



# MISSISSIPPI HOUSING: HOMEOWNERSHIP FAQs

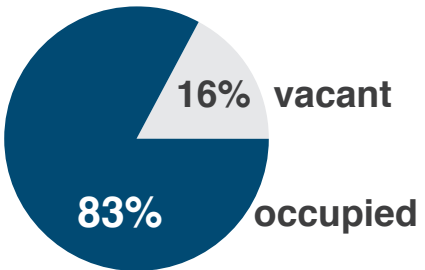
frequently asked questions about financing, affordability, and health and safety standards for owner-occupied housing

## how many housing units are in the state?

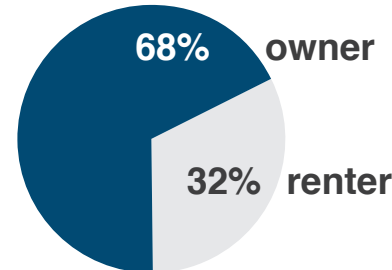


total housing units  
1,322,808

how many total housing units are occupied?



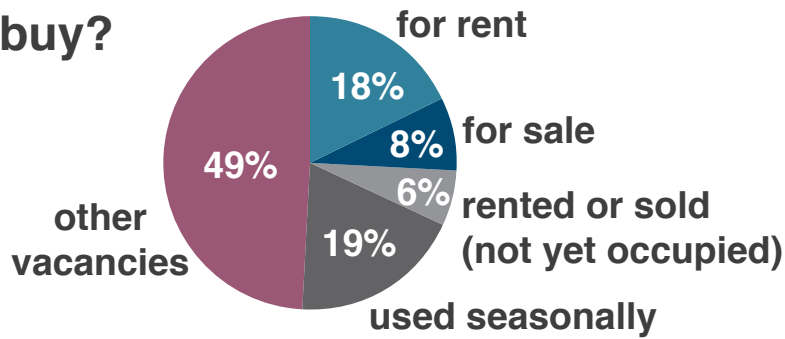
how many units are owner occupied?



## HOME BUYING IN MISSISSIPPI

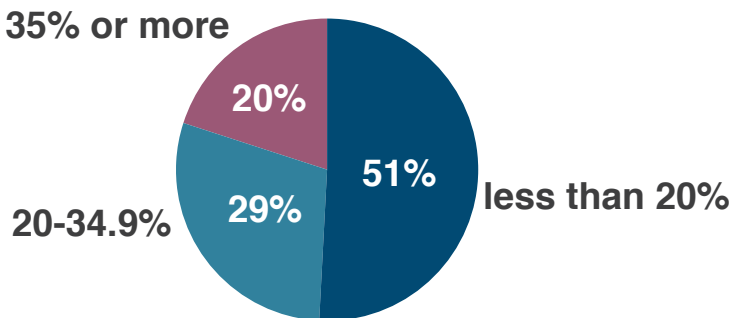
### how many homes are available to buy?

About 8%, or 17,000, of unoccupied housing units are estimated to be on the market for sale in the state. 49% of housing units are categorized as “other vacancies,” meaning they are not for sale, for rent, or used seasonally. These units are also known as longterm or “chronic vacancies” because they are more likely to be substandard or tax delinquent.



### how affordable is homeownership?

The federal government defines housing affordability as spending 30 percent or less of a household’s monthly income on housing costs. About 80 percent of households in Mississippi with a mortgage pay less than 35% of their monthly income on housing.



### do homeowners receive federal financing assistance?

Several federal homeownership assistance programs are available to Mississippi residents with low and moderate incomes, including homebuyer counseling, consumer credit counseling, downpayment assistance and closing cost assistance. The 2015-2019 Mississippi Consolidated Plan for HUD funding determined statewide funding allocations for these programs.

Annual funding for downpayment and closing cost assistance	Number of households assisted
\$1.4 million	1,135

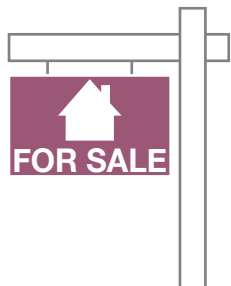
# HEALTH AND SAFETY IN OWNER-OCCUPIED HOUSING

## property standards for real estate transactions

**Realtor Services:** Homebuyers in Mississippi often seek services from realtors who are licensed by the Mississippi Real Estate Commission. Licensed realtors complete training on real estate regulations and are responsible for meeting legal and ethical standards related to their profession, including procurement of inspection and appraisal services and reporting of certain health and safety issues to buyers (such as lead-based paint inspection results).

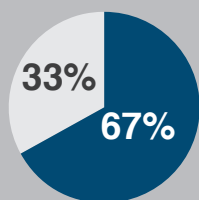
**Purchasing Pre-1978 Housing:** Sales of existing homes built before 1978 are subject to the Residential Lead-Based Paint Hazard Reduction Act (also known as Federal Title X). This law sets requirements for the notification, evaluation, and reduction of lead-based paint hazards in federally owned residential property and housing receiving federal assistance. (For more information please visit [www.leadfreems.org](http://www.leadfreems.org).)

**Mortgage Loans:** Property standards for owner-occupied units at the time of purchase can vary based on the type of mortgage loan secured by the buyer. Compared to conventional loans, loans insured by the Federal Housing Administration (FHA) and other federal agencies have higher inspection standards. When a homebuyer receiving an FHA loan makes an offer of purchase, they will be required to have the home inspected by a certified inspector who will identify health and safety concerns based on FHA standards. Conditions that do not meet minimum standards must be repaired prior to purchase. Nationally about 25 percent of mortgages are insured by the FHA. Conventional loans with adjustable interest rates are more commonly used by buyers and have less strict health and safety standards for purchase.



## property standards for homeowners insurance

uninsured



insured

Most mortgage lenders require homebuyers to obtain a homeowners insurance policy to receive a loan and to be in good standing throughout the loan period. Policies for coverage of the dwelling (the house itself) typically provide reimbursement costs for repairs if the home is damaged by a fire, falling object, certain natural disasters, or major systems failures. Insurance providers require homebuyers to submit home inspection and appraisal reports in order to determine the cost of the insurance policy. If homeowners file a claim of damages an adjuster from the provider would inspect the property to assess the reported damages. Such inspections are not usually comprehensive unless the damage is to the total structure.

## property maintenance codes

The most common source for building code regulations in the United States is the International Code Council (ICC), which produces codes that set minimum standards for building construction and maintenance to ensure health and safety of occupants. While all jurisdictions in the state are subject to building codes, adoption of property maintenance codes is not required and much less common in local ordinances. According to a 2014 report on residential building codes produced by the Mississippi Insurance Department, at least 13 municipalities in the state (of almost 300) have adopted a version of property maintenance codes based on recent ICC versions. While most of these municipalities do not proactively enforce property maintenance codes, especially for owner occupied housing, they do have authority to take enforcement actions, which may be needed if community residents are concerned about the health and safety of a home (especially if a neighboring property may be impacted).



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