

**POLICY:**

The following guidelines and procedures are designed to efficiently process agreements pertaining to assistance provided by Citrus County Housing Services. Assistance may be provided to eligible applicants in the form rental assistance, down-payment/closing cost, home repairs and utility connection assistance to existing homeowners, and other programs as outlined in the SHIP or Community Development Block Grant (CDBG) Local Housing Assistance Plans or the Administrative Plan for the Section 8 Housing Choice Voucher Program.

The following guidelines and procedures are designed to efficiently and expeditiously:

- 1) Process requests for rent payments on behalf of rental assistance clients,
- 2) Commence necessary work on clients homes receiving assistance through the State Housing Initiatives Partnership Program (SHIP) and Community Development Block Grant (CDBG) programs, and
- 3) Satisfy recorded agreements, deferred payment loans and mortgages when paid off.
- 4) Process requests for the subordination of recapture agreements

**PROCEDURE:**

- 1) Landlords are required to enter into standard Housing Assistance Payment (HAP Contracts) in order to receive payments on behalf of clients receiving assistance through the HUD/Section 8 Rental Assistance Program.
- 2) SHIP and CDBG clients enter into standard agreements or deferred payment loan agreements authorizing Citrus County to provide assistance and to reimburse the County in the event that the house is sold, transferred, or the client moves out of the assisted unit, or the unit is refinanced (including home equity loans), or satisfaction of the first mortgage occurs.
- 3) When payoffs are received satisfactions are prepared and recorded to clear the property encumbrances.
- 4) The following guidelines and procedures will be used to determine whether Citrus County will approve subordination of its housing related grant and loan documents:
  - a) Subordination must occur only once.
  - b) The interest rate is lower.
  - c) The monthly payment – principal interest, taxes, and insurance (PITI) is lower or

refinancing reduces the remaining term on the loan by at least ten (10) years.

- d) An overall savings must result to the clients comparing the new principal and interest payments as well as lenders closing costs to the payment remaining on the existing loan.
  - e) The participants may only include their mortgage and closing costs in the refinancing.
  - f) There is no cash returned to the participants upon refinancing and no other debts are being paid off other than the existing mortgage.
  - g) Documentation will need to be provided initially and before the new loan closes as evidence that all stipulations have been met.
- 5) The Housing Services Director or designee shall forward Housing Assistance Payments Contracts, various standard SHIP/CDBG Agreements, Deferred Payment Loan Agreements, Satisfactions and Subordination of Recapture Agreements to the Community Services Department Director or designee for execution on behalf of Citrus County.

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**FOOTNOTES AND REFERENCES TO RELATED AR'S:** Supersedes AR 13.15 dated November 13, 2001; AR 12.16 dated October 26, 2010.