



## Homebuyer Choice Program Home Selection Criteria & Minimum Property Standards

*Houston Community Land Trust (“Houston CLT”) reserves the right to approve or not approve any home purchase for which Homebuyer Choice Program financial assistance will be used. The criteria listed below are to be used as guidance only.*

Both the homebuyer and the homebuyer’s realtor are responsible for ensuring that the chosen home and the offer contract meet the program requirements and that the homebuyer does not lose their earnest money due to failure to comply with program requirements.

### 1. Eligible Property Types:

- a. Eligible properties must be single-family homes (including townhomes). Homes constructed on or next to a property line must be separated from the adjoining building by a wall extending the full height of the building from the foundation to the ridge of the roof, and the land must be a single, marketable lot that is not shared with other units.
- b. Cooperative units, condominiums and manufactured homes are not currently eligible.

### 2. Location:

The home must be located within the incorporated areas of the City of Houston and must pay property taxes to the City of Houston and Harris County.

### 3. Flood Hazards:

- a. The home must not be situated in a floodway or 100-year floodplain.
- b. The home must not be situated in a 500-year floodplain unless it fully complies with current flood ordinances and the homebuyer agrees to purchase flood insurance on the home. Refer to FEMA’s [Flood Insurance Rate Maps](#) (FIRM) for flood hazard information by property address. The Harris County Flood Control District’s [Flood Education Mapping Tool](#) is a useful reference for floodplain information, but note that FEMA flood hazard designations take priority if they differ from Harris County designations.

### 4. Minimum Property Standards:

- a. **Homes must be in good condition at the time of purchase.** “Fixer-uppers,” old or ill-maintained homes, and homes with systems in need of replacement or repair will not be approved for financial assistance. **See the list below of Minimum Property Standards that homes must meet in order to receive financial assistance under the program.**
- b. The home must have all systems in good condition with no anticipated need for substantial repair, replacement or rehabilitation during the first five years of ownership based on a thorough inspection. The home may not have any structural deficiencies or defective conditions that affect its livability, soundness or structural integrity.
- c. The home must be insurable with a regular homeowner’s policy.

**5. Inspection Requirements:**

- a. The home must undergo an independent inspection performed by an inspector selected by the homebuyer and licensed by TREC or otherwise permitted by law to make inspections in the State of Texas. The inspection report must identify any defective conditions and provide an estimated cost to cure them, if curable.
  - The Houston Community Land Trust staff will interpret the results of the inspection and will identify items that need to be repaired prior to purchase to meet these Home Selection Criteria.
  - Properties that are deemed “AS-IS” will not typically work with our program unless they are in good condition.
- b. The home must also pass a Housing Quality Standards (HQS) inspection administered by the City of Houston Housing and Community Development Department. The home must be found to meet the City of Houston’s Housing Quality Standards, which deal with the health and safety of the property and can be found [here](#).

**Minimum Property Standards**

The following is a non-exhaustive list of standards that affect the safety, security, or soundness of the home and therefore would disqualify a property from receiving assistance unless met prior to closing.

**1. No Defective Conditions**

- The home may not have any structural deficiencies or defective conditions that affect its livability, soundness or structural integrity.
- “Defective conditions” refer to defective construction, evidence of continuing settlement, excessive dampness, leakage, decay, termites, environmental hazards or other conditions affecting the health and safety of occupants, collateral security or structural soundness of the dwelling.

**2. Utilities/Mechanical Components**

- Mechanical systems (plumbing, heating, cooling, electrical) must be fully functioning, safe to operate, protected from destructive elements, and have adequate capacity.
- Mechanical systems must be expected to maintain their utility, durability and economy for at least five years from the date of the home purchase.
- All habitable rooms in the home must have adequate heating and central air conditioning.

**3. Roof and Attic**

- The roofing must keep moisture out.
- The roofing must be expected to last for at least five years from the date of the home purchase.
- If the inspection reveals the need for roof repairs, and the roof already has three or more layers of roofing, Houston CLT requires a new roof to be installed at the seller’s expense prior to closing.

**4. Appliances**

Refrigerators, ranges/ovens, dishwashers, disposals, microwaves and washers/dryers that are to convey with the home must be operational.

#### 5. **Water Heater**

The water heater must meet local building codes and must convey with the property. It must be expected to last for at least five years from the date of the home purchase.

#### 6. **Hazards and Nuisances**

No hazards and nuisances may be present in, on or around the property, including:

- Heavy traffic on adjacent roadways or railways that may affect the marketability of the home because of excess noise, air quality and safety issues.
- Excess noise and hazards from low flying aircraft due to proximity to an airport.
- Dangerous proximity to something that could explode, such as a high-pressure gas or petroleum line or storage tank, both above and below ground.
- Properties located underneath, in dangerous proximity to, or within an easement for high-voltage power lines (overhead transmission lines and local distribution lines) or towers.
- Excessive smoke, chemical fumes, noxious odors, stagnant ponds or marshes, poor surface drainage or excessive dampness threatening the health and safety of occupants of the home or the marketability of the property.
- Readily observable evidence of contaminated soil, including proximity to dumps, landfills, industrial sites or other sites that could contain hazardous wastes.
- Oil and gas wells on the property.

#### 7. **Structural Soundness**

Any defective structural conditions and any other conditions that could lead to future structural damage must be remedied before the property can be purchased. These include:

- Standing water against the foundation, decay or excessive dampness, or evidence of improper drainage.
- Hazardous materials on the property or within the home.
- Faulty or defective mechanical systems (electrical, plumbing, heating/cooling).
- Evidence of possible structural failure (e.g., continuing settlement or bulging foundation wall, unsupported floor joists, buckling or sagging floors, cracked masonry walls or foundation, large holes in the exterior).
- Deficient crawl space, including lack of access, pooling/moisture, or insufficient ground clearance.
- Termite damage or evidence of possible pest infestation.
- Leaking or worn-out roof.
- If the property has a swimming pool, unstable sides, structural issues or other defects that would render the pool unusable.
- Any other condition that in the professional judgment of the inspector constitutes a defective condition affecting the structural soundness of the home.

#### 8. **Asbestos**

No area of the home may contain asbestos that appears to be damaged or deteriorating.

**Examples of Cosmetic (Non-Defective) Conditions:** The following are examples of repairs that do not affect the safety, security, or soundness of the home and therefore would not disqualify a property from receiving assistance:

- Missing handrails on stairways of three steps or less that do not pose a threat to safety.
- Defective paint surfaces in homes constructed after 1978.
- Minor plumbing leaks (such as dripping faucets) that do not cause damage.
- Defective interior paint surfaces in houses constructed after 1978.

**Recommendations for the buyer and real estate agent:**

Buyer's realtor is required to receive a brief orientation on Houston CLT's home purchase guidelines and recommendations prior to beginning the house search. Contact Darren Blakemore at Darren[at]houstonclt.org.

Buyer and buyer's realtor are responsible for ensuring that buyer's home and offer contract meet the program requirements and that buyer does not lose their earnest money due to failure to comply with program requirements and procedures.