



# HARVEY HOMEOWNER ASSISTANCE PROGRAM

## WHAT YOU NEED TO KNOW ABOUT LIENS

When the Harvey Homeowner Assistance Program assists Houston residents whose homes were damaged by Hurricane Harvey, we are making an investment in homeowners and their communities. We protect this investment with policies that encourage homeowners to stay in their homes for certain periods of time.

### EXAMPLES:



#### STAY

Maria gets help from the City to fix her roof and make other needed repairs. The amount of the assistance for these repairs is \$45,000. Maria has a three-year unsecured compliance period on the property. She lives in her home for many years to follow. After three years, her compliance period is fulfilled, and she must take no further action.



#### SELL

David's home was damaged during Hurricane Harvey and needed to be rebuilt. The City reconstructed his home and placed a \$160,000 lien on the home, to be forgiven incrementally over 20 years. After 15 years, David decides to sell his home. When he sells, \$120,000 of the loan amount is forgiven, and \$40,000 of his sale price goes to the City to repay the remainder of assistance provided. The City will then use that \$40,000 to provide assistance to another family.



#### MOVE OR RENT

Joyce's home was damaged during Hurricane Harvey and needed to be rebuilt. The City reconstructed her home and placed a \$180,000 lien on the home, to be forgiven incrementally over 20 years. After 10 years, Joyce and her spouse want to rent out their home and buy a second home for themselves. \$90,000 of the lien has already been forgiven, but in order to remove the lien, Joyce must repay the remainder of the assistance provided, or \$90,000, to the City. The City will then use that \$90,000 to provide assistance to another family.



#### PASS ON TO HEIRS

The City rebuilt Jamelle's home and put a \$160,000 lien on the home, to be forgiven incrementally over 20 years. Jamelle passed away after 15 years living in his home, leaving the home to his daughter, Celeste. Celeste inherits the home and the remaining five years of the lien. If she stays in the home for five years, the lien will be removed from the title. If she does not live in the home as her primary residence, she must instead repay the remaining amount of the lien, which in this case would be \$40,000. The City will then use that \$40,000 to provide assistance to another family.

Terms are determined based on the type and amount of assistance provided, as follows:

#### Rehabilitation/Reconstruction

Assistance Amount	Term	Annual Reduction Rate*
Less than \$20,000	No Lien	N/A
\$20,000-\$80,000	3 yr unsecured compliance period (No Lien)	N/A
More than \$80,000 or Reconstruction	20 Year Lien	5%

#### Reimbursement only

Assistance Amount	Term	Annual Reduction Rate*
Less than \$20,000	No Lien	N/A
\$20,000-\$80,000	1 yr unsecured compliance period (No Lien)	N/A

\*The assistance is forgiven at a set percentage rate of the original assistance amount for each full year the buyer lives in the home. The lien will be removed after the terms of the assistance are complete. See program-specific guidelines for details.

#### Other Considerations:

When you receive assistance, you must continue to meet certain obligations over the course of the compliance period, including:

- Paying property taxes
- Keeping the home as your primary residence
- Maintaining certain kinds of insurance, including flood insurance
- Performing regular maintenance

If you have any concerns or questions, speak with a disaster recovery specialist about the types of costs you should consider when budgeting for your new or repaired home.

**Not all homeowners who apply may receive assistance.**

For more information call **832-393-0550** or visit **RECOVERY.HOUSTONTX.GOV/HOAP** and take the first step to recovery.

