

KNOW BEFORE YOU CLOSE

REVIEW YOUR AWARD CAREFULLY

Appeals must be filed BEFORE you sign your grant agreement at closing. All appeals must be submitted in writing within 30 calendar days of the date of the eligibility determination letter or the grant award. More information about the appeals process is available on the program website: rebuild.nc.gov.

Once your grant agreement is executed, you waive any right to appeal the determinations of award amount, results of any inspections, and funding requirements (including Duplication of Benefits calculation and any escrow requirement). Should any future policy change positively impact the amount of your grant award, you will be notified, your grant award will be recalculated accordingly, and you will have the option to sign an updated grant agreement.

Program policy requires homeowners to self-certify that they still own the damaged property and have not transferred it, or received notices of default or seizure related to taxes, mortgage, or title prior to receiving a grant award. Additionally, the program requires that homeowners maintain ownership and primary residency status throughout the entirety of their participation in the program.

DUPLICATION OF BENEFITS

Federal guidelines prohibit any applicant from receiving federal disaster assistance funds for the same purpose as funds previously received. Duplication of Benefits (DOB) is defined as any funds available and/or received from the Federal Emergency Management Agency (FEMA), insurance (private or National Flood Insurance Program [NFIP]), Small Business Association (SBA), or any other funding source that were intended for home repair or replacement.

You will be required to certify that you have reported all Duplication of Benefits and any funds received both before and after you submitted your program application.

REQUIRED ESCROW (IF APPLICABLE)

If you received or were approved for funding from other sources (such as FEMA or SBA) to repair your storm-damaged home, federal law requires those funds to be invested by you into home repair before the program may disburse additional dollars.

The "required escrow" funds referenced must be sent to the program, in the form of a cashier's check or money order, to be deposited into a state-managed account. These funds are combined with the program grant funds to ensure your repair/reconstruction project is fully funded and complete.

You will also be required to sign an escrow agreement that contains the terms and conditions agreed upon to accept your award.

Escrow funds must be provided at the time of your closing meeting. If you are conducting your closing meeting electronically (via e-mail or DocuSign), please mail your escrow funds to the address below **after** signing and returning the closing documents. Checks should be made out to the **NC Department of Public Safety**.

NCORR, CDBG-DR Program

Attn: North Carolina Office of Recovery & Resiliency
P.O. Box 110465
Durham, North Carolina 27709

Requests for prepaid envelopes should be sent to:
escrow@rebuild.nc.gov or you may call (984) 664-9900.

FLOOD INSURANCE REQUIREMENTS

If your structure is located in a Special Flood Hazard Area, you will be required to maintain adequate structural flood insurance at ALL times for your home. Per the National Flood Insurance Reform Act of 1994, failure to maintain flood insurance on the damaged property will make you ineligible for future federal disaster recovery assistance.

You must submit proof of flood insurance or a letter of declination (if home is uninsurable because of disrepair) before signing your grant award agreement. The policy amount should be the lesser of either:

- The full insurable value of the structure as determined by the applicable property insurer, or
- The maximum amount available for the structure under the National Flood Insurance program.

In addition, you will be required to submit proof that you obtained flood insurance after your construction has been completed at closeout. Final payment will not be released until proof of flood insurance is provided to the program. In the event funds have been provided, failure to submit proof of insurance will result in grant funds being recaptured.

Low-to-moderate income applicants with damaged property located in the 100-year floodplain are eligible to receive assistance through the Flood Insurance Assistance (FIA) program, which provides monetary assistance to cover flood insurance premiums for a maximum of two years. All applicants will be evaluated for the FIA program and notified if determined to be eligible for assistance. There is no additional application beyond the ReBuild NC program application.

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REIMBURSEMENT

If you are eligible for reimbursement for work already completed, the program will request funds in the amount of your approved reimbursement award once your grant agreement is signed. Homeowners who were required to elevate, per federal requirements, are only eligible for reimbursement funding if they have elevated the structure to the federally required height of two (2) feet above the base flood elevation (BFE). Homeowners in this situation will be required to provide an elevation certificate demonstrating compliance with this requirement. In addition, all lead-based paint requirements must be met prior to reimbursement.

CONSTRUCTION

After closing, a member of the construction team will reach out to you directly to schedule a time for a pre-construction walkthrough of your home. If your local jurisdiction or municipality has issued a Substantial Damage Letter for your property, you are required to reconstruct and elevate your property. If you have received a notice of Substantial Improvement from your local jurisdiction, you are required to elevate your property. You must provide a copy of your Substantial Damage Letter or Substantial Improvement Letter (if applicable) to the program before you sign your grant agreement. Failure to disclose this information could result in your ineligibility for the grant and/or recapture of previously disbursed federal funds.

If you cannot occupy the damaged home due to program related construction, you may be eligible for Temporary Relocation Assistance (TRA). Eligible applicants will be required to provide the program with all documentation related to eligible expenses, including rental or storage leases, bills, paid invoices, cleared checks, etc. Undocumented expenses will not be reimbursed. You will be expected to move all personal property out of your home on or before the date specified in your contractor agreement.

In order to receive final payment from the program, a successful final inspection and lead based paint clearance examination must be completed on your home by your contractor and proof of flood insurance and/or proper elevation (if applicable) must be submitted to the program. Additionally, any existing open permits must be closed and all applicants must execute the required Affidavit of Ownership

Please note: If you are eligible for a manufactured housing unit replacement award and choose to accept, you must make a final decision on your replacement housing structure type at the time of your closing appointment. You may not move forward with your closing until this decision is made.

GREEN BUILDING STANDARDS

North Carolina has adopted the Energy Star Certified Home Checklist for projects that were substantially damaged or where reconstruction is required. Homes that were non-substantially damaged must apply the HUD CPD Green Building Retrofit Checklist to all work undertaken as part of the program

DOCUMENTS THAT MAY BE REQUIRED AT CLOSING

- Power of Attorney, if applicable
- Manufactured Replacement Form, if applicable
- Proof of Current Flood Insurance, if applicable
- Same Name Affidavit, if applicable
- MHU VIN Certification, if applicable