

Dear Concerned Citizens,

1. Here is a chance to not just complain to our friends about house contractor fraud, but rather to try to give the information to a great nonprofit group trying to do something about it.

From LouisianaREBUILDS.info

Contractor Fraud Survey

Contractor fraud has become a **major challenge to our community's recovery from disaster.**

LouisianaRebuilds.Info and the LSU Sociology Department in Baton Rouge have created a **survey** that will help us understand **how widespread contractor fraud is** and more importantly, what we can do to stop it.

Whether or not you've been a victim of contractor fraud, please take this important survey. Getting information from all residents will give us better insight on how to fight this issue.

The survey takes an average of **5 minutes** to complete and is **fully confidential**.

With your help – whether it has happened to you or not – we can work together to help fix this devastating problem. Please feel free to forward the survey to others.

Access the survey [here](#) or go to LouisianaREBUILDS.info.

2. Latest version of Homeowner Policies for the RHP:

Nov. 6 version: http://road2la.org/Docs/policies/ho_policies_110608.pdf

Some tidbits:

Nov. 6 Homeowner Policies has this change in the Table of Contents although I cannot find it in the text.

ICC and elevation calculation: There is no ICC deduction in the elevation calculation. This is corrected in this version of the policies.

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10.5 Legal Fees

Legal fees that were paid in *successfully* obtaining insurance proceeds will be credited to applicant and will not be deducted as part of their duplication of benefits. Applicants will need to provide evidence of payment and self-certify in accordance with the *Road Home* policy in order to be credited.

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Appealing Pre-Storm Value Determination

Applicants who are not satisfied with their pre-storm value may submit an Appeal to *The Road Home* Appeals Office.
The Road Home Appeals Office:

- Reviews the available pre-storm value sources in the file
- Offer the applicant the highest available pre-storm value or opportunity to request a 1004 URAR appraisal.
- Prior to December 17, 2007:
 - If applicant requests a 1004 appraisal and the 1004 appraisal results in a lower value than the highest pre-storm value available in the file is used to calculate the award.
- Between December 17, 2007 and March 4, 2008:

- If the applicant requests a 1004 appraisal prior to closing, the 1004 appraisal is the final pre-storm value, regardless of whether it comes in lower or higher than other pre-storm value sources on file
- If an applicant requests a 1004 appraisal after closing and the 1004 appraisal results in a lower value than the pre-storm value used in their first closing calculation, the PSV used to calculate the initial award continues to be used.

- As of March 5, 2008

- If the applicant requests a 1004 appraisal, the 1004 appraisal is the final pre-storm value, regardless of whether it comes in lower or higher than other pre-storm value sources on file and regardless of whether the applicant has gone to closing.
- If the applicant has gone to closing and the 1004 value results in a grant calculation that is lower than the grant calculation provided at closing, the applicant must return the difference to the State.

Field Review Appraisal Process for Applicant Submitted Post-Storm Appraisals

- Some files include a review appraisal to validate a post-storm appraisal of pre-storm value that was considered too high by *The Road Home*.
- The value returned by a review appraiser is an acceptable estimate of pre-storm value.
- The Road Home* discontinued ordering field review appraisals for applicants who submitted post-storm appraisals not considered valid by *The Road Home* on March 4, 2008.

Review of Pre-Storm Value²² Applicants who are not satisfied with *The Road Home's* pre-storm value determination can choose to have their pre-storm value reviewed and possibly revised. *The Road Home* program follows the steps described below:

- (1) Reviews the available pre-storm value sources in the file
- (2) Requests the applicant to submit additional documentation that may help *The Road Home* make a determination of the pre-storm value (as of May 23, 2008, *The Road Home* accepts only one post-storm appraisal from the applicant(s)²³)
- (3) Orders a market analysis (2055 appraisal) and/or BPO if these pre-storm value sources are not already in the file
- (4) Provides the applicant with the highest available pre-storm value

²² Version 6.0, Revision 6, July 9, 2008

²³ Version 6.0, Revision 5, July 9, 2008

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6.4 If applicant sold home prior to August 29, 2006¹³

Applicants who sold their home prior to August 29, 2006 have different options than other types of applicants. Applicants who sold their home prior to August 29, 2006 may select one of the following two choices:

- *Choice #1: Own and Occupy Another Home in Louisiana:* You must agree to be the owner of a home in Louisiana and keep it as your primary residence at some point within 3 years of your *Road Home* closing. Upon becoming an owner-occupant you must remain the owner-occupant until 3 years after your *Road Home* closing.
- *Choice #2: Choose not to be an Owner-Occupant in Louisiana:* There are no obligations following closing if you select Choice #2.

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17 Applicants Who Sold Home Prior to August 29, 2006³²

17.1 Inputs

- **Pre-storm value**

o The determination and verification of the pre-storm value for applicants who sold their home prior to August 29, 2006 is the same as the pre-storm value hierarchy in place for single units as of and after January 14, 2007.

• **Other compensation**

- o FEMA Individual Assistance (FEMA IA)
- o FEMA National Flood Insurance Program (NFIP) Insurance
- o USDA
- o Private Insurance

• **Proceeds from Sale of Home**

o The determination of “proceeds from sale of home” is the value as evidenced in the HUD 1 Settlement Statement and calculated as follows: (Line 401) minus (Line 502) = “Adjusted Sales Price.” Applicants who do not submit a HUD 1 Settlement document are contacted and provided the opportunity to submit it. If the applicant is unable to submit a HUD 1 Settlement then *The Road Home* uses the gross sales price listed on the IRS 1099 form as the “proceeds from sale of home.”

• **Legal fees**

17.2 Calculation

17.2.1 Options

Applicants who sold their home prior to August 29, 2006 are eligible for the compensation grant. They are not eligible for an Additional Compensation Grant or an Elevation Incentive.

17.2.2 Calculation of Benefits

• **Choice #1: Own and occupy another home in Louisiana:**

- o The applicant's *compensation grant amount* is their uncompensated loss of value up to \$150,000
- Uncompensated loss of value = *Pre-storm value* (minus) any *other compensation* the applicant(s) received for loss to the structure (minus) *proceeds from sale of home*
- o *Insurance penalty deduction*: All applicants were required to carry hazard insurance. If an applicant was located in the flood plain, the applicant was required to carry flood insurance, except where community opted out. If the applicant did not carry the appropriate insurance, 30% is deducted from the applicant's compensation grant amount.

• **Choice #2: Choose not to be an owner-occupant in Louisiana:**

- o The applicant's *compensation grant amount* is a percentage of their uncompensated loss of value up to \$150,000
- Percentage of Uncompensated loss of value = 60% of *Pre-storm value* (minus) *other compensation* the applicant(s) received for loss to the structure (minus) *proceeds from sale of home*
- o *Insurance penalty deduction*: All applicants were required to carry hazard insurance. If an applicant was located in the flood plain, the applicant was required to carry flood insurance, except where community opted out. If the applicant did not carry the appropriate insurance, 30% is deducted from the applicant's compensation grant amount.

3. The 2-hour Sept. 17 CHAT meeting has been/will be shown on:

Sun., Sept. 21, 8 AM; Mon., Sept. 22, 4 PM ; Fri., Sept. 26, 2 PM ; Sat., Sept. 27, 3 PM; Sun., Sept. 28, 1 PM; Mon., Sept. 29, 8 AM; Wed., Oct. 1, 2:30 PM; Thurs., Oct. 2, 2 PM; Fri., Oct. 3, 8 AM; Mon., Oct. 6, 3 PM; Fri., Oct. 10, 2 PM; Sat., Oct. 11, 3 PM; Sun., Oct. 12, 1 PM; Mon., Oct. 13, 8 AM; Tues., Oct. 14, 4 PM; Fri., Oct. 17, 8 AM; Mon., Oct. 20, 4 PM; Fri., Oct. 24, 2 PM; Sat., Oct. 25, 4:30 PM; Tues., Oct. 28, 2 PM; Wed., Oct. 29, 2:30 PM; Fri., Oct. 31, 8 AM; Thurs., Nov. 6, 8 AM; Mon., Nov. 17, 4 PM; Thurs., Nov. 20, 8 AM; Fri., Nov. 21, 2 PM; Tues., Nov.

25, 2 PM; Thurs., Nov. 27; Sun., Nov. 30, 1 PM; Tues., Dec. 2, 2 PM; Mon., Dec. 8, 3:30 PM; Fri., Dec. 12, 1:30 PM.

4. CHAT- Next Meeting

Time: Meetings on Wed. at 6:30 PM at UNO, usually every other week

- **Place: Room 179, UNO Milneburg Hall**, on Milneburg Rd. (the road where the brand new dorms are, past the stop sign and the University Center and opposite the Fitness Center.
Building #24: [Directions to the Business Bldg are given on the Campus Map for UNO](#)
- **NEXT MEETING Wed., Dec. 10. Newcomers are welcome.**

Among the issues to be discussed are appeals, elevation grants, and sold-at-a-loss applications.

5. **CHAT's Extremely Useful Online Survey**

Applicants, please remember to update your application information (if your application still is in process or has unresolved issues) at our survey, which can be found at

<http://chatushome.com>

Best wishes,

Melanie Ehrlich
Co-Chairman, Citizens' Road Home Action Team (CHAT)

<http://chatushome.com> **Sign up for our free newsletter and support the swelling numbers of applicants who know that they have not been treated fairly by the Road Home Program and are struggling to come back home or to get the fair grant they were promised**