

As a realtor representing a Harris County Post Disaster Relocation and Buyout Program participant, you have a unique opportunity to help ensure your client receives every benefit available to them through the program. To better assist you, we have created this Guide with information you should know when helping Buyout Program clients find and close on replacement homes. We appreciate your partnership and look forward to working with you.

### Quick Tips for Sellers' Agents

This is a federally funded mandatory program that will move residents in some Harris County floodways to higher ground. See buyout area maps and detailed program information at <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout/Buyout-Interest-Area-Maps-and-Profiles>.

Federal law requires that when a government agency like Harris County conducts a mandatory buyout, it must provide owner-occupants with comparable homes that have passed Decent, Safe and Sanitary (DSS) inspections. (This is separate from the TREC inspection.) Buyout area owner-occupants receive a housing replacement payment to cover the cost of a comparable home currently available on the market.

What does that mean for the seller's agent?

➤ **Most closings will be cash deals.**

Buyers do have the option to purchase a higher value home and cover the difference themselves.

➤ **It will take longer to close.**

We need 45-60 days to complete program requirements, which are federally mandated.

➤ **Harris County will provide a check to close.**

Wire transfers will NOT be used. To avoid closing delays, select a title company from those familiar with County requirements. A list can be provided.

➤ **Program staff are available for questions.** We cannot change the federal regulations, even in Harris County's tight real estate market, so please work closely with the buyer or contact a program Relocation Specialist directly at 832-927-4955, [RebuildHarris@harriscountytx.gov](mailto:RebuildHarris@harriscountytx.gov), with any questions.

### Buyer's Agent Tips on Understanding Your Client's Award Amount

- **Your client will receive a Notice of Eligibility (NOE) outlining the amount they will be awarded for a relocation home.** The County provides eligible owner-occupants with a relocation benefit that includes enough, when combined with the net proceeds of the sale of their displacement home, to move to a comparable home, plus moving expenses. Other assistance available to eligible owner-occupants with household incomes no higher than 120% of the County's area median income are: 1) A locality incentive of \$19,875 for buyers who choose a relocation home in Harris County, and 2) Downpayment assistance to buyers who need gap financing for the lender-required downpayment.
- **Your Buyout Program client may purchase a relocation home priced higher than their award amount,** but they are responsible for paying (or financing) the difference.
- **Their relocation dwelling must be located outside any 100-year floodplain.**
- **The \$19,875 locality incentive is a one-year forgivable loan.** To receive the locality incentive, the homeowner must sign a promissory note, available at [https://www.harrisrecovery.org/Portals/recovery/Documents/Program-docs/Promissory-Note-Review.FINAL\\_ENGLISH.pdf](https://www.harrisrecovery.org/Portals/recovery/Documents/Program-docs/Promissory-Note-Review.FINAL_ENGLISH.pdf), and maintain the home for one year as their primary residence. Waivers are available for extenuating circumstances such as if the homeowner has to move to a nursing care facility, passes away, or is deployed elsewhere for military service.
- **Residents must be legally present in the U.S. to qualify for federal relocation benefits.**

If the household is mixed status, relocation benefits are calculated based on those legally present.

- **Undocumented residents and other low- to moderate-income individuals who are not eligible for full federal relocation benefits may be eligible for assistance from the Harris County SAFE Program.** To get help, they need to contact their Relocation Specialist. For details about the SAFE Program, visit <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout/SAFE-Program-Programa-SAFE>.





## Before a Closing Can Occur

- Allow 45-60 days to close on the replacement home so there is time to complete the required actions.
- Harris County must conduct a Decent, Safe and Sanitary (DSS) inspection of the replacement dwelling. Make sure the County DSS inspection occurs BEFORE making an offer on a home. Failure to do so could result in loss of out-of-pocket expenses such as the option fee or TREC inspection fee.

- Homes built prior to 1978 must be inspected for the presence of lead-based paint (LBP). During the DSS inspection, the presence of peeling paint will be noted as it may be lead-based paint. Any LBP must be remediated before relocation benefits can be paid for the purchase of this dwelling. A flyer available at <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout#forms> can provide additional information.
- A review will be conducted to identify any environmental concerns, such as the presence of lead-based paint. The Environmental Review is required before scheduling the closing.
- After the home passes the DSS inspection, a TREC inspection can be scheduled. The TREC reviews different aspects of the home than the DSS inspection. While the home will not be denied by the program due to items found in the TREC report, the TREC inspection provides the homeowner with information that could be used to renegotiate the contract price or require the seller to complete repairs or purchase home warranty insurance or take other actions that help the buyer mitigate the risks of items found in the inspection.
- The contract to purchase the property should be conditioned upon successful completion of these inspections and reviews, even if an option fee is required to do so. Reasonable fees will be reimbursed by the program.
- Harris County highly recommends that the homebuyer get an appraisal on the relocation home even though appraisals are not required with cash sales. Speak to the Relocation Specialist about getting the appraisal cost reimbursed.
- Before a closing can occur, the relocation payment packet must be approved by Harris County Commissioners Court. The Court generally meets twice a month, but not always. For a schedule of meetings, see <https://harriscountytexas.gov/Calendar.aspx>.
- The title company must accept Harris County's check. The County will not wire funds and is not responsible for delays created by title companies that require the check to clear before the closing occurs. The County can provide a list of title companies able to close upon receipt of the check.

## Accessing More Information



1. For a full understanding of the program, please review the Program Guidelines, available online at <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout#guidelines>.
2. In addition to the links included in this flyer, the County has a robust array of information and resources available online at <https://www.harrisrecovery.org/Programs/Buyout/>.
3. Of particular interest to realtors representing buyout area clients are the following documents, all of which have previously been shared with program participants:
  - a) Buyout Interest Area Maps - <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout/Buyout-Interest-Area-Maps-and-Profiles>
  - b) Documents from the U.S. Department of Housing and Urban Development - <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout#documents>
  - c) When A Public Agency Acquires Your Property
    - i. Landowner Bill of Rights
    - ii. Relocation Assistance to Displaced Homeowner Occupants
    - iii. Relocation Assistance to Displaced Businesses
    - iv. Relocation Assistance to Tenants Displaced from Their Homes
  - d) Frequently Asked Questions - <https://www.harrisrecovery.org/Programs/Buyout/Post-Disaster-Relocation-and-Buyout/FAQs>