

8 June 2021

Via U.S. Mail

Mr. Scott Farmer
Executive Director
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, North Carolina 27609

Re: Homeowner Assistance Fund – Community Associations Institute Comment

Dear Mr. Farmer:

I represent the North Carolina Chapter of the Community Associations Institute (“CAI”). CAI is a national organization of community associations, including homeowners associations, condominiums, community managers, and other service providers. The purpose of this correspondence is to submit comments as part of the North Carolina Housing Finance Agency’s adoption and implementation of the Homeowner Assistance Fund.

Last week, I spoke briefly with Will Parry-Hill regarding the HFA’s adoption of programs and procedures under the American Rescue Plan, including the Homeowner Assistance Fund. CAI greatly appreciates your efforts to formulate the plan and allocate funds to assist homeowners with mortgage payments who have been adversely affected by the global pandemic. As you know, due to the global pandemic, homeowners across this state have faced financial hardships including job loss, COVID infection, mandatory quarantines, and other issues negatively impacting owners’ abilities to afford housing payments and related costs. While mortgage and rental relief programs have been primary considerations in both state and federal assistance plans, homeowners have also experienced hardships in staying current on homeowner and condominium association annual assessments.

North Carolina contains approximately 14,000 homeowner and condominium associations that provide essential services such as trash, utilities, grounds and landscaping, and security services. These associations often maintain and operate various amenities such as pools, tennis/golf facilities, and other common areas owned by the association and held for the benefit of owners. These services and expenses are funded exclusively through homeowner assessments which are established and budgeted for each calendar year. Homeowners are required to pay such assessments by virtue of their ownership of property in each respective community. While not as widely publicized as COVID-related mortgage or rental default, homeowners are nonetheless experiencing significant financial strain that is impacting their ability to stay current on association assessments. Many associations have been lenient in enforcement against delinquent owners, but unfortunately, associations are not capable of forgiving these debts without foregoing their only source of funding for the community.

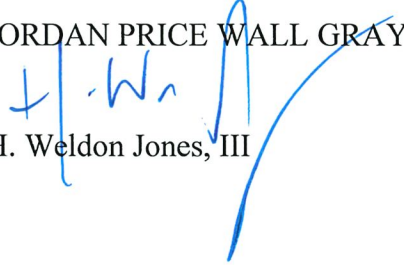
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To that end, CAI would respectfully request that the HFA not limit the Homeowner Assistance Fund to mortgage relief alone and would encourage adoption of measures to provide assistance for those qualifying individuals who have become unable to pay their homeowner or condominium association regular assessments. We understand that the federal authorizing legislation likely includes this category of assistance already, or at least the authority therefor. Additionally, CAI would respectfully request that this issue be added to any marketing or public notice of this program such that qualifying owners throughout the state are aware of the option to seek assistance with assessments.

We appreciate your consideration of this important issue and thank you for your efforts. Please let me know if you have any questions or comments.

Sincerely,

JORDAN PRICE WALL GRAY JONES & CARLTON


H. Weldon Jones, III

cc. Will Parry-Hill, by email