

**Macomb County Comprehensive
Housing Rehabilitation Program Manual**

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Macomb County Comprehensive Housing Rehabilitation Program Guidelines

Introduction

This manual outlines procedures for the operation of the comprehensive housing rehabilitation program [hereafter “Program” within the County of Macomb (hereafter “Macomb County” or simply “the County”)]. A map of the County’s jurisdiction of 23 municipalities is found in **Exhibit A**. The service area excludes St. Clair Shores and Warren, which administer their own housing rehabilitation programs.

Currently, the County uses Federal Community Development Block Grant (CDBG) and HOME Investment Partnership Act (HOME) funding for this purpose. Additional funding is generated, primarily from the repayment of loans. This program complies with the policies and procedures required by the U.S. Department of Housing and Urban Development (HUD).

1. Purpose and Objectives

The Program is central to the County’s attainment of housing goals as contained in its Consolidated Plan. The Program’s primary purpose is to upgrade existing owner-occupied housing (as defined below) to decent, safe, and sanitary levels for low and moderate-income residents. Macomb County’s Housing Rehabilitation Standards (HRS) defines a standard and code compliance level for rehabilitation necessary to correct health, safety and building code violations to achieve decent, safe and sanitary affordable housing. The standards used for measuring this objective are the Macomb County Housing Rehabilitation Standards (HRS) and/or the Michigan Building Code (MBC), Michigan Residential Building Code (MRBC), Michigan Uniform Energy Code (MUEC), Michigan Electrical Code (MEC), Michigan Rehabilitation Code for Existing Buildings (MRCEB), Michigan Mechanical Code (MMC), and Michigan Plumbing Code (MPC) and local ordinances as applicable, and are intended to provide the minimum acceptable standards for existing single family household dwellings rehabilitated with Macomb County HOME and CDBG funding. All housing rehabilitated with HOME funds must meet the HRS and comply with applicable local ordinances and zoning ordinances at the time of project completion.

2. Goals

The following goals have been established for the Program:

Provide decent, safe and sanitary housing which is the primary residence of homeowners in the County by correcting housing deficiencies as allowed under the Program guidelines. When completed, repairs must comply with HRS and all applicable codes and local ordinances.

Assist low- and moderate- income families by reducing the financial burden associated with housing rehabilitation, which would not otherwise be possible.

Encourage homeowners to rehabilitate their homes.

Preserve the County's housing stock and enhance property values, thereby preserving the homeowner's investment and stabilizing neighborhoods.

Address essential deficiencies which are harmful to human health and safety.

Effectively use Federal resources and, where possible, to leverage additional funds to extend the reach and effectiveness of the Program.

Accomplish the housing goals identified in the County's Consolidated Plan.

3. Definitions

The following definitions apply to the Program:

Alternate Repairs

A substitute method of compliance to a necessary repair item. Energy efficiency items may be considered under the Alternate Repair heading.

Anticipated Annual Income

An annualized projection of the IRS Form 1040 definition of adjusted gross income. The method of projecting future income is described in the "Technical Guide for Determining Income and Allowances for the HOME Program".

Change Order

A Program-approved deviation from the Housing Rehabilitation Project Work Specifications, usually due to unplanned or unforeseen construction issues which surface during the rehabilitation period. Normally initiated by contractors, Change Orders require authorization by Program staff and the Homeowner. If approved, Change Orders become part of the Single-Family Housing Rehabilitation Contract. Change Orders that increase the price of the original contract are paid from contingency funds.

Condominium

A condominium is one of a group of housing units where each homeowner owns an individual unit space. The unit may be detached or attached to an adjoining unit. All share ownership of areas of common use. There is no individual ownership of a plot of land, therefore the land in the condominium project is owned in common by all of the homeowners. The Program may provide assistance if the condominium is held with a deed and a mortgage can be placed on the property. The work write-up must be approved by the condominium association and documented with a signed association or Program form.

Contingency

An amount equal to 20% of the original contract amount approved for the rehabilitation work. The contingency is added to the contract price and becomes part of the mortgage amount.

Contractor's Manual

A separate document containing important contractor information, including Methods and Materials guidance and other data relevant to successful project implementation.

Deferred Payment Loan (DPL)

A rehabilitation loan in which the principal is repaid when the title to the property changes hands (i.e. the property is sold, leased, inherited), rented, or default occurs according to the terms of the mortgage documents. Currently, all rehabilitation financial assistance is provided through 0% interest deferred payment loans.

Homeowner

All persons listed on the title, whether or not occupying the housing unit. Person or persons possessing fee simple title, having purchased the housing unit by cash or mortgage. At least one owner must occupy the home as his/her primary residence for the property to be eligible for rehabilitation loan assistance.

Household

All persons occupying the housing unit as their Primary Residence. The occupants may be a family; two or more families living together; or any other group of related or unrelated persons who share living arrangements regardless of actual or perceived, sexual orientation, gender identity or marital status. The following household members are not included when determining household size for income-limit purposes: foster children, live-in aides (and children of live-in aides), unborn children, and children being pursued for legal custody or adoption who are not currently living with the household. A child who is subject to a shared custody agreement in which the child resides in the household at least 50 percent of the time can be counted.

Household Income

The Anticipated Annual Income of all household members age 18 and over. Income from an absent household member is counted in the calculation of Household Income. Annual income is projected for the upcoming twelve (12) months. Source documentation must not be older than six (6) months prior to funds being committed.

Housing Rehabilitation Standards

The standard and code compliance level for rehabilitation necessary to correct health, safety and building code violations to achieve decent, safe and sanitary affordable housing. The Program has established Macomb Housing Rehabilitation Standards as the applicable housing rehabilitation standards.

Income Eligibility

The total annual income for all persons in the household over the age of 18 must be at or below the household income limits determined annually by HUD. Income is documented by the Program using the IRS Form 1040 definition of adjusted gross income.

Land Contract

Any purchase of real property where the buyer obtains fee-only title after completing a series of installment payments over a specified term. A land contract held property is not an equivalent form of ownership (24CFR 92.2), and is therefore ineligible for the assistance through the Program.

Major Systems

Major Systems are: structural support; roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, and ventilation.

Manufactured (Mobile) Homes

Manufactured housing (commonly known as mobile homes) is a type of prefabricated housing that is largely assembled in factories and then transported to sites of use. Since a lien cannot be placed on the property, manufactured housing is ineligible for assistance under the Program.

Mediation

Involves a process of dispute resolution, primarily by Program staff, pursuant to the rehabilitation contract between homeowners and contractors. Staff will arbitrate disputes arising during the course of rehabilitation work. In the event of a dispute that cannot first be resolved between the owner and the contractor, both agree to abide by the decision of the Program staff.

Modular Homes

Modular housing is a type of prefabricated housing that is constructed in factories and then assembled on site on a permanent foundation. Modular homes are constructed to the same State, local, or regional building codes as site-built homes. Since a lien can be placed on the property, modular housing is eligible for assistance under the Program.

Necessary Repairs

Repairs identified during the rehabilitation inspection process as being necessary to achieving Macomb County Housing Rehabilitation Standards, Michigan Building Code, Michigan Residential Code, Michigan Uniform Energy Code, Michigan Electrical Code, Michigan Rehabilitation Code for Existing Buildings, Michigan Mechanical Code, and Michigan Plumbing Code and local ordinances as applicable. These repairs assume highest priority and all must be completed as a condition of commitment. For homes in which all necessary repairs cannot be completed within loan limits established by the Program, other additional cash resources (no financing) may be used to cover the overage. If other additional cash resources (no financing) cannot be secured to cover the overage, the project will be classified as being "over repair", and therefore ineligible for assistance.

Owner-Occupied Housing

A single-family home owned and occupied as the primary residence by at least one homeowner member of the household. The Program does not repair rental units in a property such as a duplex or flat, even if the owner lives in the adjoining unit. Homes held under a reverse mortgage or a land contract agreement, and manufactured (mobile) homes, are ineligible for assistance. A condominium may be eligible if it is held by a deed with a legal description. The condominium may be attached or detached. The condominium association must approve the housing rehabilitation specifications prior to the job being sent out for bid. Co-ops which may be described as condominiums but are not deeded property to the owner are ineligible.

Primary Residence

The principal establishment where a person has a fixed, permanent home for at least six (6) months during the year.

Rehabilitation Cost

The total costs for rehabilitation including Necessary and Alternate Repairs authorized by the Program pursuant to the Single-Family Housing Rehabilitation Contract, plus approved change orders.

Reverse Mortgage

A home loan that provides cash payments based on home equity. Although the borrower remains the legal homeowner, homes under a Reverse Mortgage Agreement are ineligible for assistance since a lien cannot be placed on the property due to lien restrictions. The owner has no obligation to make installment payments under the loan, but the interest continues to accrue. Unlike a normal mortgage, the first priority lender's lien does not decrease over time, but instead increases. The borrowers typically defer payment of the loan until the death of the homeowner, the house is sold, or the homeowner moves out of the home. Upon the death of the homeowner, the heirs either give up ownership to the home or must refinance the home to purchase the title from the reverse mortgage company.

Short Sale

A short sale is a sale of real estate in which the proceeds from selling the property will fall short of the balance of debts secured by liens against the property, and the property owner cannot afford to repay the liens' full amounts. The lien holders agree to release their lien on the real estate and accept less than the amount owed on the debt. The County will consider an offer for less than the balance owed on a Macomb County housing rehabilitation mortgage loan in a proposed sale of the property, unless prohibited by Federal regulations. Consideration will be made for, but not limited to, the reasons outlined in the Short Sale Policy. See Exhibit I.

Single Family Dwelling Unit

A residential structure, including townhouses and condominiums, if the legal structure permits assignment of a clear and defined property title to a given unit (i.e. a lien can be assigned to a specific unit).

Subordination of Mortgage Position

Subordination is the practice where a lender assumes a lower claim position in order to allow a homeowner to obtain a more favorable mortgage for a lower rate and/or term. County policy does not grant subordination if equity is to be removed from the property to achieve cash, finance improvements or debt consolidation. See Exhibit H.

Work Write-Up/Cost Estimate

The statement prepared by the Program, which itemizes rehabilitation repairs (identified as Necessary and Alternate repairs) to be performed on the property. The work write-up is accompanied by the rehabilitation inspector's itemized cost estimate.

4. Forms of Assistance

The Program will fund repairs to owner-occupied single-family dwellings through no interest deferred-payment loans, as defined above. Full repayment is required whenever the title changes hands (e.g. through gift, sale, inheritance, foreclosure, or default on the outstanding mortgage), or when default occurs as per the terms of the mortgage and note documents. Loan repayments are program income, as defined by HUD regulation 570.500 (a) (CDBG) and 92.2 and 92.503 (HOME).

5. Types of Improvements Allowed

General Rehabilitation Program Requirements

In general, the Program will permit any improvement necessary to achieve Macomb Housing Rehabilitation Standards, and all applicable codes. This includes (in order of priority) Necessary

Repairs and Alternate Repairs, as defined previously. Examples include, but are not limited to, the following items: plumbing, wells, septic systems, sanitary fixtures, tap-in fees and water service, structural repairs, electrical work, trip hazards, improvements necessary to enhance energy efficiency, air conditioning, and barrier-free access improvements for the disabled and elderly. All homes must be free of lead hazards in accordance with the Lead Safe Housing Rule (LSHR).

The primary intent of the Program is to maintain decent safe and sanitary homes for low-and moderate-income households and secondarily, to upgrade neighborhoods, and to assist as many eligible homeowners as possible with limited funds. Homeowners will sometimes request specific repairs, and it is important that the Program establish priority criteria for reviewing such requests. The priority criteria are as follows:

- a. The program will complete all Necessary Repairs (as defined and determined by the Program Inspector) for Macomb Housing Rehabilitation Standards and all applicable code compliance as a matter of first priority.
- b. The Program may undertake Alternate Repairs as a substitute solution to address rehabilitation up to the rehabilitation loan limits established by the Program.
- c. The Program may undertake improvements to make properties accessible to disabled household members, as defined in the Macomb Housing Rehabilitation Standards.

Ineligible Projects and Repairs

The following are examples of repairs and costs that are not eligible under the Program as it is currently structured:

- repairs to manufactured (mobile) homes or multi-family rental structures.
- improvements to a residential structure located in a floodplain.
- properties held under a land contract or a reverse mortgage.
- payment of delinquent taxes, or of existing home repair loans
- repairs to any home which cannot attain Macomb County Housing Rehabilitation Standards and all applicable standards and codes within the loan limits established by the Program, unless alternative additional funding has been obtained (by the applicant) for the project.
- The cost estimate for the entire project whether grant funded or loaned, cannot exceed \$48,000.
- projects costing less than \$1,000.
- for projects funded with federal HOME funds, County program financing on properties exceeding after repair values above 95% of the average median purchase price, as established by HUD for Macomb County

General property improvements including, but not limited to:

- seawalls
- swimming pools
- basement finishing
- additions
- landscaping
- window air conditioners

Where the primary focus of the housing rehabilitation requested scope of work is:

- fencing
- concrete
- outbuildings

Deferral / Walk Away Conditions

The following conditions, if present, determine that the housing rehabilitation project is denied or cancelled:

1. The dwelling has a major structural, plumbing, electrical, sanitation or infestation problem which creates a clear and identifiable threat to the safety of an employee or contractor of this agency.
2. The conduct/behavior of any member or pet of the household presents a potential threat to the safety of an employee or contractor of this agency.
3. The residence has standing water, mold, friable asbestos, deteriorated lead-based paint surfaces or other hazardous materials that cannot be addressed by the Comprehensive Rehabilitation Program.
4. The residence has an unvented space heater(s) that may have a harmful effect on the air quality of the home.
5. The residence has housekeeping practices that limit the access of workers to the dwelling or create an unhealthy work environment.
6. The homeowner is uncooperative with the Program (ex. unwilling to accept valid bids; not allowing contractor access to the home; unreasonable time frames for completion of work, etc.).

Upon identification of one of the above conditions, the Program will provide a letter to the homeowner allowing thirty (30) days to resolve the issue. If the homeowner is unable or unwilling to do so, the file will be closed. The homeowner may reapply to the Program after one (1) year from the date of the closed file.

6. Eligibility Requirements

Any homeowner of property residing in the Urban County is eligible to apply for 0% interest Housing Rehabilitation Loan assistance, subject to the following conditions:

- a. Applicant is the owner-occupant of the dwelling unit.
- b. The dwelling unit has been the applicant's primary residence for the last twelve (12) months.
- c. Property is a single-family, non-manufactured structure. Manufactured (mobile) housing and properties held under a land contract or reverse mortgage may not be rehabilitated.
- d. Projected Household Income must fall within the low-to-moderate-income range, as defined by HUD regulation for the Detroit Metropolitan area. The Program determines household income using the IRS 1040 method of calculating income.
- e. Owner-applicant must be current on all mortgage payments and property taxes.
- f. Property must be substandard under the Macomb County Housing Rehabilitation Standards and all applicable standards and codes.

- g. Property can attain Macomb County Housing Rehabilitation Standards and all applicable standards and codes within the financial limits established for the Program, unless augmented with additional non-Program funding.
- h. Must maintain homeowner's insurance.
- i. All bankruptcies must be discharged. Must not be in active bankruptcy.

7. Loan Terms and Conditions

Maximum Assistance Amount

The maximum amount of the assistance is \$48,000, plus contingency. The cost estimate for the entire project, whether grant funded or loaned, cannot exceed \$ \$48,000. The total assistance will be divided into 50% loan and 50% grant to the homeowner.

Minimum Assistance Amount

The minimum loan amount is \$1,000.

Loan Recordation

All loans will be secured by a mortgage and recorded with the Macomb County Register of Deeds.

Repayment Conditions

The loan is due and payable (in full) in the event that the mortgagor moves, sells, rents or leases the rehabilitated property; or upon death of the mortgagor, or some other instance of title transfer to an entity which is not the mortgagor, or default under the terms of the mortgage note.

The principal of the deferred loan may be prepaid at any time without penalty. Periodic lump sum payments may be applied to the balance of the deferred loan. Loan records will be updated to reflect the current balance upon receipt of payment.

The Program will endeavor to respond to a request for a payoff letter within three (3) Macomb County business days. Mortgages will be discharged within thirty (30) days of receipt of the deposited payoff amount submitted to the County.

Subordination of Mortgage Position

See Subordination Policy provided in Exhibit H.

Short Sale

See Short Sale Policy provided in Exhibit I.

8. Distribution of Funds

Rehabilitation assistance will be offered to applicants on a first-come, first-application completed basis. The applicant's property will serve as collateral for the loan. If a wait list becomes necessary, selective criteria may apply.

9. Rehabilitation Loan Process

The following steps comprise the rehabilitation loan process followed by applicants for assistance.

Homeowner Application

Interested applicants complete a Pre-Screen Information for Housing Rehabilitation Assistance form (**Exhibit C**), and list all household members, assets, liabilities, income and other pertinent information as required on the form.

All applicants must initially submit the following information to be reviewed by Program staff:

1. Documentation of Homeownership - May include a deed including a divorce decree and/or death certificate or contact information for anyone else listed on the deed (if applicable), a copy of the mortgage or paid-in-full letter from the lender. Other forms of eligible ownership in addition to traditional forms of ownership interest (defined under 24 CFR 92.2), include a Living Trust, Life Estate, Inherited Property or Beneficiary Deed.
2. Household Size – Proof of residency for all household members, such as birth certificates for children under age eighteen (18), and residents eighteen (18) and older will need to provide a Driver License or State ID.
3. Homeowner's Insurance – Current Declaration Certificate showing the limits of liability and policy period.
4. Mortgage Payments and Property Taxes - Paid and up to date (e.g. current property tax bill with proof of payment; current mortgage balance statement).
5. Copy of Driver's License or State Photo I.D. (front and reverse sides)

The application is assigned a case number and receives a confirmation letter acknowledging receipt of the application. If the application becomes dormant due to the applicant choosing not to submit information by the required deadline, the application will be considered withdrawn. The applicant may reapply after a one (1) year waiting period from the date of withdrawal.

Documentation of Income

Program recipients must be low to moderate-income, as defined annually by HUD, based on the number of household occupants. The applicant must therefore submit signed and dated IRS 1040 with all forms and schedules for the past two (2) most recent years, plus current income information for all household members age eighteen (18) and older (ex. most recent two (2) months of payroll stubs, Social Security/SSI benefits, pension, child support payments, adoption subsidy, etc. as applicable). Generally, the Program permits income verification dated no earlier than six (6) months prior to receipt of assistance.

Program staff then determines income data completeness and currency, and then derives projected gross adjusted income based on methodology contained in "HUD's Technical Guide for Determining Income and Allowances for the HOME Program" using the IRS 1040 method. The Program may require additional information and conduct subsequent research if necessary, should questions arise during the income verification process.

Applicant Eligibility Determination

Staff will use the following criteria to determine applicant eligibility for rehabilitation loan assistance:

1. Household income and the number of occupants in the household.
2. Geographic location – Recipients must reside within the jurisdiction of the Urban County of Macomb CDBG program. This manual also applies to HOME funded housing rehabilitation projects within the jurisdiction of the Macomb HOME Consortium. The number of participant communities may expand or be reduced over time through special contractual arrangements with the County.
3. Homeownership – The applicant must own the property and occupy it as his/her primary residence, as defined above.
4. New loan recipient – With the exception of Limited Rehabilitation assistance, the applicant must be a new applicant for one-time assistance.
5. Property taxes – All tax payments shall be paid and up to date.
6. Insurance – The applicant shall have current homeowner’s insurance coverage.
7. For comprehensive rehabilitation funded with federal HOME funds, the After-Rehabilitation Value of the home must be less than 95% of the average median sales price of homes for Macomb County, as determined by HUD. The After-Rehabilitation value of the home will be calculated by the Program as twice the State Equalized Value (SEV).

Determination of Applicant Ineligibility

The Program will inform the applicant by letter of the reasons the applicant is determined to be ineligible for Program assistance.

Environmental and Historic Reviews

The Program undertakes a historic review and clearance process, in conjunction with the State Historical Preservation Officer (SHPO), for homes constructed more than fifty (50) years ago and which might therefore have historical or architectural significance. The Program reviews for impact under the National Environmental Policy Act (NEPA) to determine any adverse impacts upon the human environment. Should either review reveal adverse or potentially adverse effects, the Program would consider alternatives, including no action.

Lead-Based Paint Compliance

The homeowner is provided information, as required by Part 35 of the Lead Safe Housing Rule, pertaining to Lead-Based Paint (LBP), and the hazards associated with it, at the time the contract is signed, through the HUD/EPA pamphlet entitled: “The Lead-Safe Certified Guide to Renovate Right”. The homeowner signs an affidavit acknowledging receipt of the pamphlet.

The Program will inspect for deteriorated paint as part of its code compliance inspection and order a lead inspection/risk assessment in dwellings constructed prior to 1978, to identify the presence of lead and any LBP hazards in the dwelling. Appropriate treatments are implemented when the Program determines that action is warranted under the Lead-Safe Housing Rule (LSHR). The Program will use contractors trained and certified through the Michigan Department of Community Health in lead abatement.

Exemption of Certain Projects from Requirements of Lead Safe Housing Rule

A rehabilitation project may be exempt from the lead-based paint hazard reduction requirements pursuant to 24 CFR 35.115 and 35.165. It is expected that exemptions will be rare.

Inspection Schedule

If eligible, the Program will schedule a housing inspection to assess housing conditions and identify the repairs necessary to bring the unit to Macomb Housing Rehabilitation Standards, MRCEB, MRBC and all other applicable standards and local codes. Other deficiencies or conditions may also be identified at this time.

Work Write-Up

The Program prepares an inspection report (or work write up) to detail conditions existing at the time of the inspection. This is used to prepare repair specifications detailing the nature, location, quantity, quality and type of materials required for various repairs. The Work Write-Up is applicable for ninety (90) days.

Repair Specifications

The work specifications are used to obtain a general cost estimate thereby assessing the feasibility of repair, to prepare a bid document. The detailed work specifications are incorporated into the Single-Family Housing Rehabilitation Contract.

Repair Feasibility Determination

Program staff estimates the cost of the work to be performed, based on knowledge of the trade and other professional indicators. This forms the basis for review of contractor bids on the work, if the project proceeds. The applicant is also notified as to whether or not it is possible to repair the dwelling unit within the financial limits set by the Program. This qualification is based on the ability to complete all Necessary repairs within financial assistance limits. The applicant receives written notification if the unit does not qualify based on the above criteria. Applicants may contribute non-Program funds to cover the cost overage.

Applicant Review of Repair Specifications

The applicant will review the following items with Program staff: the work write-up, the proposed work specifications and cost estimates. At this time the applicant is presented the opportunity to continue with housing rehabilitation or decline assistance. The applicant will be given up to fourteen (14) calendar days to review the cost estimate and work specifications. The applicant will indicate on the cost estimate whether they wish to proceed with the program or decline assistance. If the applicant does not respond by the designated deadline, the application will be considered dormant, and the file will be closed. The homeowner may re-apply for the program after a 1-year waiting period.

Contractor Procurement:

At least three (3) bids are solicited for the project. Bids are competitively solicited on an alternating basis from the Program's list of approved contractors. Homeowners may also identify other contractors if they meet the Program's contractor qualification standards (as described below). Contractors may apply to be added to the bid list year round. The Program will make reasonable efforts to identify, and solicit bids from qualified minority and women-owned contracting firms and/or Section 3 Business Concerns on rehabilitation projects, in accordance with 24CFR Part 85.36 (e) and 24CFR Part 135.36 (2) of the federal regulations.

Exceptions to the above criteria may be permitted when in the Program's interest to do so. Examples would include:

- a) Cases where immediate intervention may otherwise be required to correct conditions harmful to occupant health and safety.
- b) Special or unique skills are required which make a competitive bid process unrealistic.

Contractor Qualification Standards

The following qualifications must be met:

- a) Residential Builders license in the State of Michigan
- b) Liability Insurance coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, with property damage and bodily injury inclusions.
- c) Proof of insurance or coverage required under State law governing Worker's Compensation.
- d) Documentation demonstrating ability to perform housing rehabilitation work.
- e) Current Michigan Department of Community Health Lead Abatement Contractor Certification and Lead Supervisor Certification.
- f) Current EPA Firm Certification for Lead-Based Paint Renovation, Repair and Painting.
- g) Completed Debarment and Suspension Certification.
- h) Completed Macomb County Vendor Disclosure Form.
- i) Tax Identification Number – W9 Form

Approved Contractors List

The Program will maintain a list of approved contractors from which it will solicit bids on a rotating basis. This list may be updated, with new contractors being added to, and inactive or non-performing contractors being removed from it. Individual additions or deletions may also occur, as need dictates, to ensure proper management of the Program.

Bid Opening/Tabulation

Bids will be opened on the date and time specified in the bid solicitation document by at least two (2) Program staff, with bids tabulated and validated on a bid summary prepared by the Program. At least two (2) bids must be received to compare with the cost estimate for the bid to be viable (within 20%), or the job must be re-bid. Bids are valid for sixty (60) days. If two (2) bids are not received the project will be bid a second time. If after the second bid there is only one (1) bid received, that bid must be within 20% of the cost estimate in order for the project to proceed.

Bids that are late, unsealed, unidentified, incomplete, miscalculated, unsigned, and/or illegible will not be accepted. Contractors and homeowners may attend bid openings.

The Program will recommend that the homeowner select the contractor submitting the lowest responsible and reasonable (or best) bid to be awarded the contract. The successful bid is incorporated into the rehabilitation contract.

Best bids are determined and documented through the following criteria:

- a) A comparison of line items to assess specific, as well as overall comparability between bids.

- b) A comparison of the County's cost estimates with those submitted by the competing contractors.
- c) The rationale for determination of the best bid is documented in the project file.
- d) The Program may reject any and all bids if in its best interests to do so.
- e) Each competing contractor is notified in writing of the results of the bid process.

Bid Review/Contractor Selection

Program Staff will review the bids submitted with the homeowner. The project will be awarded to the contractor that submitted the lowest responsive bid (best bid).

The homeowner may select other than the best bid but is required to pay the difference in cost between the preferred contractor and the best bid, as determined by Program staff. A certified check or money order in the amount of the difference payable to the Contractor must be submitted by the homeowner(s) to the Program at the loan closing. The Program will hold the check until the work passes final inspection, after which time the Program will include the difference in the final payment to the contractor.

The applicant will be given up to fourteen (14) calendar days to review the bid results and make their selection. If the applicant does not respond by the designated deadline, the application will be considered dormant, and the file will be closed. The homeowner may re-apply for the program after a 1-year waiting period. Loan Closing: Execution of Rehabilitation Contract

The homeowner and rehabilitation contractor, facilitated by Program staff, execute a Rehabilitation Contract, at Program offices, unless arranged otherwise. Program staff answers any questions raised by either party. The Contract obligates the Contractor to complete work items, prescribes methods and materials, and prescribes a timeframe and other conditions to be met. The homeowner also executes, and receives copies of the following documents (except as noted):

- a) Notice of Right to Cancel
- b) Truth in Lending Statement
- c) Mortgage to Secure the Loan
- d) Mortgage Note
- e) Single Family Housing Rehabilitation Contract
- f) Housing Rehabilitation Written Agreement with the County
- g) Declarations of Understanding (if applicable)
- h) Authorization to Release Information
- i) Change Order
- j) Extension Request
- k) Statement of Homeowner's Satisfaction
- l) Final Inspection Checklist
- m) Proceed to Work Order (homeowner signs one copy for the Program)

Cancellation by Homeowner

If the applicant chooses not to proceed with the Program at any point after the initial inspection, the application will be considered withdrawn. The applicant may reapply after a one (1) year waiting period from the date of withdrawal.

After the mortgage and note have been signed, the homeowner may rescind (cancel) under the provisions provided in the Notice of Right to Cancel. If the contract is cancelled, it becomes null

and void. The Program will notify the contractor in writing, documenting the cancellation of the contract in the project file to that effect. If after the rescind period, the contract is not cancelled, a Proceed to Work Order is issued to the Contractor. If cancelled, none is issued. However, the homeowner may not reapply to the Program.

Cancellation by Program

Should the homeowner become uncooperative with the Program or fail to honor the terms of the Single-Family Housing Rehabilitation Contract, the Program may opt to cancel the project as provided for in Section 18 of the Single-Family Housing Rehabilitation Contract. The homeowner will be responsible for all work completed to that point and as such, those costs will remain as a lien against the property. In addition, the homeowner may not reapply to the Program.

Proceed to Work Order

Within thirty (30), but not before three (3), Macomb County business days after Contract execution, a Proceed to Work Order is issued advising the contractor to commence work. A Proceed to Work Order is not issued when additional, non-Program, funds are required, unless a cashier's check or certified money order in the amount required payable to the Contractor, is submitted to the Program.

Pre-Construction Meeting

The contractor must contact the homeowner(s) within ten (10) Macomb County business days after the issuance of the Proceed to Work to schedule a pre-construction meeting. The pre-construction meeting may include homeowner sign off of a construction schedule, homeowner selection of materials, etc.

Project Monitoring

Project monitoring by Program staff begins with the start of construction. Program staff will complete progress and final inspections for each project. Progress inspections will be conducted during construction to verify that all work specifications are being satisfactorily completed. An approved final inspection at project completion will verify that all work has been completed according to work specifications. Site visits will also be completed when requested by the homeowner or contractor to evaluate either party's concerns, to validate the need for change orders, and to consult on best practices to address unusual construction issues.

Program staff monitor to ensure that all contracted work is addressed, that it is performed according to specification, and that it is performed in a workmanlike manner in accordance with the Macomb Housing Rehabilitation Standards. Dwellings constructed prior to 1978 that have been identified as containing lead hazards will undergo a Lead Clearance Examination upon completion of all abatement work.

Program staff also mediate disputes between the homeowner and the contractor. If the dispute is not resolved between the homeowner and the contractor, both agree to abide by the decision of the Program.

Change Orders

Will be approved only when hidden defects or unforeseen situations arise. Contractor requests for Change Orders must be made through, and validated by, Program staff. The Change Order must be signed by the contractor, homeowner, and Program staff before implementation.

Documentation is placed in the file and become part of the Single Family Housing Rehabilitation Contract.

Contract Duration

Loan recipients are entitled to timely and satisfactory work completion. It is the Program's intent that work will normally be completed within ninety (90) calendar days of the issuance of the Proceed to Work Order. It is possible that delays may occur due to conditions such as seasonal work (cement), material shortages, special orders/circumstances, and scheduling conflicts. Contractor failure to complete work on time, for reasons within his/her control, will be considered cause for contract termination, and/or temporary suspension from the approved contractor's list. Contractors may be permanently removed for subsequent occurrences. Extensions may, however, be approved for good reason, but require execution by the contractor and the homeowner with approval by Program staff.

Contract Violations

All contract items must be completed satisfactorily while under construction, in accordance with the work specifications and with the Methods and Materials outlined in the Macomb County Housing Rehabilitation Standards and/or the repair specifications. Failure to do so is considered a material contract violation. If not corrected by the contractor in a timely manner, material violations are cause for contractor termination and replacement by another contractor.

Program staff will work with the original contractor to correct the violation or obtain a second contractor if the deficiency is not corrected. Homeowner concurrence in this process is required.

The second contractor will be paid first, upon satisfactory completion of the work contracted for, and the original contractor is reimbursed from residual funds up to the amount in the original contract, but only for work completed in accordance with the rehabilitation contract.

Contractor Discipline: Suspension and/or Removal

Contractors may be suspended or removed for substantial non-performance, or for unethical or illegal actions, at any time based on the considered and documented decision of the Program staff. Possible sanctions include the following:

- a) Suspension: for first-time failure (for reasons within the contractor's control) to materially and satisfactorily complete work in accordance with the rehabilitation contract, for poor workmanship, or for any unnecessary and uncompensated damage resulting from repair activity. Suspensions shall last for three (3) months in which time the contractor will not be eligible to compete for rehabilitation projects. After that time, the contractor may regain eligibility but will go to the end of the rotation listing among contractors.
- b) Removal: for failure to maintain essential licenses and insurance, for subsequent failures (if within contractor control) to materially and satisfactorily complete the work or otherwise comply with the terms of the Contract, for poor workmanship, for any verbal or physical intimidation of the homeowner or Program or local municipal staff, or any willful or uncompensated damage to personal or other property caused by the contractor.

- c) Damage: Contractors are liable for any unnecessary damage resulting from their work. Certain repairs will cause damage that will not be corrected. These items will be recognized in the repair specifications and incorporated into the Single-Family Housing Rehabilitation Contract.
- d) Non-Responsive Contractors: who fail to respond to three (3) successive bid solicitations without providing a reason to the Program, are to be removed from the list of approved contractors. A Contractor so removed will receive written notification and given fourteen (14) calendar days to appeal. The Contractor will be temporarily inactivated during the appeal period but is immediately reactivated if re-qualified as a result of the appeal. Appeals shall be in writing directed to the Program staff. Contractor failure to appeal in a timely manner automatically results in suspension or removal as warranted.

Statement of Homeowner's Satisfaction

The Program seeks to ensure homeowner satisfaction with the rehabilitation work performed, and homeowner's signature on the Statement of Homeowner's Satisfaction is required. This form is a prerequisite to all partial and final contractor payments, except in disputes where the homeowner refuses to sign, and the Program determines that the Contractor has performed in accordance with the terms and conditions stipulated in the Contract. The Program will document the reasons for such decisions in the project file.

Homeowner and Contractor Dispute

In the event of a dispute that cannot first be resolved between the homeowner and the contractor, both agree to abide by the decision of the Macomb County Housing Rehabilitation Program.

Contractor Payment:

Payments due the Contractor will be paid once the Program has received copies of the following (as applicable):

1. Municipal Sign-off or written municipal violations (if a municipal violation is pending, payment will be withheld until the municipal sign off is secured and submitted to the Program)
2. Passing Partial/Final Inspection Report
3. Passing LBP clearance report for lead based paint projects.
4. Michigan Dept. of Community Health (MDCH) Notification of Lead Abatement Activity if applicable
5. MDCH Occupant Protection Plan if applicable
6. Contractor's invoice
7. Partial/Full Payment Request form
8. Sworn Statement (completed with the names of subcontractors, general contractors, suppliers, laborers and total contract amount)
9. Applicable Waivers of Liens
10. Change Orders with all signatures.
11. Warranties (with all required information filled out)
12. Signed Statement of Homeowner's Satisfaction.

When warranted, the Program may allow progress payments of completed work documented in the Contractor's invoice. Progress payments are made solely at the discretion of the Program and are approved by the homeowner.

Project Closeout

After final payout, the Program will issue a letter providing a full financial accounting for the project to the homeowner and establish the final outstanding loan amount. The homeowner may wish to amend the amount of the lien to reflect funds not used in the project, e.g. unused contingency funds.

There is no obligation on the part of the homeowner to make installment or other partial payments against the loan. No interest accrues against the unpaid balance of the loan, except as follows: Upon default as defined in the Mortgage Note, interest on the deferred obligation shall be at an interest rate of 6% per annum, commencing thirty (30) days after the date on which any of the stated conditions occur.

The principal sum of the loan shall be referred to as a No Interest Deferred Loan and shall become due and payable under the terms of the mortgage note.

Reapplication to the Program

Due to funding restrictions, assistance may be provided only once to a property. Homeowners may only re-apply if they were not previously provided assistance and they met the terms of their required waiting period (see "Applicant Review of Repair Specifications" and "Cancellation by Homeowner").

Warranties

All work is guaranteed by the Contractor for one (1) year from the date of the passing final inspection of all work performed under the Single-Family Housing Rehabilitation Contract. The contractor is required to provide the homeowner with copies of the manufacturers and supplier's guarantees and warranties, (including optional extensions thereof) for equipment and materials furnished in performance of the Contract as a condition of final payment.

10. Conflicts of Interest

It is the policy of the Program to avoid the occurrence of conflicts of interest, whether real or perceived. Governance is found at 24 CFR 570.611 (CDBG) and 92.356 (HOME), in State law and in County Ordinance. The following requirements therefore apply:

- a) Applicants for rehabilitation assistance who work for Macomb County or are related to such employees, officers, or elected officials of Macomb County, shall declare that relationship in their application.
- b) Contractors (including suppliers) shall disclose any relationship to County employees, officers, or elected officials in their application for admission as approved County rehabilitation contractors.
- c) The Program will follow the procedures outlined in the Federal regulations whenever a possible conflict of interest, as described in items a) and b) above, occur. This requires the following:

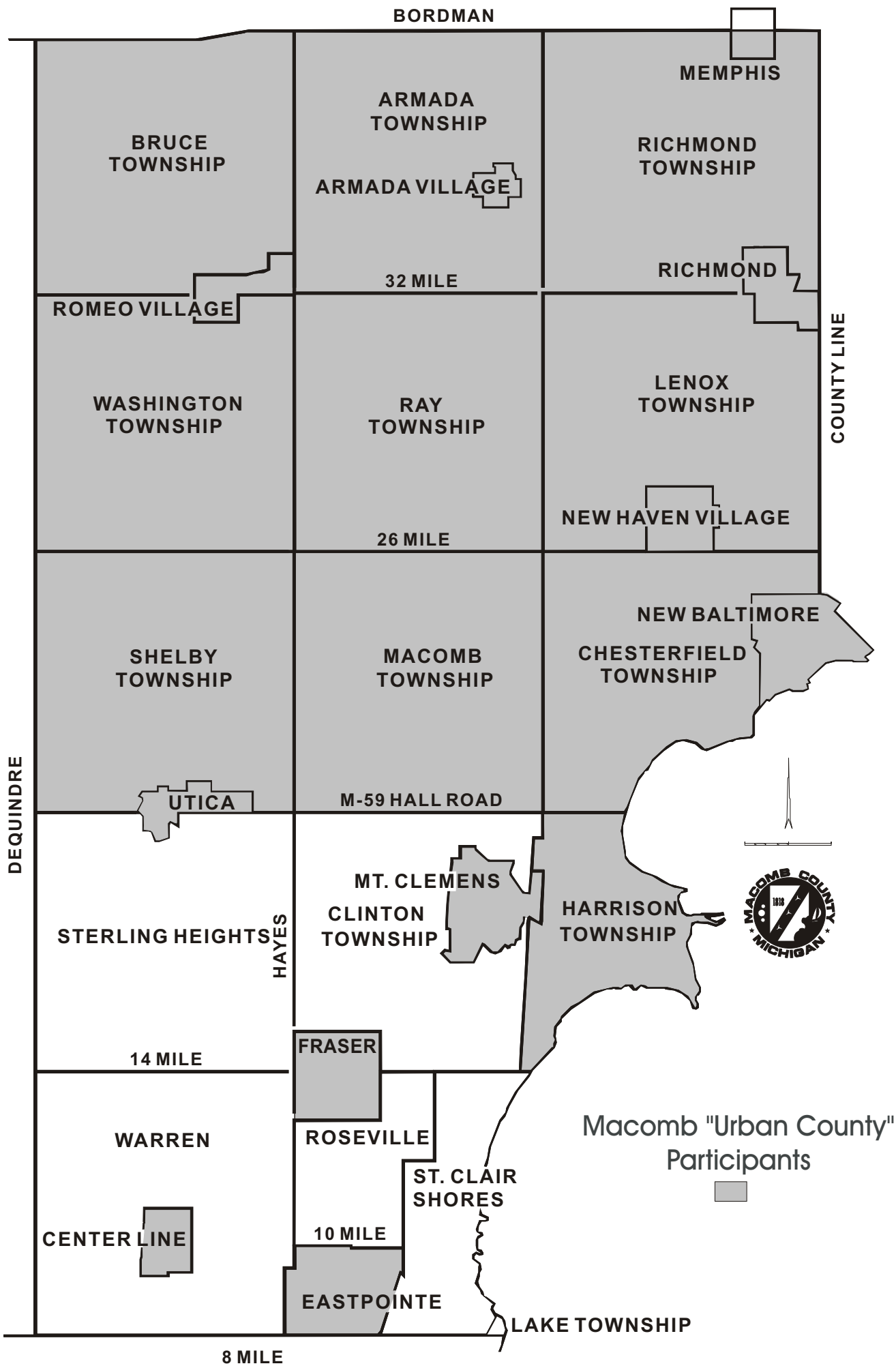
- Disclosure of the situation to Program staff who, in turn, will notify the Director of Macomb County Planning and Economic Development or their designee.
- Preparation of a written disclosure statement which fully describes the perceived conflict of interest.
- If applicable, submission of the disclosure statement for review by Corporation Counsel, who will review for compliance with State and local law. That determination, once received, is incorporated into the appropriate contractor or homeowner/applicant file.
- If applicable, submission of a Request for Exception to HUD, including documentation of public disclosure (Public Notice and Public Hearing comments), Corporation Counsel's determination of applicability under State and local law, and a full description of the situation at hand and why an exception to the rule should be made.
- All documentation pertaining to the potential conflict of interest shall be incorporated into the contractor's or homeowner/applicant's file.

Nothing with respect to the Contractor's or Homeowner's application may proceed until and unless the matter is fully reviewed by the County of Macomb and found either not to be a conflict of interest, or HUD grants an exception to the regulations. Should a negative determination occur, the application is denied, and the file is closed, with documentation incorporated into the project file.

11. Coordination with Other Programs

To the extent possible and practicable, the Program will coordinate with other agencies providing similar forms of assistance. In so doing, funds may be leveraged, thereby increasing the amount of repairs possible to a property, and extending program reach beyond what might otherwise be possible. Potential partners include:

- Michigan State Housing Development Authority (MSHDA)
 - Private for-profit and non-profit housing programs
 - Michigan Department of Health and Human Services (MDHHS)
- Macomb Community Action's Weatherization Assistance Program





Macomb HOME Consortium Housing Property Standards

INTRODUCTION

The Macomb HOME Consortium Housing Property Standards (HPS) adopted by Macomb County shall apply to all housing projects involving rehabilitation assisted by the Macomb HOME Consortium (MHC) for the HOME Investment Partnerships Program (HOME) or by Macomb County for the Community Development Block Grant (CDBG) program

The HPS defines a standard and code compliance level necessary to maintain health, safety and building code compliance for decent, safe and sanitary affordable housing. The HPS utilizes the Michigan Building Code, Michigan Residential Code, Michigan Uniform Energy Code, Michigan Electrical Code, Michigan Rehabilitation Code for Existing Buildings, Michigan Mechanical Code, and Michigan Plumbing Code and local ordinances as applicable, and is intended to provide the minimum acceptable standards for existing single household dwellings rehabilitated whole or in part with MHC HOME funding. All housing rehabilitated with HOME funds must meet the MHC's HPS and comply with applicable local ordinances and zoning ordinances at the time of project completion.

Macomb HOME Consortium Housing

Property Standards

Accessibility	
Accessibility	
Property Standard	
<p>Assisted housing must meet the accessibility requirements in 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Rehabilitation may include improvements that are not required by regulation or statute that permit use by a person with disabilities.</p>	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Asbestos	
Property Standard	
<p>Housing rehabilitation projects will only be evaluated for the presence of asbestos where asbestos looking material is evident and in a friable condition or being disturbed as part of the housing rehabilitation project. Non-friable intact asbestos materials that are not creating a hazard such as cementitious exterior wall shingles may be left intact. Friable asbestos components such as boiler or pipe insulation, badly deteriorated cementitious shingles or deteriorated flooring will be removed and, if necessary, replaced with non-hazardous materials.</p>	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Mold	
Property Standard	
<p>Visible mold growth will be abated. When the cause of mold growth can be determined, steps to reduce or eliminate the cause will become part of the housing rehabilitation project work scope. Standard operating procedure will not include mold testing for housing rehabilitation projects.</p>	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Fire Safety (Egress, Flammable Materials)	
Property Standard	
No bedrooms shall be located in attics or basements unless egress requirements are met. All flammable/combustible material shall be properly stored as part of homeowner responsibility.	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Fire and Carbon Monoxide Alarms	
Property Standard	
All dwellings participating in the Housing Rehabilitation Program will receive required smoke and carbon monoxide alarms as determined by applicable building codes.	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Bulk Debris and Clutter	
Property Standard	
All dwellings participating in the Housing Rehabilitation Program will be free of excessive debris and clutter. While exterior debris and clutter may become part of the housing rehabilitation project, interior debris and clutter will be the responsibility of the homeowner prior to participation in the program to ensure a safe and accessible work environment.	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Electrical Hazards	
Property Standard	
All dwellings participating in the Housing Rehabilitation Program will be evaluated for electrical hazards.	

Health and Safety (Site, Bldg Ext., Bldg Systems)	
Vermin / Insects	
Property Standard	
All dwellings participating in the Housing Rehabilitation Program will be free of excessive vermin and insects as part of homeowner responsibility.	

Site Review	
Grading	
Property Standard	
The ground around the dwelling shall be sloped away from foundation walls to divert water away from the structure.	

Site Review	
Unsafe Structures	
Property Standard	
Unsafe and blighted structures, including outbuildings, will be removed if not financially feasible to complete the repairs required to make them structurally sound, leak-free, with lead hazards abated. Outbuilding repairs and removal are only included with the housing rehabilitation project and will not be the primary focus for housing rehabilitation.	

Site Review	
Fencing	
Property Standard	
<p>Where necessary, repairs to existing fencing systems may be included in the housing rehabilitation project. Where fencing is beyond repair, removal may be included in the housing rehabilitation project scope of work.</p>	

Site Review	
Paving and Walks	
Property Standard	
<p>Tripping hazards greater than 1.5" will be addressed. Essential paving, such as front sidewalks and driveways with minor defects, will be repaired to match. Non-essential, highly deteriorated paving, such as sidewalks that are unnecessary will be removed and appropriately landscaped. Un-repairable essential walks and driveways will be replaced.</p>	

Site Review	
Trees and Shrubbery	
Property Standard	
<p>Trees that present a safety hazard because electrical wiring runs through them must be trimmed as directed. Trees or shrubbery that could damage the structural integrity of an adjoining building above or below the foundation should be removed. Trees that are dead, dying, or hazardous will be removed.</p>	

Site Review	
Swimming Pools	
Property Standard	
<p>Swimming pool repair or replacement will not be included in the housing rehabilitation scope of work.</p>	

Exterior Building Surfaces (Major System)	
Exterior Cladding	
Property Standard	
Siding and trim will be intact and weatherproof. Exterior walls shall be weather tight and not permit entry of water, snow, or wind into the interior.	

Exterior Building Surfaces (Major System)	
Exterior Railings	
Property Standard	
Existing handrails must be structurally sound. Sound railings may be repaired where it is possible to maintain the existing style and structural integrity. Exterior railing repair or replacement shall become part of the housing rehabilitation project where required by building code.	

Exterior Building Surfaces (Major System)	
Exterior Steps, Porches and Decks	
Property Standard	
Existing steps, porches and decks will be structurally sound, reasonably level, with smooth and even surfaces. Where deteriorated steps, porches and decks exist but are unnecessary, removal may be included as part of the housing rehabilitation project.	

Exterior Building Surfaces (Major System)	
Exterior House Numbers and Mailboxes	
Property Standard	
All dwellings shall have house numbers clearly displayed and an appropriate mail storage container.	

Foundations and Structure (Major System)	
Foundations	
Property Standard	
Foundations will be sound, reasonably level and free from movement. Foundations constructed of unacceptable materials may be evaluated for replacement or repair.	

Foundations and Structure (Major System)	
Floors (structural)	
Property Standard	
Structural flooring will be visually inspected, significant structural damage shall become part of the housing rehabilitation project.	

Foundations and Structure (Major System)	
Walls (structural)	
Property Standard	
Structural framing and masonry will be visually inspected, significant damage shall become part of the housing rehabilitation project.	

Foundations and Structure (Major System)	
Roofs (structural)	
Property Standard	
Structural framing will be visually inspected, significant damage shall become part of the housing rehabilitation project.	

Foundations and Structure (Major System)	
Additions	
Property Standard	
All existing additions to residential structures must be on a properly constructed foundation and must not evidence separation from the original structure. Adding an addition to an existing dwelling is not an allowable housing rehabilitation measure.	

Windows and Doors (Major System)	
Interior Doors	
Property Standard	
Baths, bedrooms and closets will have operable doors. All interior doors shall be capable of affording the privacy for which they are intended.	

Windows and Doors (Major System)	
Exterior Doors	
Property Standard	
All exterior doors shall be in good repair, weather tight and operate properly with lockable hardware.	

Windows and Doors (Major System)	
Windows	
Property Standard	
Primary Windows are not to be replaced unless they are rotted or deteriorated and are permitting the infiltration of air, snow or rain. Windows that are not repairable may be replaced. Primary windows may be replaced as a lead-based paint abatement measure.	

Windows and Doors (Major System)	
Basement Windows	
Property Standard	
Basement windows may be replaced with glass block or replacement windows when the existing window is deteriorated and permitting the infiltration of air, snow or rain.	

Roofing (Major System)	
Flat and Low-Slope Roofing	
Property Standard	
All roofs will be visually inspected for a useful life of five (5) years. Roofs that do not visually appear to have a useful life of five (5) years or greater shall be replaced as part of the housing rehabilitation project. Reconstruction of low-slope roof framing may occur whenever the area is leaking and the leaking cannot be prevented by installation of rolled roofing or rubberized roofing membrane.	

Roofing (Major System)	
Pitched Roofs	
Property Standard	
All roofs will be visually inspected for a useful life of five (5) years. Roofs that do not visually appear to have a useful life of five (5) years or greater shall be replaced as part of the housing rehabilitation project. Missing or leaking shingles and flashing shall be repaired on otherwise functional roofs.	

Roofing (Major System)	
Gutters and Downspouts	
Property Standard	

Gutters and downspouts must be in good repair, leak free and able to divert storm water from all lower roof edges. The system must move all storm water away from the building and prevent water from entering the structure.

Insulation and Ventilation (Major System)	
Infiltration	
Property Standard	
<p>All dwellings evaluated for the Housing Rehabilitation Program will be visually inspected for obvious infiltration areas that unwanted air, moisture and vermin may enter the dwelling. Elimination of infiltration of such undesired substances will fall within the work scope for the dwelling through the Housing Rehabilitation Program.</p>	

Insulation and Ventilation (Major System)	
Foundation Insulation	
Property Standard	
<p>Foundation insulation – When basements are unfinished the rim joist around the house shall be insulated with un-faced fiberglass insulation. Insulation within floor joist cavities or on the interior of the perimeter wall in crawl spaces may be considered and become part of the housing rehabilitation project work scope. In some instances perimeter crawl space insulation may be necessary to ensure that the mechanical and plumbing systems located within the crawl space are preserved.</p>	

Insulation and Ventilation (Major System)	
Exterior Walls	
Property Standard	
<p>Exterior wall insulation may become part of the housing rehabilitation project work scope when the framing is exposed. Exterior wall insulation R-Value will be determined by the depth of the cavity and building code.</p>	

Insulation and Ventilation (Major System)	
Attic Insulation	
Property Standard	
Attic Insulation may become part of the housing rehabilitation project work scope when deemed necessary to preserve the dwelling and/or ensure occupant comfort. Attic insulation R-Value will be determine by the depth of the space and building code.	

Insulation and Ventilation (Major System)	
Bathroom Ventilation	
Property Standard	
All bathrooms should have an operable window and/or a functional exhaust vent fan.	

Insulation and Ventilation (Major System)	
Kitchen Ventilation	
Property Standard	
All kitchens should have an operable window and/or a functional exhaust vent fan.	

Insulation and Ventilation (Major System)	
Roof Ventilation	
Property Standard	
Existing roof structures will be evaluated for inadequate or damaged roof venting. Replaced roof structures will be vented to code where applicable.	

Interior Standards
Interior Walls and Ceilings
Property Standard
Holes and cracks in walls and ceilings must be repaired and precautions taken to prevent future damage.

Interior Standards
Flooring
Property Standard
Damaged or deteriorated flooring will be repaired or replaced with new like materials. Where trip hazards exist, every attempt to correct the hazard will be made. Bathroom, kitchen and other water-susceptible floor areas will be covered with water-resistant flooring that is free from tears or tripping hazards.

Interior Standards
Kitchen and Bathroom Cabinets and Countertops
Property Standard
All kitchen and bathroom cabinets and countertops shall be decent, safe, sanitary and of adequate size to function as intended. Where existing cabinets and countertops are not found to be decent, safe, sanitary and of adequate size, replacement shall become part of the housing rehabilitation project work scope.

Electric (Major System)
Ground Fault Circuit Interrupter
Property Standard
Non-functioning GFCIs will be replaced. Kitchen counter, bathroom and laundry receptacles shall be replaced with a GFCI-protected receptacle or protected by a GFCI device where required by code. All exterior outlets will be GFCI protected.

Electric (Major System)	
Passage Lighting	
Property Standard	
Homes that are participating in the Housing Rehabilitation Program will be properly illuminated. Where proper illumination does not exist, lighting shall become part of the housing rehabilitation project work scope.	

Electric (Major System)	
Interior Electric Distribution	
Property Standard	
Wiring will be free from hazard and all circuits shall be properly protected at the panel. Every room shall have a minimum of two duplex receptacles, placed on separate walls and one light fixture or receptacle switched at each room entrance. Where the source wiring circuit is accessible (e.g.. first floor above basements, in gutted rooms, etc.), receptacles shall be grounded. All accessible switch, receptacle and junction boxes shall have appropriate cover plates.	

Electric (Major System)	
Electrical Service Panel	
Property Standard	
Whole house main electrical service panels shall have a main disconnect, at least 10 circuit-breaker-protected circuits, a 100-amp minimum capacity and be adequate to safely supply existing and proposed devices.	

Plumbing System (Major System)	
Drain, Waste and Vent Lines	
Property Standard	
<p>All dwelling plumbing systems shall be capable of safely and adequately providing wastewater disposal for all plumbing fixtures. Existing drain, waste and vent lines will be visually inspected for obvious deterioration and/or damage. Repair and/or replacement shall become part of the housing rehabilitation project work scope where necessary.</p>	

Plumbing System (Major System)	
Plumbing Fixtures	
Property Standard	
<p>All plumbing fixtures shall be in good condition, free of cracks and defects and capable of being used for the purpose in which they were intended.</p>	

Plumbing System (Major System)	
Plumbing Minimum Equipment	
Property Standard	
<p>Every dwelling unit will have a minimum of one sink with hot and cold running water in the kitchen and at least one bathroom containing a sink, and a shower/tub unit, both with hot and cold running water, and a toilet.</p>	

Plumbing System (Major System)	
Water Heaters	
Property Standard	
<p>Each dwelling shall have water-heating equipment (water heater and hot water supply lines) that is free of leaks, connected to the source of fuel or power, and is capable of supplying hot water for general usage.</p>	

Plumbing System (Major System)	
Water Supply	
Property Standard	
<p>Each dwelling shall be connected to an approved (by the jurisdiction having authority) potable water source. Water supply lines within the home shall be sized appropriately, free from leaks, made from a material suitable for potable water supply and installed according to code.</p>	

HVAC (Major System)	
Air Conditioning	
Property Standard	
<p>Non-working or improperly functioning central air conditioning systems may be replaced as part of the housing rehabilitation project work scope. The installation of a central air conditioning system, where one currently does not exist, is permissible where feasible, practical and deemed necessary. New air conditioning installations shall not be a priority unless project funds are available.</p>	

HVAC (Major System)	
Chimney Repair	
Property Standard	
<p>Every heating system burning solid, liquid or gaseous fuels shall be vented in a safe manner to the exterior of the dwelling. The heating system chimney flue shall be of such design to assure proper draft and shall be adequately supported. Unsound chimneys shall be repaired or removed.</p>	

HVAC (Major System)	
Distribution System	
Property Standard	
All accessible ductwork, steam pipe and hot water pipe shall be free of leaks and shall function such that an adequate amount of heat is delivered where intended.	

HVAC (Major System)	
Heating System	
Property Standard	
All heating systems shall be capable of safely and adequately heating all living space. All existing heating systems, including but not limited to chimneys, flues, ducts, piping, etc. that are not being replaced shall be visually inspected to be in a safe and proper functioning condition for an estimated five years.	



Mark A. Hackel
County Executive

MACOMB COUNTY PLANNING AND ECONOMIC DEVELOPMENT

Vicky Rowinski
Director

Jeffrey W. Schroeder, AICP
Deputy Director

Housing Rehabilitation Program Eligibility

The *Housing Rehabilitation program* offers up to \$48,000 in assistance to eligible homeowners to repair their homes to achieve decent, safe and sanitary affordable housing as defined by Macomb County Housing Rehabilitation Standards. Assistance will be provided in the form of a 50% deferred, interest free loan and 50% grant to the homeowner. The loan will be secured with a mortgage and a promissory note, resulting in a lien being placed against the property. The loan will be due and payable according to the terms outlined in the promissory note.

Eligibility

The program provides assistance for low-to-moderate income households that do not exceed household income levels annually determined by the U.S. Department of Housing and Urban Development (HUD). Income is counted for every person 18 years of age and older living in the household. Please contact the Community Development office for current income limits at (586) 466-6256.

In addition to income level, you must also meet each of the following requirements;

- Own and occupy a Single Family Home (not a duplex, flat, apartment, rental home, property under land contract or manufactured home)
- Must be the owner-occupant of the dwelling unit, and used it as your primary residence for the past continuous one (1) year period.
- Live in one of the 20 communities as provided in the shaded map (this map is provided to you in your packet)
- Have current homeowners insurance
- Structure of the house must not be located in a flood plain
- Not be delinquent on property tax payments
- Be current on all mortgage payments
- Not be in foreclosure or active bankruptcy

**Macomb County administers the Housing Repair Assistance Program in every Macomb County community except for St. Clair Shores, Clinton Township, Sterling Heights and Warren. These community administer their own programs. Please contact these municipalities directly for information about their programs.*

Macomb County Administration Building

1 S Main St 7th Floor, Mt Clemens, MI 48043 • (586) 466-6256 • Fax: 586-469-6787

ped.macombgov.org



COUNTY OF MACOMB HOUSING REHABILITATION PROGRAM

Pre-Screen Information for *HOUSING REHABILITATION ASSISTANCE*

ALL INFORMATION WILL BE KEPT CONFIDENTIAL AND USED ONLY FOR THE PURPOSE OF DETERMINING ELIGIBILITY FOR FINANCIAL ASSISTANCE UNDER THE MACOMB COUNTY HOUSING REHABILITATION PROGRAM. **If you have any questions regarding this application, please contact:**

Macomb County Planning & Economic Development- Community Development 586-466-6256

APPLICANT INFORMATION			
APPLICANT'S NAME			Home Phone
Last:	First:	Middle:	
Present Street Address	City	State	Zip Code
E-mail:			Date of Birth:
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/> Separated			# dependents at home
Employer Name and Address			Self-Employed ____ Yes ____ No
Business Phone No.	Position/Title	Type of Business	Num. of Yrs. on Job

CO-APPLICANT INFORMATION			
CO-APPLICANT'S NAME			Home Phone
Last:	First:	Middle:	
Present Street Address	City	State	Zip Code
E-mail:			Date of Birth:
Employer Name and Address			Self-Employed ____ Yes ____ No
Business Phone No.	Position/Title	Type of Business	Num. of Yrs. on Job

HOUSEHOLD COMPOSITION - LIST THE NAMES & AGES OF ALL PERSONS LIVING IN THE HOUSEHOLD			
Member No.	Full Name	Relationship	Age
1			
2			
3			
4			
5			
6			
7			

Number of **PERSONS WITH DISABILITIES** living in the household _____

Does anyone plan to live with you in the future who is not listed above? _____ Yes _____ No

If so, please explain:

HOW DID YOU LEARN ABOUT THE PROGRAM?

LIST YOUR MORTGAGES AND/OR HOME EQUITY LOANS		Current Balance	Monthly Payment
1st Mortgage Company:		\$	\$
2nd Mortgage Company:		\$	\$
Home Equity Loan - Credit Limit		\$	\$

The following **HEAD OF HOUSEHOLD** information is obtained for statistical reporting only:

SINGLE RACE
Complete for Head of Household Only

White

Black/African American

Asian

American Indian/Alaskan Native

Hawaiian/Other Pacific Islander

HISPANIC
Complete for Head of Household Only

YES

NO

MULTI- RACE
Complete for Head of Household Only

Black/African American & White

Asian & White

American Indian/Alaskan Native & White

American Indian/Alaskan Native & Black

Hawaiian/Other Pacific Islander

ANNUAL INCOME FROM ALL SOURCES FOR ALL HOUSEHOLD MEMBERS INCLUDING UNRELATED PERSONS				
PLEASE CHECK ALL THAT APPLY	Applicant earnings	Co-Applicant earnings	Other Household Members Age 18+	Total earnings
<input type="checkbox"/> Gross Salary <input type="checkbox"/> Overtime Earnings				
<input type="checkbox"/> Commissions <input type="checkbox"/> Fees				
<input type="checkbox"/> Tips <input type="checkbox"/> Bonuses				
<input type="checkbox"/> Interest <input type="checkbox"/> Dividends				
<input type="checkbox"/> Net Income from Business				
<input type="checkbox"/> Net Rental Income				
<input type="checkbox"/> Workers Compensation <input type="checkbox"/> Annuities				
<input type="checkbox"/> Retirement Funds <input type="checkbox"/> Pensions				
<input type="checkbox"/> Insurance Policies <input type="checkbox"/> Death Benefits				
<input type="checkbox"/> Social Security <input type="checkbox"/> Disability Payments				
<input type="checkbox"/> Alimony <input type="checkbox"/> Child Support				
<input type="checkbox"/> Unemployment				
<input type="checkbox"/> Public Assistance Payments				
<input type="checkbox"/> Other Income				
TOTAL				

Is your household income projected to change in the next 12 months ____ Yes ____ No

If so, please explain: _____

HOUSING REHABILITATION REPAIRS that you are requesting for your home. Use the other side if necessary.

Please note that if you are in active bankruptcy, you are not currently eligible.

Do you have any other existing liens or judgement liens on your property? Yes _____ No _____

Are you in active bankruptcy or have you claimed bankruptcy in the last 7 years? Yes _____ No _____

If discharged, please submit a copy of the bankruptcy discharge.

If you answered yes to either of the above, please explain:

Are you related to any employees or elected official of the County of Macomb? Yes _____ No _____

If yes, what is the name(s) and relationship(s) of the employee(s)/official(s)?

Is your house or property located in a Flood Zone? Yes _____ No _____

*** Please note that if you answer yes to this question, you may not be eligible for assistance through the Macomb County Housing Rehabilitation Program**

Have you ever received assistance from the Macomb County Housing Rehabilitation Program? Yes _____ No _____

Please note that if you answer no to any of the questions below, you are not currently eligible for assistance through the Macomb County Housing Rehabilitation Program

Have you occupied your house as your principal residence for one continuous calendar year? Yes _____ No _____

Are your mortgage payments current? Yes _____ No _____

Are your property tax payments current? Yes _____ No _____

Do you currently have Homeowner's Insurance? Yes _____ No _____

INFORMATION CONTAINED IN THIS APPLICATION WILL REMAIN CONFIDENTIAL

Please include photocopies of these documents with your application:

- Current Mortgage Statement
- Current Homeowner's Insurance Declarations
- Current Property Tax Bill with Proof of Payment
- IRS Form 4506-T (enclosed)
- Bankruptcy Discharge (if applicable)
- Driver's License or State ID (front & reverse sides)

(for every adult residing in your household 18 years of age or older)

SEND COMPLETE APPLICATION

WITH ALL DOCUMENTS TO:

**Macomb County Planning & Economic Development
Attn: Housing Rehabilitation Program**

1 South Main St. 7th Floor

Mt. Clemens, MI 48043

APPLICANT'S CERTIFICATION

Applicant understands that if Housing Rehabilitation assistance is provided through the Macomb County Housing Rehabilitation Program, it will result in a lien being placed on the property. The total assistance provided to the homeowner will be divided into 50% loan and 50% grant.

Please be advised that if costs to repair exceed \$48,000 the project may be denied.

The applicant certifies that all the information provided or furnished in support of this application; for the purpose of obtaining home repair assistance; is true and complete to the best of the applicant's knowledge and belief. The applicant further certifies that he/she is the owner and occupant of the property contained in this application and that it is their primary residence.

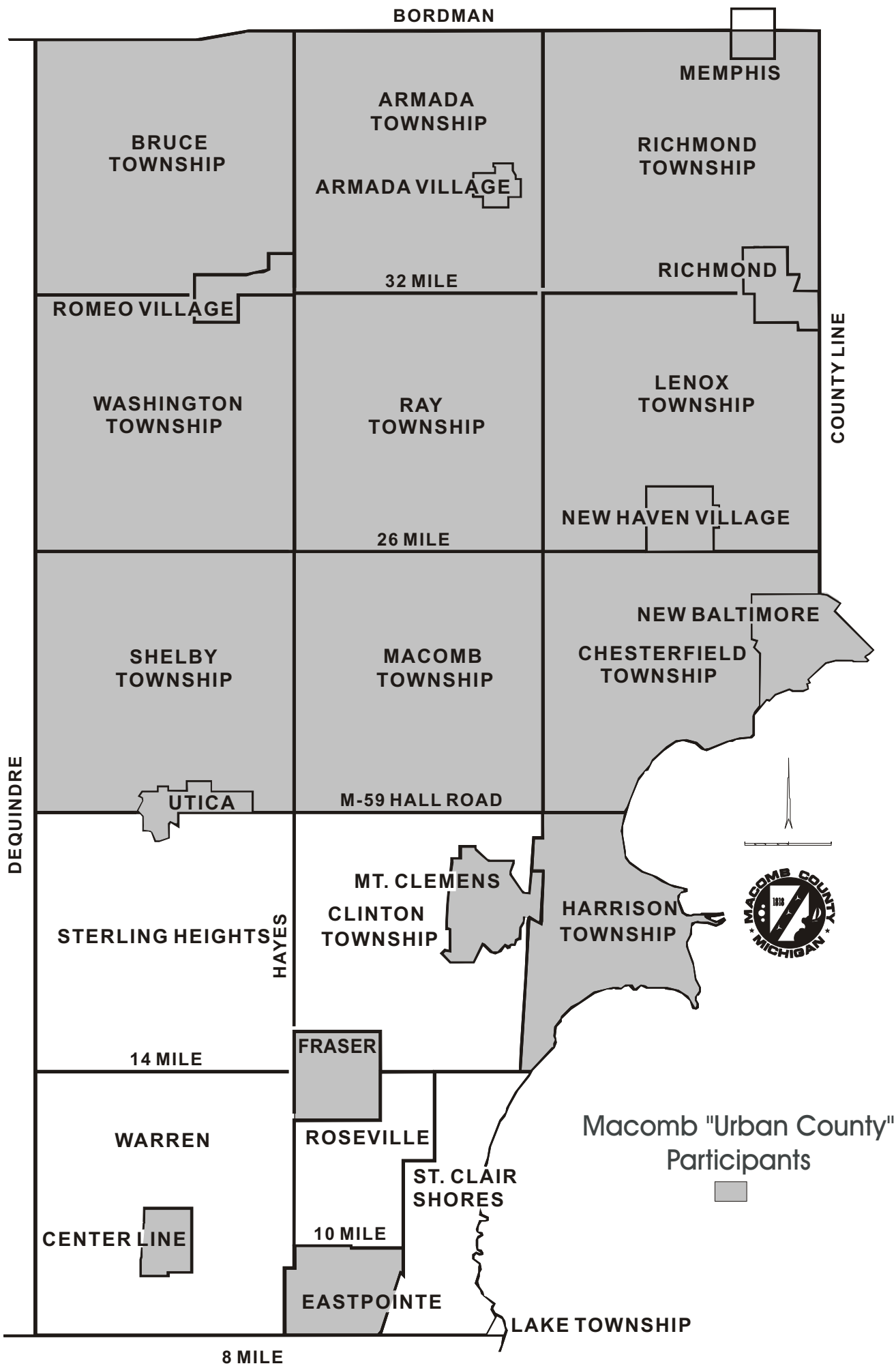
Furthermore, the applicant authorizes the County to make inquiries and verify any of the information from any sources named in this application.

Penalty for False or Fraudulent Statement: United State Code. Title 18. Section 1001. provides "whoever in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or makes any false, fictitious or fraudulent statement or entry shall be fined not more than \$10,000 or imprisoned not more than five years or both."

I HAVE ATTACHED ALL SUPPORTIVE DOCUMENTS ABOVE WITH MY APPLICATION.

Applicant Signature _____ Date _____

Co-Applicant Signature _____ Date _____



Request for Transcript of Tax Return

OMB No. 1545-1872

- ▶ Do not sign this form unless all applicable lines have been completed.
- ▶ Request may be rejected if the form is incomplete or illegible.
- ▶ For more information about Form 4506-T, visit www.irs.gov/form4506t.

Tip: Get faster service: Online at www.irs.gov, **Get Your Tax Record** (Get Transcript) or by calling **1-800-908-9946** for specialized assistance. We have teams available to assist. **Note:** Taxpayers may register to use [Get Transcript](#) to view, print, or download the following transcript types: **Tax Return Transcript** (shows most line items including Adjusted Gross Income (AGI) from your original Form 1040-series tax return as filed, along with any forms and schedules), **Tax Account Transcript** (shows basic data such as return type, marital status, AGI, taxable income and all payment types), **Record of Account Transcript** (combines the tax return and tax account transcripts into one complete transcript), **Wage and Income Transcript** (shows data from information returns we receive such as Forms W-2, 1099, 1098 and Form 5498), and **Verification of Non-filing Letter** (provides proof that the IRS has no record of a filed Form 1040-series tax return for the year you request).

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 Customer file number (if applicable) (see instructions)	

Note: Effective July 2019, the IRS will mail tax transcript requests only to your address of record. See **What's New** under **Future Developments** on Page 2 for additional information.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶ 1040

a Return Transcript, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120-A, Form 1120-H, Form 1120-L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days

b Account Transcript, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days

c Record of Account, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days

7 Verification of Nonfiling, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days

8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2016, filed in 2017, will likely not be available from the IRS until 2018. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 Year or period requested. Enter the end date of the tax year or period requested in mm/dd/yyyy format. This may be a calendar year, fiscal year or quarter. Enter each quarter requested for quarterly returns. Example: Enter 12/31/2018 for a calendar year 2018 Form 1040 transcript.

/	/	/	/
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Caution: Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

<input type="checkbox"/> Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-T. See instructions.	Phone number of taxpayer on line 1a or 2a
▶ _____ Signature (see instructions)	_____ Date
▶ _____ Title (if line 1a above is a corporation, partnership, estate, or trust)	
▶ _____ Spouse's signature	_____ Date

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about Form 4506-T and its instructions, go to www.irs.gov/form4506t. Information about any recent developments affecting Form 4506-T (such as legislation enacted after we released it) will be posted on that page.

The filing location for the Form 4506-T has changed. Please see **Chart for individual transcripts** or **Chart for all other transcripts** for the correct mailing location.

What's New. As part of its ongoing efforts to protect taxpayer data, the Internal Revenue Service announced that in July 2019, it will stop all third-party mailings of requested transcripts. After this date masked Tax Transcripts will only be mailed to the taxpayer's address of record.

If a third-party is unable to accept a Tax Transcript mailed to the taxpayer, they may either contract with an existing IVES participant or become an IVES participant themselves. For additional information about the IVES program, go to www.irs.gov and search IVES.

General Instructions

Caution: Do not sign this form unless all applicable lines have been completed.

Purpose of form. Use Form 4506-T to request tax return information. Taxpayers using a tax year beginning in one calendar year and ending in the following year (fiscal tax year) must file Form 4506-T to request a return transcript.

Note: If you are unsure of which type of transcript you need, request the Record of Account, as it provides the most detailed information.

Customer File Number. The transcripts provided by the IRS have been modified to protect taxpayers' privacy. Transcripts only display partial personal information, such as the last four digits of the taxpayer's Social Security Number. Full financial and tax information, such as wages and taxable income, are shown on the transcript.

An optional Customer File Number field is available to use when requesting a transcript. This number will print on the transcript. See Line 5 instructions for specific requirements. The customer file number is an optional field and not required.

Tip. Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

Automated transcript request. You can quickly request transcripts by using our automated self-help service tools. Please visit us at irs.gov and click on "Get a Tax Transcript..." under "Tools" or call 1-800-908-9946.

Where to file. Mail or fax Form 4506-T to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

If you are requesting more than one transcript or other product and the chart shows two different addresses, send your request to the address based on the address of your most recent return.

Line 1b. Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 3. Enter your current address. If you use a P.O. box, include it on this line.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.

Note: If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address. For a business address, file Form 8822-B, Change of Address or Responsible Party — Business.

Line 5. Enter up to 10 numeric characters to create a unique customer file number that will appear on the transcript. The customer file number **should not** contain an SSN. Completion of this line is not required.

Note. If you use an SSN, name or combination of both, we will not input the information and the customer file number will reflect a generic entry of "9999999999" on the transcript.

Line 6. Enter only one tax form number per request.

Signature and date. Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506-T within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.



You must check the box in the signature area to acknowledge you have the authority to sign and request the information. The form will not be processed and returned to you if the box is unchecked.

Individuals. Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer. A bona fide shareholder of record owning 1 percent or more of the outstanding stock of the corporation may submit a Form 4506-T but must provide documentation to support the requester's right to receive the information.

Partnerships. Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Note: If you are Heir at law, Next of Kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

Signature by a representative. A representative can sign Form 4506-T for a taxpayer only if the taxpayer has specifically delegated this authority to the representative on Form 2848, line 5. The representative must attach Form 2848 showing the delegation to Form 4506-T.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form, 10 min.;** **Preparing the form, 12 min.;** and **Copying, assembling, and sending the form to the IRS, 20 min.**

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications Division
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see *Where to file* on this page.

Chart for individual transcripts (Form 1040 series and Form W-2 and Form 1099)

If you filed an individual return and lived in:	Mail or fax to:
Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team Stop 6716 AUSC Austin, TX 73301 855-587-9604
Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New York, Vermont, Virginia, Wisconsin	Internal Revenue Service RAIVS Team Stop 6705 S-2 Kansas City, MO 64999 855-821-0094
Alaska, Arizona, California, Colorado, Connecticut, District of Columbia, Hawaii, Idaho, Kansas, Maryland, Michigan, Montana, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Washington, West Virginia, Wyoming	Internal Revenue Service RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409 855-298-1145

Chart for all other transcripts

If you lived in or your business was in:	Mail or fax to:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409 855-298-1145
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	Internal Revenue Service RAIVS Team Stop 6705 S-2 Kansas City, MO 64999 855-821-0094

**MACOMB COUNTY HOUSING REHABILITATION PROGRAM
REAL ESTATE MORTGAGE DISCLOSURE STATEMENT
REQUIRED BY THE FEDERAL TRUTH IN LENDING ACT**

TODAY'S DATE

Date

MORTGAGER - BORROWER

HOMEOWNER NAME

The COUNTY OF MACOMB, acting in behalf of the United States Department of Housing and Urban Development, hereinafter called Lender, will lend to the Borrower subject to terms and conditions of commitment letter

dated **TODAY'S DATE**, the principal amount of **AMOUNT**, secured by a mortgage on real property located at **HOMEOWNER ADDRESS** described as

, City of Eastpointe, County of Macomb and State of Michigan, as recorded in Liber , Page of Plats, Macomb County Records. Property Address: . Property Tax ID Number:

and all property and funds of borrower at any time in possession of Lender. Said mortgage covers all improvements to the property.

PAYMENT TERMS:

PRINCIPAL AMOUNT OF LOAN	AMOUNT
INTEREST RATE	0%
TOTAL PAYMENT	FINAL LIEN AMOUNT

REAL PROPERTY INSURANCE:

The borrower is required to obtain hazard insurance through any duly-licensed insurance agent or broker of their choice.

PREPAYMENT CHARGE:

The loan may be prepaid at any time with no * **\$0.00** of this amount is a "Deferred Loan" and due payable in full only upon the happening of one of conditions as contained in Section I of the Mortgage Note. An interest rate of 6% per annum shall occur commencing 30 days after the occurrence of said condition until payment in full.

SPECIAL PROVISIONS: Subordination requests are governed by County Policy that may consider subordination to enable a homeowner a more favorable mortgage (lower rate/term). County Policy does not grant subordination if equity is removed from the property to achieve CASH, FINANCE IMPROVEMENTS, OR DEBT CONSOLIDATION.

ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURES

The undersigned BORROWERS do herewith acknowledge receipt of a copy of this completed statement and the DISCLOSURES contained herein.

Witness **YOUR NAME**

Borrower **HOMEOWNER NAME**

Witness

Borrower

MORTGAGE NOTE

MOUNT CLEMENS, MICHIGAN

AMOUNT

TODAY'S DATE

FOR VALUE RECEIVED, the undersigned, jointly and severally, promise(s) to pay to the order of

COUNTY OF MACOMB

the principal sum of **FINAL LIEN AMOUNT** Dollars (**AMOUNT**)
with the following terms and conditions:

SECTION I

The principal sum of **FINAL LIEN AMOUNT** Dollars (**AMOUNT**) shall be referred to as a "Deferred Loan" and shall become due and payable under the following terms and conditions:

1. The undersigned transfers any interest in the property.
2. The undersigned moves, rents or leases the property.
3. The death of the Mortgagor/s.
4. Failure of the undersigned to maintain adequate fire and hazard insurance to cover the debt incurred by this loan and any pre-existing property debt.

Upon default as defined in Section II herein, interest on the deferred obligation shall be at a interest rate of six percent (6%) per annum commencing 30 days after the date on which any of the above conditions occur.

SECTION II:

In the event of default in payment upon the occurrence of any of the conditions or terms as set forth in Section I of this Note, the holder of this Note may, without notice, at its option declare the remainder of said debt under Section I at once due and payable, and any failure to exercise said option shall not constitute a waiver of the right to exercise the same at any time.

1. Prepayment of the obligation herein created may be made in full at any time from the date hereof without pentalty.
2. Demand, protest, presentment and notice of nonpayment are hereby waived.

This note is secured by a real estate mortgage dated **TODAY'S DATE** on property legally described as:

, City of Eastpointe, County of Macomb and State of Michigan, as recorded in Liber , Page of Plats, Macomb County Records. Property Address: . Property Tax ID Number:

**MORTGAGE TO SECURE
HOUSING REHABILITATION LOAN**

THIS MORTGAGE is made this **DAY** day of **MONTH** **20 24** , between the Mortgager, **HOMEOWNER NAME** whose address is **HOMEOWNER ADDRESS** , (hereinafter called "Borrower"), and the Mortgagee, the County of Macomb (hereinafter called "Lender"), acting by and through Macomb County Planning & Economic Development having an office at 1 South Main St. 7th Floor Mt. Clemens, MI 48043

Lender is administering a Housing Rehabilitation Program in which certain monies are loaned to residents for the purpose of rehabilitating residential structures. In order to secure that said loan this mortgage is executed.

To secure the indebtedness of Borrower to the Lender represented by a Note (the "Note") in the principal amount of **FINAL LIEN AMOUNT** dollars (**AMOUNT**) together with interest at the rate of **N/A** % per annum as detailed in said Note of even date made by Borrower payable to the Lender and to secure such other sums which might be hereafter owed by Borrower to the Lender, the Borrower hereby mortgages and warrants to the lender, its successors and assigns, the property described below:

, City of , County of Macomb and State of Michigan, as recorded in Liber , Page of Plats, Macomb County Records. Property Address: . Property Tax ID Number:

together with all buildings and other structures now or hereafter situated on such property and all fixtures installed thereon (all of which are hereafter called the "premises").

The Borrower further covenants and agrees as follows:

1. **Payment of Indebtedness.** Borrower shall pay the indebtedness secured hereby in accordance with the terms of the Note.
2. **Title.** Borrower owns the Premises in fee simple, free and clear of all liens and encumbrances (except those disclosed by Borrower in any loan application related to this mortgage) and the Premises is Borrower's principal residence.
3. **Taxes, Insurance.** Borrower shall pay all taxes and assessments against the Premises before they become delinquent and shall insure the Premises against loss or damage by fire, windstorm and other casualties covered by a standard hazard insurance policy with an all-risk extended coverage endorsement.
4. **Maintenance of Security.** Borrower shall keep the improvements on the Premises and all fixtures thereon in good condition and repair. None of the structures and improvements located on the Premises shall be removed, demolished or substantially altered (other than rehabilitation thereof) without the prior written consent of the County. Borrower shall comply with all statutes, ordinances, rules and regulations relating to the Premises and the use and occupancy thereof.
5. **Performance by the County.** In the event Borrower fails to perform any obligation hereunder, the County may, at its option (but shall not be required to) perform such obligation and take such other action as it deems necessary to protect the security and its interest therein. If the County elects to perform such obligation, all sums expended therefore shall become a part of the indebtedness secured hereby and shall be a lien upon the Premises. Such sums shall be due and payable upon demand and no performance by the County shall be considered as a cure of any default of Borrower or as a waiver of such default.
6. **Default.** The following shall constitute a default under this Mortgage:
 1. The failure to pay any sum of money in accordance with the terms of the Note or this Mortgage, or the failure to observe or perform any other obligation required hereunder if such failure shall continue for a period of ten (10) days after written notice thereof is given to Borrower by the County.
 2. The furnishing of any information or the making of any representation or warranty to the County in any related loan application which proves to be untrue in any material respect.

- 3. The sale, conveyance or transfer (whether voluntarily or by operation of law) of the Premises or any interest therein including, without limitation, the rental of the Premises or any part thereof to any person for any period of time.
- 4. The death of the Borrower, or if there is more than one borrower, the death of the last survivor thereof.
- 7. **Remedy.** Upon the occurrence of any default, the County may, at its sole option and without notice, declare the entire indebtedness secured hereby to be immediately due and payable and the County is hereby authorized and empowered to sell the Premises and convey the same to a purchaser pursuant to the statute in such case made and provided and out of the proceeds of such sale to retain monies due under the terms of this Mortgage and the cost and expenses of such sale, including the attorney's fees provided for in the Note or by statute, rendering the surplus money, if any, to the Borrower as provided by law. THE COUNTY MAY ELECT TO CAUSE THE PREMISES TO BE SOLD BY ADVERTISEMENT RATHER THAN PURSUANT TO COURT ACTION AND BORROWER HEREBY WAIVES ANY RIGHT BORROWER MAY HAVE BY VIRTUE OF ANY APPLICABLE CONSTITUTIONAL PROVISION OR STATUTE TO ANY NOTICE OR COURT HEARING PRIOR TO THE EXERCISE OF THE POWER OR SALE, EXCEPT AS MAY BE EXPRESSLY REQUIRED BY THE MICHIGAN STATUTE GOVERNING FORECLOSURES BY ADVERTISEMENTS.
- 8. **Miscellaneous.** All covenants and conditions contained herein shall run with the land and shall be binding upon the assigns, successors, heirs and personal representatives of the parties. Each right and remedy provided to the County herein shall be cumulative and shall not be exclusive of any other right or remedy provided herein or at law or in equity.

IN WITNESS WHEREOF, Borrower has executed this Mortgage on the day and year first above written after having carefully reviewed Paragraph 7 above and the other provisions hereof.

Signed, sealed & delivered in the presence of
WITNESS:

BORROWER:

NAME

HOMEOWNER NAME

STATE OF MICHIGAN, MACOMB COUNTY ss:

The foregoing instrument was acknowledged before me this TODAY'S DATE

by HOMEOWNER NAME

_____ My
Commission
Expires _____

Notary Public
Macomb County, Michigan
Acting In Macomb County

Prepared by: Staff Name
Macomb County Planning & Economic Development
1 South Main St. 7th Floor
Mt. Clemens, MI 48043

(Space Below This Line Reserved For Lender and Recorder)

When recorded, return to the Macomb County Planning & Economic Development

**SINGLE FAMILY
HOUSING REHABILITATION CONTRACT**

THIS CONTRACT, entered into this **DAY** day of **MONTH**, 20**23**, by and between **CONTRACTOR**, hereinafter referred to as the "CONTRACTOR"; and **HOMEOWNER NAME** hereinafter referred to as the "OWNER(s)."

WHEREAS, the OWNER desires to employ the services of the CONTRACTOR to supply all of the material and labor necessary to remodel, repair and rehabilitate the building on the premises legally described as:

, City of Eastpointe, County of Macomb and State of Michigan, as recorded in Liber , Page of Plats, Macomb County Records. Property Address: . Property Tax ID Number:

commonly known as **HOMEOWNER ADDRESS**,

for a sum of **BID REULTS AMOUNT**,

(**AMOUNT**)*. The sum shall include all of the cost necessary to complete the

work according to the following conditions as set forth in the bid, plans and specifications, attached

hereto: *Necessary Repairs: Items: #.*

Alternate Repairs: None

GENERAL CONDITIONS

#1 MATERIAL, LABOR AND APPLIANCES

Unless otherwise stipulated, the CONTRACTOR shall provide and pay for all materials, labor, tools and equipment necessary for the completion of the work. The OWNER will permit the CONTRACTOR, at no cost, to use existing utilities such as light, heat, power and water necessary to the carrying out and completion of the work.

#2 HOLD HARMLESS

CONTRACTOR will defend, indemnify and hold harmless, the OWNER and the Macomb County Housing Rehabilitation Program staff from liability and claim for damage because of bodily injury, death, property damage, sickness, disease, loss and expense arising from CONTRACTOR's operation under this Contract.

#3 INSURANCE

All general and subcontractors on all work done under this Contract are required to carry full Workman's Compensation Insurance, also Comprehensive Public Liability Insurance Coverage, protecting the OWNER, for not less than \$1,000,000 per occurrence and \$2,000,000 aggregate in the event of damage arising out of the work performed by the CONTRACTOR.

#4 CODES, PERMITS AND REGULATIONS

The CONTRACTOR shall obtain and pay for all permits and licenses, and shall give all notices, pay all fees and comply with all laws, ordinances, rules and regulations of the **City/Township**. If the work of any of the CONTRACTORS shall be done contrary to such laws, ordinances, rules and regulations, he shall bear all costs arising therefrom.

#5 PROTECTION OF WORK AND PROPERTY

The CONTRACTOR, from the time the work is begun until the Contract is completed, shall take adequate precautions to protect from damages, deterioration or theft, the work done on the premises. Furthermore, the CONTRACTOR shall protect the owner's adjacent or the adjoining property from damage or injury during the courses of the work to be done under the terms of this Contract. It shall be the responsibility of the CONTRACTOR to remove from the premises any and all debris resulting from this Contract, leaving same in a neat and orderly condition. Materials and equipment that are removed as part of the work shall belong to the CONTRACTOR, unless otherwise listed and signed for by both contracting parties.

#6 ASSIGNMENT OF CONTRACT

The CONTRACTOR may not assign the Contract without written consent of the OWNER. The request for such assignment shall be addressed to the Macomb County Planning & Economic Development 1 South Main Street 7th Floor Mt. Clemens, MI 48043.

#7 RESPONSIBILITY OF CONTRACTORS AND SUBCONTRACTORS

Each CONTRACTOR will be held responsible for the execution of a satisfactory and complete job in accordance with the true intent of the bid, plans and/or specifications. He shall provide, without charge, all incidental items required as a part of the work, even though not particularly specified or indicated. If there are good reasons for objecting to the use of any materials, appliances, or methods of construction as shown or specified, a report shall be made of such objections to the OWNER and the Housing Rehabilitation Program to obtain proper adjustment before the work is completed.

The CONTRACTOR shall abide by the Contractor Summary, Contractor Performance Requirements and Minimum Specifications of the Macomb County Housing Rehabilitation Program. The CONTRACTOR assumes the responsibility for knowing their content and applying the same as applicable.

#8 NON-DISCRIMINATION

Each CONTRACTOR must abide by federal and local regulations pertaining to equal employment as set forth in Executive Order #11246.

#9 LEAD BASE PAINT

The CONTRACTOR shall comply with the regulations issued by the Secretary of Housing and Urban Development as set forth in 24 CFR Part 35 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in residential structures undergoing Federally assisted construction or rehabilitation and require the elimination of lead-based hazards.

#10 INSPECTIONS

The CONTRACTOR and OWNER shall permit governmental personnel to examine and inspect the rehabilitation work at any time for monitoring purposes.

#11 **CHANGE ORDERS**

Once the scope of the rehabilitation project has been contractually defined, the contractor will not perform any home repair or home improvement outside of the scope of the contractual job specifications. Should an emergency develop or hidden defects found, the contractor agrees to contact Program staff prior to the initiation of work and to submit a change order for Program review and authorization.

It is agreed that all changes in the Contract or the specifications contained herein shall be mutually agreed upon by the OWNER, the CONTRACTOR and the Macomb County Housing Rehabilitation Program, and shall be in writing and signed by the parties to the Contract.

Such changes, including those required by the local building department, shall become a part of the original contract, and, shall be performed under the same conditions as the existing rehabilitation contract.

#12 **PAYMENT OF CONTRACT**

The CONTRACTOR will be paid the Contract price in one lump sum after the work is satisfactorily completed. Payment due the CONTRACTOR will be paid from an escrow account after the Macomb County Housing Rehabilitation Program has received appropriate municipal building approvals, plus the CONTRACTOR'S Invoice and Sworn Statement and/or Release of Liens or Claims by the CONTRACTOR, sub-contractors, laborers and material suppliers.

If the Contract warrants progress payments, payment shall not exceed 80 percent of the value of the work satisfactorily completed. Progress payments will be made solely at the discretion of the Macomb County Housing Rehabilitation Program.

#13 **TIME LIMITS**

A Proceed to Work Order will be dated at least three (3) Macomb County business days, but no more than thirty (30) calendar days, after the signing of this contract. If this condition is not met, the CONTRACTOR shall have the option of withdrawing his bid and Contract proposal.

The CONTRACTOR must contact the homeowner(s) within ten (10) Macomb County business days after the issuance of the above mentioned Proceed to Work Order to schedule a pre-construction meeting to include the Macomb County staff, on Monday-Friday, 8:00 am - 1:00 pm, and satisfactorily complete the work within ninety (90) calendar days.

#14 **EXTENSIONS**

The CONTRACTOR may request an extension of the Contract by submitting the reasons for such in writing to the OWNER c/o Macomb County Housing Rehabilitation Program prior to the scheduled completion date. If the extension is not approved, the CONTRACTOR must satisfy the Contract within fourteen (14) working days of the denial. If the work is not completed by that date, the CONTRACTOR shall be held in violation of this document and shall forfeit his rights to the full Contract price. The OWNER with approval of the Macomb County Housing Rehabilitation Program, may then select a second contractor to complete the work. The costs of the second contract will be deducted from the price of this Contract. The original CONTRACTOR will receive no more than the remaining amount as total settlement.

#15 **GUARANTEES AND WARRANTIES**

The CONTRACTOR, with the exception of the "Declaration of Understanding" statements, shall guarantee the work performed for a period of one (1) year from the date of final acceptance of all work required by this Contract. Follow-up on warranty work shall be within fourteen (14) days of notice. The CONTRACTOR shall furnish the OWNER c/o the Macomb County Housing Rehabilitation Program, all manufacturers' and suppliers' written guarantees, instruction and warranties covering materials and equipment furnished under the Contract.

#16 DISBARMENT

The CONTRACTOR warrants and represents that neither he nor his subcontractors are subject to administrative disbarment by the U.S. Department of Housing and Urban Development, the State of Michigan, the County of Macomb or local municipality. The CONTRACTOR understands that any entity subject to administrative disbarment cannot be paid using Program funds.

#17 ORDERS AND COOPERATION FROM OWNER

The OWNER under normal conditions, will not direct or give orders to the mechanics on the job. Any orders that the OWNER wants carried out will be given to and by the job superintendent or general CONTRACTOR. The OWNER will cooperate with the CONTRACTOR to facilitate the performance of the work and allow access to the dwelling during normal working hours of 8:00 a.m. - 6:00 p.m., Monday through Saturday. OWNER will not start any home repair or home improvement projects until the proposed work is completed and/or cancelled. Should an emergency develop or work wishes to be undertaken, OWNER agrees to contact Macomb County Housing Rehabilitation Program staff prior to the initiation of work. If OWNER chooses to make repairs or improvements prior to contacting Macomb County Housing Rehabilitation Program staff, such work can result in additional contractual expenses to the OWNER.

#18 In the event of a dispute that cannot first be resolved between the OWNER and the CONTRACTOR, both agree to abide by the decision of the Macomb County Housing Rehabilitation Program.

#19 FINANCING AND REVOCABILITY

If the OWNER, rescinds this Contract after acceptance within a prior ending at midnight of the third business day following consummation of the loan according to the manner provided for by the "Truth in Lending Act" (Public Law 90-321: Title 15, U.S. Code 1601 et seq.), this Contract becomes null and void. In consideration of the selection of this bid, the CONTRACTOR agrees not to revoke this Contract, but to remain willing and able to perform.

IN WITNESS WHEREOF, the OWNER(s) and the CONTRACTOR do hereby agree to the above terms and conditions this

DAY day of

MONTH

20 23

NAME/ADDRESS OF OWNER(s)

HOMEOWNER NAME

ADDRESS

CITY, ST, ZIP

PHONE

SIGNATURE & DATE OF OWNER(S)

Witnessed by:

Staff Name

Title

NAME/ADDRESS OF CONTRACTOR

CONTRACTOR

Builder License #

ADDRESS

CITY, ST, ZIP

PHONE

SIGNATURE & DATE OF CONTRACTOR

SUBCONTRACTOR LIST (Contractor to email Program of changes to list)

**MACOMB COUNTY
HOUSING REHABILITATION PROGRAM WRITTEN AGREEMENT**

NOTICE TO HOMEOWNER: Macomb County's Housing Rehabilitation Program (PROGRAM), which is administered by Macomb County Planning & Economic Development, is funded through HOME Investment Partnerships (HOME) or Community Development Block Grant (CDBG) funds provided through the U.S. Department of Housing and Urban Development. This AGREEMENT contains a number of requirements you must fulfill in exchange for the federal assistance you are receiving through the PROGRAM. You should read each paragraph carefully and ask questions regarding any sections you do not fully understand. This AGREEMENT will be enforced by a mortgage note and mortgage as set forth in Section 1 below. You should be sure that you thoroughly understand these documents before you sign them.

THIS AGREEMENT made and entered into by and between the County of Macomb (hereinafter referred to as "LENDER") and HOMEOWNER NAME (S) (Hereinafter referred to as the ("HOMEOWNER(s)")) is to provide assistance to the HOMEOWNER(s) through funding made available through the PROGRAM, a federal program administered by the U.S. Department of Housing and Urban Development (HUD). The assistance is to help make it possible for the rehabilitation of the HOMEOWNER's residence located at ADDRESS, CITY, Michigan. The legal description of the property is as follows:

COPY AND PASTE LEGAL DESCRIPTION FROM MORTGAGE

SECTION 1. USE OF FUNDS

The HOMEOWNER and the LENDER agree that the assistance provided through the PROGRAM will be used to pay the costs of rehabilitating the HOMEOWNER's home.

SECTION 2. SCOPE OF PROGRAM

The LENDER, by way of a no-interest, deferred payment loan to the HOMEOWNER, will loan the HOMEOWNER the sum of FINAL LIEN AMOUNT (\$ ###). The loan will be protected by a mortgage note and mortgage filed against the residence located at ADDRESS, CITY, Michigan.

SECTION 3. PRINCIPAL RESIDENCE REQUIREMENT

The home must, during the entire period of time covered by this AGREEMENT, remain the principal place of residence for the HOMEOWNER(s). Should the HOMEOWNER(s) not maintain the home as his/her principal residence, or rent or sell the residence to another party, the HOMEOWNER will be in breach of this agreement and will be required to repay the loan based on the terms set forth in the Mortgage Note.

SECTION 4. LOW INCOME HOMEOWNER

The HOMEOWNER attests, and the LENDER has verified, that the HOMEOWNER qualifies as a low-income individual or household as defined by the PROGRAM. "Low-income" is defined as an individual or household whose total income does not exceed 80% of the Area Median Income (AMI) as defined by HUD.

SECTION 5. HOUSING DETERMINED TO BE MODEST

If assisted through HOME funds, the LENDER has estimated that the value of the property, after rehabilitation, does not exceed 95 percent (95%) of the median purchase price of homes for the area, as set forth in 24 CFR Part 92.254(a). This section is not applicable for housing assisted through the use CDBG funds.

SECTION 6. REHABILITATION WORK TO BE UNDERTAKEN

The scope of the work to be undertaken under this agreement is described under Attachment #1 – Signed Work Specifications.

SECTION 7. PROPERTY STANDARDS

Pursuant to PROGRAM rules, the rehabilitation completed under this agreement must be performed in compliance and conformance with the Michigan Residential Building Code, Michigan Rehabilitation Code for Existing Buildings, and Local Municipal Code.

SECTION 8. PROJECT COMPLETION DATE

The CONTRACTOR must contact the homeowner(s) within ten (10) Macomb County business days after the issuance of the Proceed to Work Order to schedule a pre-construction meeting, and satisfactorily complete the work within ninety (90) calendar days.

The CONTRACTOR may request an extension of the Contract by submitting the reasons for such in writing to the HOMEOWNER(s) c/o Macomb County Housing Rehabilitation Program prior to the scheduled completion date. If the extension is not approved, the CONTRACTOR must satisfy the Contract within fourteen (14) working days of the denial. If the work is not completed by that date, the CONTRACTOR shall be held in violation and shall forfeit his rights to the full Contract price. The OWNER with approval of the Macomb County Housing Rehabilitation Program, may then select a second contractor to complete the work. The costs of the second contract will be deducted from the price of this Contract. The original CONTRACTOR will receive no more than the remaining amount as total settlement.

SECTION 9. SUBORDINATION POLICY

Future Loan Refinancing – The LENDER may consider a subordination request of its superior position to enable a homeowner a more favorable mortgage (e.g., lower rate and/or term). County policy does not grant subordination if equity is to be removed from the property to achieve cash, finance improvements, or debt consolidation.

_____ Date _____
HOMEOWNER

_____ Date _____
HOMEOWNER

STATE OF MICHIGAN, MACOMB COUNTY ss:

The foregoing instrument was acknowledged before me this _____

By _____

Notary Public
State of Michigan
County of Macomb _____

My
Commission
Expires _____

Acting in the County of Macomb

Attachment #1

Signed Work Specifications



Mark A. Hackel
County Executive

MACOMB COUNTY PLANNING AND ECONOMIC DEVELOPMENT

Vicky Rowinski
Director

Jeffrey W. Schroeder, AICP
Deputy Director

From: Macomb County Planning &
Economic Development

Re: Subordination Policy Macomb
County

Our office has been contacted about Macomb County's willingness to subordinate a Superior Loan Position for a single family property owner that has received loans to pay down a mortgage and/or to accomplish necessary home repairs. **The County may consider the Subordination of its superior position to enable a homeowner a more favorable mortgage (i.e., lower rate and/or term). County policy does not grant subordination if equity is to be removed from the property to achieve CASH, FINANCE IMPROVEMENTS, OR DEBT CONSOLIDATION.**

To formally request a Subordination from Macomb County, please supply **complete** copies of the following seven documents to: Macomb County Planning & Economic Development 1 South Main St. 7th Floor Mt. Clemens, MI 48043.

1. Letter requesting subordination agreement from the County of Macomb. Content to include name and address of borrower, total loan amount, name and address of new lender, notification if equity is being removed from the property or not.
2. Borrower's Certification and Loan Authorization.
3. Uniform Residential Loan Application (Form 1003).
Document must be signed and dated.
4. Title Search with all schedules.
5. Pay-off letter from any existing lien(s) being refinanced.
6. Schedule of charge accounts and other loans.
7. Loan Estimate related to proposed loan. **Document must be signed and dated.**

After the County receives and examines the above listed documents, every effort will be made to respond to the Subordination Agreement request within ten (10) business days.

Macomb County Administration Building

1 S Main St 7th Floor, Mt Clemens, MI 48043 • (586) 469-5285 • Fax: 586-469-6787

ped.macombgov.org



Mark A. Hackel
County Executive

MACOMB COUNTY PLANNING AND ECONOMIC DEVELOPMENT

Vicky Rowinski
Director

Jeffrey W. Schroeder, AICP
Deputy Director

MACOMB COUNTY PLANNING & ECONOMIC DEVELOPEMT HOUSING REHABILITATION PROGRAM SHORT SALE POLICY

Macomb County Planning & Economic Development operates Macomb County's community development programs funded through the U.S. Department of Housing and Urban Development (HUD). The Agency will consider an offer for less than the balance owed on a Macomb County housing rehabilitation mortgage loan in a proposed sale of the property, unless prohibited by Federal regulations. Consideration will be made for, but not limited to, the following reasons:

1. The borrower and/or co-borrower are in imminent default of their mortgage and a loan modification has been denied by the first position lien holder.
2. The borrower and/or co-borrower had a foreclosure sale and are in the redemption period.
3. The borrower and/or co-borrower are deceased and the sales proceeds of the home will not cover the amount owed to the County.
4. Other hardships must be approved by the Community Development Review Board.

The seller(s) cannot list the property with or sell it to an immediate family member. Immediate family includes (whether by blood, marriage or adoption): the spouse, parent (including a stepparent), child (including a stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild, and in-laws.

If the seller(s) has a real estate license, he or she cannot earn a commission by listing their own property.

The seller(s) shall not have any agreements to receive a portion of the commission or the sale price after closing.

The seller(s) shall not have any expectation that they will be able to buy or rent their house back after the closing.

Required Documentation (additional information may be required)

- Hardship packet submitted to the primary mortgage company including the hardship letter;
- Title search with all schedules;
- Listing agreement;
- Purchase agreement;
- Appraisal completed by a licensed appraiser within the last three months. A Broker Priced Opinion or Market Analysis completed by a realtor will not meet this requirement;

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ped.macombgov.org

Required Documentation (continued)

- Amount of existing liens;
- Short sale approval document from senior lenders;
- Offer of payoff on County rehabilitation loan; and
- Completed Short Sale Seller Affidavit

Settlement Amount

Upon completion of the above mentioned requirements, Macomb County Planning & Economic Development will:

- Accept a minimum of \$3,000, or the balance of the sale proceeds, whichever is greater, before the Sheriff's sale or during the first half of the redemption period.
- Accept a minimum of \$1,500, or the balance of the sale proceeds, whichever is greater, will be accepted if there is less than 50 percent of the redemption period remaining.
- An offer of less than the required settlement amount must be approved by Macomb County Planning & Economic Development.

A decision will be made within 10 business days from the date all required documentation was received by the County. A discharge of lien will be prepared which will be recorded upon verification of completion of the sale and receipt of the funds.

MACOMB COUNTY PLANNING & ECONOMIC DEVELOPEMTN RESERVES THE RIGHT TO REFUSE OR DENY ANY OR ALL OFFERS OR REQUESTS

Effective: March 30, 2016



Signature

Stephanie Burgess

Project Manager

**FIRST AMENDMENT TO
REHABILITATION LOAN MORTGAGE**

This First Amendment to Rehabilitation Loan Mortgage (this "Amendment") made as of (date) _____, is by and between (Homeowner) _____ (the "Mortgagor"), whose address is _____, (City or Township), Michigan _____, and the Mortgagee, the **County of Macomb** (hereinafter called "Lender"), acting by and through **Macomb County Planning and Economic Development** having an office at 1 S. Main Street, 7th Floor, Mount Clemens, MI 48043.

RECITALS:

A. Mortgagor applied for a rehabilitation loan from Lender in order to have a contractor make certain repairs and improvements to Mortgagor's principal residence (the "Property") through Macomb County's Housing Rehabilitation Program.

B. Mortgagor executed a Housing Rehabilitation Loan Mortgage in favor of Lender dated _____ and recorded on _____ in Liber ____, Page ____, Macomb County Records (the "Mortgage"). The Mortgage encumbered the premises located in the **City/Township of _____, Macomb County, Michigan**, as described on the **attached Exhibit "A"**.

C. Mortgagor has requested from Lender a decrease in the principal amount of the rehabilitation loan for completion of the improvements to Mortgagor's principal residence, and Lender desires to decrease the principal balance under the rehabilitation loan.

NOW, THEREFORE, in consideration of the foregoing recitals and in further consideration of the promises and covenants set forth herein, Mortgagor and Lender agree as follows:

1. That the housing rehabilitation, financed through Macomb County's Housing Rehabilitation Program by the Mortgagor, has been fully and satisfactorily completed. The actual indebtedness of the principal amount of the rehabilitation loan secured by the Mortgage has been decreased by Lender to the amount of \$ _____ ("Revised Principal"). Therefore, the maximum principal amount, excluding protective advances that may be secured by this Mortgage is now decreased to the Revised Principal amount.

2. The specific reference to the Note as set forth in the Mortgage is hereby amended to reference the mortgage note as amended to decrease the amount to the Revised Principal.

3. Except as otherwise expressly modified or amended herein, all other terms and conditions of the Mortgage are hereby confirmed and shall remain in full force and effect.

4. This Amendment shall be binding upon and inure to the benefit of Mortgagor and Lender, and their respective heirs, successors and assigns.

5. This Amendment may not be amended except in writing signed by the Mortgagor and Lender.

6. This Amendment shall be governed by and interpreted according to the laws of the State of Michigan.

**EXHIBIT "A" TO
FIRST AMENDMENT TO
REHABILITATION LOAN MORTGAGE**

Legal Description

Real property located in the City/Township of _____, Macomb County, Michigan, described as follows:

Commonly known as:

Sidwell Number: