



National Voluntary Organizations Active in Disaster

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National VOAD Rental Guidance Document

Goal and purpose

This document is designed to give insight to Long Term Recovery Groups (LTRG) and/or voluntary agencies when considering the repair/rebuilding of rental properties that have been affected by the disaster.

NVOAD definition of a disaster

A disaster is a natural or human-caused incident that disrupts normal life, causing physical and/or emotional trauma and/or damage to property and/or community infrastructure. Disasters may include hurricane, tornado, wind storm, flood, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snow or ice storm, wild fire, explosion, acts of public violence or terrorism, or other human caused or technological events involving toxic and/or radiological materials, etc.

General considerations:

Depending on the size and scope of the disaster and the availability of the affordable housing stock, rental units may play a huge role in placing survivors into a more permanent housing solution. Communities may have a large rental population and not addressing the repair of these properties could change the entire face, demographics, culture and economy of a community. Information on how many rental properties are affected, as well as, in comparison to other properties can be obtained from a FEMA Routine Use Report. The local community is very interested in retaining the community population and character.

Several factors must be considered to determine if repairing rental units fits into your mission. A rental complex with more than four (4) units is considered a commercial property and will not be considered in this document.

If the rental population is high in the affected community, here are some elements to consider when discussing help for rental properties:

- Withholding help will prevent large numbers of the community from returning as consumers, employees, students, tax payers and even recovery leaders.
- Often rental tenants comprise the most vulnerable of the pre-disaster population. Their loss of affordable housing may compound their situation.
- Some businesses will not reopen until a certain amount of the population has returned which affects the economy and the availability of jobs and services for homeowners.
- A high number of damaged rental properties affects the livelihoods of those owners/landlords and their ability to rebuild their own homes or stay in the community.
- Keeping extended families in one community may be a priority to their health and welfare.



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All requests for assistance must come through the Disaster Case Management process, tenant and/or owner/landlord. The tenant may qualify for assistance from the LTRG or voluntary agency to assist with personal property and/or other services that do not include the repair/rebuilding of the rental property.

Criteria

Before considering if repair/rebuilding assistance may be available for owners/landlords of rental units, a set of eligibility criteria must be established. Criteria may differ from one response to another, depending on the financial and material resources available to the Long Term Recovery Group (LTRG) in each affected community or voluntary organization/agency doing the work.

Here are some important considerations when setting these criteria guidelines:

- The community may view this assistance as being available for all who meet the criteria. Because of funding limitations, however, it may be necessary to look at repair on rental property on a case-by-case basis.
- Some owners/landlords may have multiple rental properties, as their only income source. It will be important to determine how many rental properties will be repaired/rebuilt per owner/landlord. A duplex or other rental property may be essential to the owner's livelihood.
- It is also necessary to establish income guidelines. An owner/landlord may have a property that is occupied by a family member and makes little to no income from that rental property. Often this family member is part of a vulnerable population. It is important to remember income is not what is received from the rental property, but what remains after expenses.

There are many ways to verify ownership of the property

Warranty Deed

The most common type of deed is a general warranty deed, which shows that the grantor transferred clear title to the current owner. The actual deed to the property shows the name of the current owner and a description of the property. The deed will be signed by the previous owner or grantor of the property.

Recorder's Office

A properly recorded deed becomes public record, and you can purchase copies of a recorded deed at the county recorder's office to demonstrate proof of land ownership.

Deed of Trust

Some states require lenders to execute a deed of trust when a borrower purchases a property using a mortgage. A copy of the deed of trust is also available at the county recorder's office.

Mortgage Note

In addition to using the property deed to prove land ownership, the mortgage note also indicates that the borrower owns a property that includes a mortgage lien.

Satisfaction of Mortgage Letter



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The mortgage borrower completes the payment obligation under a mortgage, the lender must tender a satisfaction of mortgage letter to the borrower. This letter may also be used to prove land ownership. A satisfaction of mortgage to show who has the clear title to the property.

Property tax records

In many states this information is available online by county which shows the name of the property owner.

Types of services that may be considered

Even after deciding your agency or LTRG will provide support to the recovery of rental properties, there are various types of services to consider providing. This may include:

- Offering funding for repair or replacement of the furnace or other essential utilities that are considered life sustaining.
- Assistance to hire professional contractors required to complete the work. Contracts with hired contractors should be between the owner and contractor. This gives any warranty to the owner, even if the Unmet Needs Committee or agency pays for the contractor.
- Repairs to a culvert or bridge, if access to the property has been compromised.
- Muck out of the property. Some voluntary agencies can provide this service. When offering cleanup services, it is important to receive permission from the owner/landlord and tenant, since there may be the removal of physical and personal property. It is important to remember this will not necessarily ensure the tenant is able to return home.
- Rebuilding and/or repairs to the structure. The organizations that muck out the properties may not rebuild as well so there would need to be other arrangements developed if that is the case.

Identify possible funding sources

The Disaster Case Manager will work with the owner to identify any resources the owner may have available, such as insurance, or applying for a SBA loan or private loan. It may be necessary to identify potential funders who can fund repair/rebuilding of rental properties, since many agencies have guidelines that restrict funding on rental property. There may be a need to investigate grants that may be available. It is important to invite the local non-profit and/or business communities to be at the unmet needs table, since they have a desire to assist their local community, they may be able to offer limited funding to clients.

Establish a contract

It is important that a contract be written between the owner/landlord and the tenant. Occasionally, legal professionals will donate their services to the LTRG or a nonprofit agency may be part of the LTRG. The contract should include information on the amount charged for rent and length of time the contract is to be enforced, following repairs made or funded by the LTRG. It should also contain information on



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the procedure and requirements regarding if the property is sold, or the tenant is not able to stay in the rental property. There should be language in the contract that identifies the previous lease requirements to remain through the duration of this contract.