waiver [Interpretive Guidance Question J-24]**

\_\_\_\_\_ The home is only occupied by an elderly person(s). Relocation of elderly homeowners is not required if complete disclosure of the nature of the work is provided and informed consent is obtained prior to rehabilitation.

**C) Historic Abatement Waiver [35.115(13)]**

\_\_\_\_\_ The home that is subject to abatement requirements is listed or eligible for listing on the National Register of Historic Places, or contributes to a National Register Historic District. The State Historic Preservation Office may request that interim controls be implemented rather than abatement.

**D) No Exterior Work [35.930(d)(3)]**

\_\_\_\_\_ No exterior paint is to be disturbed during renovation. (Only exterior stabilization required even in abatement jobs.)

**E) No Children [35.1330(d)(1)]**

\_\_\_\_\_ All of the residents are over the age of 6. (No chewable or play area treatments required.)

**F) No Bite Marks [35.1330(d)(1)]**

\_\_\_\_\_ All chewable surfaces are free of bite marks made by children under 6. (No chewable surface treatment required)

**G) No Dust Hazards [35.1330(c)(1)(i)]**

\_\_\_\_\_ The closest horizontal surface dust wipe is below the clearance threshold. (No friction and impact surface treatments required in the following work areas:

### Part 4: Level of Rehabilitation Assistance [35.915]

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A. Amount of federal funding for home \$ \_\_\_\_\_

B. Amount of rehabilitation **Hard Costs** (not including any soft costs or costs of lead hazard evaluation, reduction, clearance and training) \$ \_\_\_\_\_

C. Level of Assistance (lower of A or B) \$ \_\_\_\_\_

Approach Required (Based on answer to C, above)

\_\_\_\_\_ \$5,000 - \$25,000 Risk Assessment and Interim Control of Lead Hazards  
Note - If abatement work was subtracted from the hard cost to get the unit below \$25,000. The subtracted abatement items must be performed by a NC licensed abatement contractor and crew.

\_\_\_\_\_ \$25,001 and above Risk Assessment and Abate Lead Hazards

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## **Pre/Post Rehab Checklist**

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**NORTH CAROLINA HOUSING FINANCE AGENCY**  
**Single-Family Rehabilitation Loan Pool**  
**Rehabilitation Standards Checklist**

**(Sections B, C, and D)**

For the Dwelling Unit at:

Owned By:

**Section B: General Requirements**

<b>Pre-Rehab</b>			<b>Post-Rehab</b>			
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Has a local Code Officer documented that all SFRLP-funded work been was performed in accordance with state and local building and housing codes? (B.1, B.2)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Has the unit been reviewed for all environmental effects, and have all issues which negatively affect the property been remediated that were identified on the environmental screening checklist? (B.6)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Has the contractor been instructed to have all appliances and materials installed in accordance with the manufacturer's instructions. (B.7)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Has the homeowner been advised with regards to the proper care and maintenance of equipment and materials installed with Program funds. (B.8)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Where applicable, are Program-funded products "Energy Star" products? (B.9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Have "universal design" accessibility and other related modifications been evaluated, and effected as practicable. (B.10)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Has excessive moisture in the crawlspace or basement -- to the maximum practicable extent -- been eliminated by one or all of the following remedial measures: 1) foundation/footing drainage system; 2) sealing plumbing penetrations; 3) water-proofing foundation below grade; 4) gutter systems; and/or, 5) sump pumps? (B.11)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Has a continuous 6-10 mil poly vapor retarder been installed, wall to wall, in all accessible (greater than 18") crawlspace areas with an exposed earthen floor? (B.11)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Are there no known threats to the health and safety of the occupants and/or to the structural integrity of the unit based on a visual inspection on the date listed below? (B.4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Notes:/Comments:**

# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

(Sections B, C, and D)

For the Dwelling Unit at:

### Sections B: Written Rehabilitation Standards & C: Housing Quality Standards

Pre-Rehab			Sanitary Facilities	Post-Rehab		
YES	NO	N/A		YES	NO	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the unit contain a flush toilet in a separate, private room, a fixed basin with a sink trap, and hot and cold running water, and a shower or tub with hot and cold running water, all in proper operating condition? (B.12.10.1, B.12.10.2, B.12.10.3, B312.10.4, C.1.1, C.1.2.1, C.1.2.2, C1.2.3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Do these facilities utilize a State or local agency-approvable public or private waste disposal system? (C.1.2.4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Food Preparation and Refuse Disposal						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling unit contain an oven and a stove or range or microwave oven, and a refrigerator of appropriate size for the family occupying the dwelling unit, all in proper operating condition? (C.2.1.1, C.2.2.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling unit contain a kitchen sink with a sink trap and hot and cold running water which drains into an approvable public or private waste disposal system? (B.12.10.2, B.12.10.3, C.2.1.2, C.2.2.2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling unit contain adequate space and equipment for the storage, and preparation and serving of food in a sanitary manner? (B.12.8.4, C.2.1.1, C.2.3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling have facilities for the sanitary disposal of food waste and refuse. (C.2.1.2, C.2.2.4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Space and Security						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling unit contain a living room, kitchen area, and bathroom? (C.3.1, C. 3.2.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling unit contain at least one sleeping or living/sleeping room for every two persons in the household? (C.3.1.1, C.3.2.2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Are all exterior doors and windows accessible from outside the dwelling unit lockable? (B.12.5.2, B.12.5.3, C3.2.3, C.3.2.4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Thermal Environment						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the dwelling unit contain safe heating and/or cooling facilities which are in proper operating condition and can provide adequate heat and/or cooling to each room in the dwelling unit? (unvented room heaters which burn gas, oil or kerosene are unacceptable) (B.12.11.1.1, B.12.12, B.12.13, C.4.2.1, C.4.2.2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Illumination and Electricity						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Do all living and sleeping rooms contain at least one window? (B.12.5.3, C.5.1.1, C.5.2.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Is a permanent ceiling or permanent wall-type light fixture present and working in the bathroom and kitchen area? (B.12.9.1, B.12.9.2, B.12.9.3, B.12.9.4, C.5.1.1, C.5.2.2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Notes:/Comments:

# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

### (Sections B, C, and D)

For the Dwelling Unit at: \_\_\_\_\_

YES	NO	N/A	Is there at least one electrical outlet in the proper operating condition in the kitchen? (B.12.9.3, C.5.1.1, C.5.2.2)	YES	NO	N/A

YES	NO	N/A	Are at least two electrical outlets, one of which may be an overhead light, present and operable in the living room, and each bedroom? (B.12.9.4, C.5.1.1, C.5.2.3)	YES	NO	N/A

#### Structure and Materials

YES	NO	N/A	Are the ceilings, walls, and floors free of any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other serious damage? (B.12.8.1, B.12.8.2, C.6.2.1)	YES	NO	N/A

YES	NO	N/A	Is the roof structurally sound, weathertight, and free of any visible signs of advanced decay or sagging and any visible signs of water leakage through the roof? (B.12.6.1, B.12.6.2, C.6.2.2)	YES	NO	N/A

YES	NO	N/A	Is the foundation and exterior wall structure and surface free of any serious defects such as serious leaning, buckling, sagging, cracks or holes, loose siding, or other serious damage allowing for air infiltration or vermin infestation? (B.12.3.1, B.12.4.1, B.12.4.2, C.6.2.3)	YES	NO	N/A

YES	NO	N/A	Is the condition and equipment of interior and exterior stairways, railings, halls, porches, walkways, etc., such as not to present a danger of tripping or falling? (B.12.3.2, B.12.3.3, B.12.3.4, C.6.2.4)	YES	NO	N/A

#### Interior Air Quality

YES	NO	N/A	Does the dwelling unit appear free from dangerous levels of air pollution from sewer gas, fuel gas, dust, and other harmful air pollutants? (B.12.1.1, C.7.1.1, C.7.2.1)	YES	NO	N/A

YES	NO	N/A	Does the air circulation appear adequate throughout the dwelling unit? (B.12.7, C.7.1.1, C.7.2.2)	YES	NO	N/A

YES	NO	N/A	Do all bathroom areas have at least one openable window or adequate exhaust ventilation? (C.7.1.1, C.7.2.3)	YES	NO	N/A

YES	NO	N/A	Do all rooms used for sleeping have at least one window, and, if it is designed to be openable, is it in proper working order? (C.7.1.1, C.7.2.4)	YES	NO	N/A

#### Water Supply

YES	NO	N/A	Is the dwelling unit served by an approvable public or private water supply that is sanitary and free of contamination? <i>(Note: If you are uncertain about the quality of the water, check the "IC" (inconclusive) box and contact the appropriate public agency.)</i> (C.8.1.1, C.8.2.1)	YES	NO	N/A
IC						

#### Lead Based Paint

YES	NO	N/A	Was the dwelling unit built <b>during or</b> after 1978? (if yes, skip the next question) (B.12.2.1, C.9.1.1)	YES	NO	N/A

YES	NO	N/A	If built before 1978, is the dwelling unit in compliance with HUD Lead Based Paint regulations, 24 CFR, Part 35, issued pursuant to the Lead Based Paint Poisoning Prevention Act? (C.9.1.1)	YES	NO	N/A

**Notes/Comments:**


# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

(Sections B, C, and D)

For the Dwelling Unit at:

**Access**

YES	NO	N/A	Does the dwelling have its own private means of access/egress which does not require the owner to exit/enter through an adjoining dwelling unit? (C.10.1.1)	YES	NO	N/A

YES	NO	N/A	Does the dwelling unit provide an easily accessible alternative means of egress in case of fire (such as fire stairs or egress through windows)? (C.10.1.1)	YES	NO	N/A

**Site**

YES	NO	N/A	Is the site free of serious adverse environmental conditions, natural or manmade, such as dangerous walkways; steps; hazardous vegetation; instability; flooding, poor drainage; septic tank back-ups, sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulation of trash; vermin or rodent infestation; or fire hazards? (B.12.2.2, B.12.2.3, B.12.6.3, C.11.1.1, C.11.2.1)	YES	NO	N/A

**Sanitary Condition**

YES	NO	N/A	Is the dwelling unit free of visible vermin or rodent infestation? (C.12.1.1, C.12.2.1)	YES	NO	N/A

**Smoke Detectors**

YES	NO	N/A	Is there at least one properly operating smoke detector on each dwelling level? (B.12.1.2, C.13.1.1)	YES	NO	N/A

YES	NO	N/A	Are all smoke detectors installed and located in accordance with the National Fire Protection Association Standards (NFPA 74), and current local and state building codes? (C.13.1.1)	YES	NO	N/A

YES	NO	N/A	Are none of the dwelling occupants hearing-impaired? (if yes, answer the following question with "N/A") (C.13.1.1)	YES	NO	N/A

YES	NO	N/A	If a hearing impaired person occupies the dwelling unit, are the smoke detector alarm systems designed for such persons as specified in NFPA 74? (C.13.1.1)	YES	NO	N/A

**Mobile Homes\* (Manufactured Housing Unit)**

YES	NO	N/A	Is the dwelling unit other than a mobile (manufactured housing unit) home? (if yes, answer "N/A" to next two questions)	YES	NO	N/A

YES	NO	N/A	Is the mobile home securely anchored by a permanent foundation and connected to permanent utility hook-ups?	YES	NO	N/A

YES	NO	N/A	Does the mobile home meet the construction standards established under 24 CFR 3280 (available from HUD)? (HUD code covering post 1978 housing.)	YES	NO	N/A

(\* NOTE: Special permission required to rehabilitate a manufactured home under SFRLP. See Program Guidelines.)

**Notes:/Comments:**

# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

(Sections B, C, and D)

For the Dwelling Unit at:

### Section D: Energy Efficiency

	<b>Pre-Rehab</b>		<b>Post-Rehab</b>
	<b>YES</b> <b>NO</b> <b>N/A</b>	<b>Air Sealing and Infiltration</b>	<b>YES</b> <b>NO</b> <b>N/A</b>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Have pre-rehabilitation blower door test and pressure diagnostics been performed so as to identify accessible building envelope penetrations/thermal bypasses to be sealed as part of the rehaulitation process? <i>Note: An energy-efficiency certificate on which the recorded air flow rates, and the results of pressure tests must be retained in the case file. This form is provided at the end of Section D (Energy-Efficiency Standards).</i>	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	Has a post-rehabilitation blower door test been made and have accessible building envelope penetrations/thermal bypasses been sufficiently sealed so as to achieve the HPwEs certification? <i>Note: An Energy Efficiency certificate on which is recorded the air flow rates, and the results of pressure tests must be retained in the case file. (D.4.8)</i>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	If existing windows are to be retained, has all cracked, loose and/or brittle putty on existing prime windows been replaced with new glazing compound? (D.3.1.5)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Have all cracks, holes and gaps around the interior and exterior window casing and jambs been caulked? (D.1.2.2)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Have all existing window sashes, which are designed to be openable, been weather-stripped as appropriate to the type of sash? (D.1.2.2)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Are all existing prime windows sealed against infiltration to the maximum practicable extent? (D.1.2.2)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Have storm windows with screens been installed on all existing single-glazed prime windows that are sound, prior to, or as a result of the rehab? (D.3.15)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	Where new or replacement windows have been installed are they Energy Star-rated products or do they meet Energy Star performance criteria? (D.3.15)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Have all exterior doors, and interior doors between conditioned and unconditioned spaces, been treated as appropriate to achieve minimal air infiltration by use of thresholds with door shoes, weather-stripping, caulking and, if applicable, combination storm/screen doors? (D.3.13.1)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Where thresholds are not practicable -- or when a threshold alone will not stop air infiltration -- have door shoes been installed on exterior doors and interior doors separating conditioned from unconditioned space? (D.3.13.1)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	Where new or replacement exterior doors have been installed, are they Energy Star-rated products or do they meet Energy Star performance criteria? (D.2.13)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Insulation</b>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Is insulation installed to achieve its rated R-value in all locations; and is the insulation in direct contact with the air barrier of the structure? (D.3.1, D.3.2)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Are there no gaps, voids or compressed insulation (with the exception of dense-packed cellulose)? (D.3.1)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

**Notes:/Comments:**

# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

(Sections B, C, and D)

For the Dwelling Unit at:

YES	NO	N/A	Is there no possibility of wind infiltration into or through the insulation? (D.3.1)	YES	NO	N/A
YES	NO	N/A	Are all ceilings (attic floors) over conditioned space insulated to the maximum extent feasible to achieve R38? (D.3.3)	YES	NO	N/A
YES	NO	N/A	Are all exterior frame-built walls constructed as part of the Program-funded rehabilitation project insulated to R-18 (including R-15 in cavities and R-3 exterior sheathing plus wall materials) with a continuous air barrier on the interior surface? (D.3.6)	YES	NO	N/A
		X				
YES	NO	N/A	Are all new interior walls, or walls, on which repairs involve exposing wall cavities, separating unconditioned space from conditioned space (e.g., garage, etc.) insulated to R-15 with a continuous air barrier on the interior (living space) and exterior surfaces? (D.3.6)	YES	NO	N/A
		X				
YES	NO	N/A	If exterior siding and wall sheathing was removed, were exterior walls insulated to achieve R-18 (R-15 faced batts and R-3 sheathing)? (D.3.7)	YES	NO	N/A
		X				
YES	NO	N/A	Have exterior walls been insulated, where practicable, with blown-in dense-pack cellulose or Agency-approved alternative? <i>Note: If post-rehab response is "NO" add comment below regarding why installation was not practicable.</i> (D.3.7)	YES	NO	N/A
YES	NO	N/A	Are all uninsulated masonry block exterior walls insulated to at least R-5, <i>OR</i> alternatively, have stud walls been constructed inside the exterior block walls and insulated with R-15 batts? (D.3.8)	YES	NO	N/A
YES	NO	N/A	Has R-19 insulation been installed between floor joists of all conditioned areas over unconditioned basements, cantilevers, or crawlspaces with 18" clearance or more, and has the insulation been installed in such a way as to be continuous, without gaps, in contact with the adjoining thermal envelop air barrier? (D.3.9)	YES	NO	N/A
YES	NO	N/A	If new exterior door or window headers have been installed, does the header construction include a minimum of 1/2" rigid foam sandwiched between the load-bearing two-by members? (D.3.14)	YES	NO	N/A
		X				
YES	NO	N/A	Have all window and door casings, that have been removed or replaced for any reason, had all voids filled with non-expanding insulating foam sealant or an approved alternative and a continuous 6-mil poly vapor retarder installed between framing and jambs? (D.1.2.2)	YES	NO	N/A
		X				
YES	NO	N/A	Are all accessible water supply pipes in unconditioned spaces insulated with 1/2" (minimum) preformed foam insulation (or equivalent insulation material labeled for use on pipes and meeting minimum requirements as in Federal Standards ASTM C592-80 and ASTM E84) installed such that there are no gaps and the insulation securely fastened? (D.3.10)	YES	NO	N/A

**Notes:/Comments:**

# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

### (Sections B, C, and D)

For the Dwelling Unit at: \_\_\_\_\_

<b>YES</b>	<b>NO</b>	<b>N/A</b>	Are electric water heaters in unconditioned, accessible space insulated to R-6 (minimum) using commercial kits or foil- or vinyl-faced batts (with facing outside); and, are access plates to heating elements, thermostat controls, junction boxes, cover plates, or pressure relief valves not covered; and, is there no insulation below the tank level if the water heater has a dry element; and, does the insulation blanket stop 1 inch above the floor; and, is insulation installed per manufacturer's recommendation as to not void the manufacturer's warranty? (D.3.11)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Has a completed Energy Efficiency Certificate been furnished by the contractor and posted in the dwelling unit as required by the NC Energy Conservation Code?	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Have all attic stairs, attic access scuttles and other access openings to unconditioned space been treated (weatherstripped and insulated) to minimize radiant and infiltration heat-loss? (D.3.12)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Have attic access openings been framed or modified to allow R-38 insulation to be installed up and around the opening. (D.3.12.1)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Has a "box" of at least R-10 styrofoam, or Agency-approved alternative, been constructed and/or installed over pull-down-type attic stairs? (D.3.12.2)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>HVAC Systems</b>						
<b>YES</b>	<b>NO</b>	<b>N/A</b>	If retaining existing HVAC system is it adequately sized, tuned, safe and appropriately placed in the home in order to ensure reasonable comfort and efficiency while heating and/or cooling the dwelling unit? (D.4.5)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Has a new heating and/or cooling system been installed based on the efficiency of the system and its appropriateness to the dwelling unit; and, has it been properly sized in accordance with Manual J calculations; and, does it not exceed that calculated size by more than .5 ton; and, is it Energy Star labeled? (D.4.1)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
		X				
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Is a new ductwork delivery system either not necessary due to a direct vent space heater/HVAC system type and design or, if existing is retained, is it appropriately sized, designed, sealed and insulated in accordance with the existing HVAC forced-air system? (D.4.5)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	If existing delivery system ductwork is retained is it sealed with a UL-listed bucket mastic product? (D.4.2)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Has a new ductwork delivery system been installed, sized and designed in accordance with ACCA Manual D standards? (D.4.2.)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
		X				
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Has new ductwork been sealed, where accessible, with mastic or an approved alternative? (D.4.2)	<b>YES</b>	<b>NO</b>	<b>N/A</b>
		X				
<b>YES</b>	<b>NO</b>	<b>N/A</b>	Have all boot-to-floor and boot-to-drywall duct system connections been sealed with duct mastic or Agency-approved alternative? (D.4.7.1, 4.8.1)	<b>YES</b>	<b>NO</b>	<b>N/A</b>

**Notes:/Comments:**


# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

### (Sections B, C, and D)

For the Dwelling Unit at: \_\_\_\_\_

YES	NO	N/A	Has all accessible new ductwork located in unconditioned spaces, such as basements, crawl spaces, garages, storage/utility rooms been insulated in accordance with the NC Energy Conservation Code? (D.4.7)	YES	NO	N/A
		X				

YES	NO	N/A	Does the dwelling contain no unvented combustion heating appliance? (D.6.2)	YES	NO	N/A

YES	NO	N/A	Does the dwelling utilize no electric resistance heating appliance as its primary heating system? (D.4.8)	YES	NO	N/A

YES	NO	N/A	Is existing or new replacement wood-burning space heater installed in accordance with N.C. Residential Building Code and certified by EPA? (D.4.10)	YES	NO	N/A

**Ventilation Systems**

YES	NO	N/A	Does the dwelling unit have attic ventilation which meets or surpasses current NC State Residential Building Code requirements? (D.2.5)	YES	NO	N/A

YES	NO	N/A	If soffit/cornise vents are present or installed under the SFRLP is there a clear channel of at least 1" between the roof sheathing and the top of the ceiling insulation? (D.2.5)	YES	NO	N/A

YES	NO	N/A	Does the bathroom(s) have Energy Star rated and labeled mechanical ventilation equipment with the capacity to exhaust a minimum of 50 cfm, as installed and tested, and which is vented to the exterior of the unit and equipped with a backdraft damper? (D.2.2)	YES	NO	N/A

YES	NO	N/A	Does the kitchen have Energy Star rated and labeled mechanical ventilation equipment with the capacity to exhaust a minimum of 100 cfm, as installed and tested, and which is vented to the exterior of the unit and equipped with a backdraft damper? (D.2.4)	YES	NO	N/A

YES	NO	N/A	Has HPwES approved combustion safety testing protocol been completed? (D.6.1)	YES	NO	N/A

YES	NO	N/A	Are all fireplaces, gas logs, space heaters, and other combustion appliances directly vented to the outside? (D.6.3)	YES	NO	N/A

YES	NO	N/A	Have all combustion appliances in conditioned space been tested for carbon monoxide leakage/backdrafting during the operation of all exhaust fans vented to the exterior? (D.6.1)	YES	NO	N/A

YES	NO	N/A	Have carbon monoxide (CO) detectors been installed in accordance with D.6.4? (D.6.4)	YES	NO	N/A

**Notes:/Comments:**


# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

### (Sections B, C, and D)

For the Dwelling Unit at:

#### Appliances and Fixtures

YES	NO	N/A

Is the existing water heater in working order and reasonably energy-efficient to provide hot water to all plumbing fixtures in the bathroom(s) and kitchen?

YES	NO	N/A

YES	NO	N/A
		X

Are appliances such as: 1) dishwasher; 2) range; 3) refrigerator; 4) washer; and, 5) dryer -- installed and if paid for with Program funds Energy Star products? (D.5.2)

YES	NO	N/A

YES	NO	N/A
		X

Do all newly installed bathroom and/or Kitchen plumbing fixtures, paid for with Program funds, meet or exceed the water usage standards given in the N.C. State Plumbing Code? (D.5.3)

YES	NO	N/A

YES	NO	N/A
		X

If new interior lighting fixtures were installed, are they designed to use compact fluorescent, tubular fluorescent, or LED bulbs? (D.5.1)

YES	NO	N/A

#### Notes:/Comments:

# Single-Family Rehabilitation Loan Pool

## Rehabilitation Standards Checklist

(Sections B, C, and D)

For the Dwelling Unit at:

### SFRLP Recipient Certifications:

**Pre-Rehabilitation Certification:** By signing below, I hereby state that, to the best of my abilities, due care and diligence was used when I inspected the unit described on page 1 and that said unit contains the violations to the Single-Family Rehabilitation Loan Pool Rehabilitation Standards (including: General Requirements, Section 8 Housing Quality Standards, Energy Efficiency Standards, Environmental Protection, and Lead Based Paint) as indicated by marking the "no" box in the Pre-Rehab column adjacent to the items in question on the date listed below.

---

Inspector Signature & Certification

**Final Inspection Certification:** By signing below, I hereby state that, to the best of my abilities, due care and diligence was used when I have inspected the unit described on page 1 and that said unit on the date listed below: 1) meets the Single-Family Rehabilitation Loan Pool Rehabilitation Standards (including: General Requirements, Housing Quality Standards, Energy Efficiency Standards, Environmental Protection, and Lead Based Paint); 2) to the best of my knowledge and experience appears to retain no imminent threats to the health or safety of the occupants or to the structural integrity of the unit; and, 3) has had all contract items, as required by the scope of work and/or all change order(s) completed.

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Inspector Signature & Certification

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**Certification of Completion and Final  
Cost (CCFC)**

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NORTH CAROLINA HOUSING FINANCE AGENCY  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**CERTIFICATION OF COMPLETION AND FINAL COST**

(Please Type or Print Legibly in Ink AND Please round to the nearest dollar)

Member Organization:		Date of Report:	
Funding Agreement #:		Program Completion Date:	
Report Prepared by:		Phone Number:	

**A. ACCOUNT BALANCES**

**1. Receipts:**

a. Amount of total SFRLP Program funding allocation. . . . .	_____
b. Sum of HOME-funded SFRLP Program monies drawn from IDIS. . . . .	_____
c. Sum of other Program income (recapture/loan defaults, etc.) . . . . . (+)	_____
d. Total receipts (b. plus c.) . . . . . (=)	_____

**2. Disbursements by Member of HOME-funded SFRLP Program monies:**

a. Rehabilitation hard costs . . . . .	_____
b. Rehabilitation soft costs . . . . .	_____
c. Total of disbursements (a. plus b. plus c.) . . . . .	_____

**3. Balance of SFRLP funds in local SFRLP Account (1.d. minus 2.d.) (Return to NCHFA). . . . .** \_\_\_\_\_

**B. CUMULATIVE PRODUCTION**

**1. Dwelling units rehabilitated:**

County Served				Total Funds (SFRLP + Other Leveraged)			
Number of Completed Units				Average Funds (SFRLP + Other Leveraged)			
SFRLP Funds Disbursed				Other Leveraged Funds Disbursed			
Hard	Soft	Admin	Total	Hard	Soft	Admin	Total
<b>Total</b>							
<b>Average</b>							

**2. Total other funds leveraged for Hard Costs (only Hard Costs), by source:**

Other Leveraged Funds Disbursed for Hard Costs							
CDBG	USDA HPG	USDA 504	W.A.P	HOME	Owner Cont.	Local govt.	Total

For NC Housing Finance Agency Use Only								
Case Manager	Date Received?	Payment Received?	SFR Funds deobligated?	CCFC signed?	Date checked by Case Manager	Date entered into all data systems	All loan docs sent to Servicing?	Monitor Resp. OK?

NORTH CAROLINA HOUSING FINANCE AGENCY  
**SINGLE-FAMILY REHABILITATION LOAN POOL PROGRAM**  
**CERTIFICATION OF COMPLETION AND FINAL COST**

*(Please Type or Print Legibly in Ink)*

Date of Report:  Member:

**C. CERTIFICATIONS** *(Please check the box beside each applicable statement.)*

- 1. All dwelling units rehabilitated under the direction of the Member with SFRLP assistance now meet HUD's Housing Quality Standards and the Agency SFRLP Rehabilitation Standards and contain no imminent threats to the occupants of the unit or the structural integrity of the unit.
  
- 2. All Program-funded rehabilitation work was inspected, as required, by State building code enforcement officers.
  
- 3. All required security documents have been properly executed, recorded and submitted to the Agency pursuant to the Program regulations.
  
- 4. All Agency concerns stemming from its monitoring of the Member's SFRLP Project (as stated in a letter from the Agency) have been resolved.
  
- 5. Unit Completion Reports have been submitted for all activity accounts that were set-up in the HUD Integrated Disbursement & Information System (IDIS), leaving a IDIS balance of zero (0).
  
- 6. *(Please check a. or b.)*
  - a. All audit reports or financial statements (as per P.G. 3.8.) have been submitted to the Agency covering each fiscal year in which Program funds were on hand; **or,**
  - b. All required audit reports or financial statements have been submitted except that covering the current fiscal year. Said current-year document will be submitted as soon as it is made available to the Member. (Estimated date: )
  
- 7. If the figure entered at line A.3 of this Certification of Completion and Final Cost is greater than zero (0), a check in the amount there shown, made out to the North Carolina Housing Finance Agency, accompanies this document.
  
- 8. All dwelling units rehabilitated with program funds have a post rehabilitation value of less than 95 percent of the median purchase price for the type of single-family housing for the jurisdiction as determined by HUD.

**As chief operating officer of the Member  
I certify that the information contained  
in this report is complete and accurate.**

Authorized signature

Date