



Q&A:

Decent, Safe and Sanitary Requirements – Part 2

Question: Thank you for the explanation in the previous issue of what requirements must be met in order for my replacement home to be considered decent, safe and sanitary (DS&S). It was very helpful to me in finding a home to which I may relocate. In fact, I have found what I think is the perfect home! It is affordable to me when I use my eligible Replacement Housing Payment (RHP) and take out a slightly larger mortgage. I have been approved for the larger mortgage, and I am ready to sign the purchase sale agreement based on our last counter-offer and would like to close and move in the next four weeks. I hired a home inspector, and she found a few issues with the condition of the house. I believe most of them are resolved, but need to confirm for my RHP claim.

1. According to the inspector, and based on my review of her report, the roof has some missing shingles and needs some other repairs. The seller has agreed to have someone replace the shingles prior to closing, but he is not willing to complete any other repairs. I did not see in the report where any evidence of leaks was found.
2. The home is bigger than what I have now, but I want to partition off a room in the basement, which will be ideal for my oldest son to use as a bedroom. He currently shares a bedroom with his brother who is 2 years younger, but he's getting ready to go into high school and would really like his own room. Is there anything I need to do to make sure that the new bedroom is acceptable?
3. Back to the inspection, it seems the four front steps should have a railing on them. The seller is not agreeable to installing a railing.
4. Also, I feel the home needs to be freshened up with some new paint, a few plumbing fixtures need to be replaced and some outdoor landscaping should be added. I can do that work after I move in.

So, along with my signed claim, what do I need to do to get the RHP payment available for a closing, hopefully within the next 30 days?

Answer:

Well, we do need to do some work to get the DS&S certification you need to close. Here is what you need to get done in the next 30 days:

First, I need the full inspection report to determine what roof condition issues were found and if the roof is leaking and deficient. We do need to rely on the inspection report to confirm that the house is weather-tight and in good repair. If the roof is found to leak, then full repairs will be required prior to your closing on the purchase of the home. You may want to stay in touch with the seller to ensure that the needed work can be completed. (The bank/mortgage lender would also be concerned about a roof inspection report. They may require a statement from the roof inspector that after the cited repairs are completed the roof will be adequate for a certain number of years.)

I will also need to confirm the need for the railing. I believe that the local housing and occupancy codes do require those steps to have a railing. If this is true and the railing is missing, it would be necessary to have it installed along with any roof repairs. I suggest negotiating with the seller to get them to install a railing and point out the railing is a code requirement. If the seller still refuses, and you are willing to incur the cost, you will need to get the seller's permission and agreement to go on site and have the railing installed.

Second, I will need to personally inspect the home to determine that it has adequate living area for your family. The overall square footage is acceptable, but I will need to verify that there are adequate bedrooms in the home to accommodate your family. As a condition of DS&S, you had to purchase a home with at least three bedrooms. If the home has three bedrooms without the basement remodel, then you might qualify for your payment now. There could be an issue if you are relying on the remodel to meet the three bedroom requirement. That is why it is imperative that I look at the home before you enter into a contract to purchase.

The painting and updates you would like to do to the home are not DS&S requirements (unless the paint is chipping and peeling and is lead-based), and that type of work is not something you need done prior to closing to qualify for your RHP payment.

I suggest you get with your seller as soon as possible to discuss the possibility of needed railing installation and the potential that some roof repair may be needed. You should not sign your purchase contract until I can confirm that the DS&S status may be certified. I will follow-up with you and the home inspector in the next few days to confirm what we need done to accept your claim for payment, so you may have it in time for closing. Please let me know if you or your seller has any questions on how best to accommodate any needed DS&S repairs.