



# PROGRAM OVERVIEW

The Strategic Buyout Program is a voluntary program that purchases properties likely to flood repeatedly from hurricanes and other disasters. In doing so, the program provides participants with an opportunity to relocate to areas of reduced flooding risk. All properties purchased by the program are cleared of any structures and returned to green space permanently to improve community resilience. The Strategic Buyout Program has collaborated with local government officials to identify areas, referred to as disaster risk reduction areas (DRRAs) or buyout zones, in certain counties impacted by Hurricane Matthew and/or Hurricane Florence that are at the greatest risk of damage from future flood events.

## Buyout Zones

Buyout zones are located in North Carolina counties designated as impacted by Hurricane Matthew and/or Hurricane Florence. As buyout zones are approved, maps of the zones will be posted online at [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout). Eligible property owners will be contacted with information about the program, details on public meetings being held in their area (possibly virtual due to COVID-19) and instructions on how to apply.

## Eligibility

To be eligible for the Strategic Buyout Program:

- The applicant and/or co-applicant:
  - Must be able to prove their identity by providing the program with current and valid government-issued photo identification, such as a driver's license.
  - Must be the current legal owner of the property.
  - Must be able to obtain clean, insurable and merchantable title, which includes being able to pay off the liens against their property, such as mortgages and owed taxes, at or before the closing of the storm-impacted property.
  - Must be current on any disaster recovery subsidized loans, such as those provided by the Small Business Administration (SBA), or must enter into a repayment agreement.
  - Must be able to meet the program's citizenship requirements. The applicant, co-applicant or their minor child/ward residing in the household must be a U.S. citizen, a non-citizen national or a qualified alien. For businesses, the owner or principal must meet this requirement.
- The property:
  - Must be in a designated buyout zone.

- Must be an eligible property type. The program is being conducted in two phases, with phase I focused on the buyout of residential properties. You may also call 833-275-7262 or email [strategicbuyout@ncdps.gov](mailto:strategicbuyout@ncdps.gov).
- Phase I property types are primary residences, rental properties, second homes, vacant (or unoccupied) properties and vacant lots where there was a primary residence or rental property on the parcel at the time of the storm. Examples of eligible property types include detached single-family homes, duplexes, triplexes, apartment buildings, or mobile or manufactured homes (where the owner owns both the land and the structure).
  - **Note:** For phase I, the program will only purchase fifteen (15) rental and/or vacant properties owned by the same person or entity. All rental properties must provide proof that they were recently rental properties or certify that they were recently rental properties.
- Phase II property types are non-residential properties, vacant land, phase I eligible property types owned by someone who purchased the property after the qualifying event and foreclosed properties.
- Must meet federal environmental review requirements.

If the property is owned by a business entity, there are additional eligibility requirements. These requirements can be found online in the Strategic Buyout Program Policy Manual, at [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout), or can be discussed with a staff member by calling 833-275-7262 or by emailing [strategicbuyout@ncdps.gov](mailto:strategicbuyout@ncdps.gov).

Certain applicants may also be eligible to receive incentives, which have additional eligibility criteria. To find out if you may be eligible, please refer to our Incentive Overview at [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout).

For more information, please review the Strategic Buyout Program Policy Manual, which can be found at [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout).

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## Initial Offer Package

The Strategic Buyout Program's Initial Offer Package is based on the current fair market appraised value of the storm-damaged property – or what the property is worth today. Before the program extends an initial offer, it will perform a Duplication of Benefits (DOB) analysis, which requires the applicant to report all prior disaster assistance received. While the program will review all prior assistance received, it will not be considered a duplicative benefit against what the owner(s) is offered. In addition to the current fair market appraised value, applicants may also be eligible to receive additional incentives. More information can be found on our Incentive Overview at [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout).

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## Program Advantages

- Participation in the Strategic Buyout Program is entirely voluntary. It may be the best long-term option for you and your family and can provide you with the necessary resources to move to an area of reduced risk. This means that the next time your area is flooded, you and your family may not have to spend as much time or money recovering.
- The Strategic Buyout Program will make an offer based on the current fair market values of the property.
- Eligible applicants will be able to engage with housing counselors to ensure that they are making educated financial and housing decisions to further assist their recovery and long-term security.

- The local government becomes the owner of buyout properties and there is a deed restriction so that no structure can ever be built on the property again. This means that the impacts of your decision are permanent and the property can be used as a park, natural reserve or other recreational use for the benefit of the community.
- The Strategic Buyout Program will offer up to two financial incentives for eligible property owners. Eligibility criteria include:
  - Selling a property that was their primary residence at the time of the qualifying event.
  - Providing the program with documentation about previously received disaster assistance.
  - Providing the program with income documentation to qualify for certain incentives.
    - Incentive amounts vary based on qualification, need and individual circumstances.
    - Additional eligibility criteria and other information can be found on our Incentive Overview at [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout).

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## Learn More

Call 833-275-7262, Monday–Friday, 8:30 a.m.–5 p.m. (EST)

Visit [rebuild.nc.gov/buyout](https://rebuild.nc.gov/buyout)

Email [strategicbuyout@ncdps.gov](mailto:strategicbuyout@ncdps.gov)