



GREATER NEW ORLEANS
**FAIR HOUSING
ACTION CENTER**

EMERGENCY
RELIEF
Louisiana Tornado
Resource Guide
2017

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1. FEMA

The Federal Emergency Management Agency (FEMA) makes financial assistance available to residents of presidentially-declared disaster areas. This assistance can come in the form of temporary housing, grants for home repairs and to replace damaged personal property. Residents will be eligible for assistance to cover uninsured losses and if their home has been made unlivable as a result of storm damage. Residents of the disaster area should register for assistance by calling FEMA at 1-800-621-3362 (1-800-462-7585 for hearing impaired) or online at www.disasterassistance.gov. FEMA Individual Assistance is available for residents of Orleans and Livingston Parishes. FEMA opened a disaster recovery center on Feb. 13th in Orleans parish at the East New Orleans Public Library: 5641 Read Blvd., New Orleans, LA 70127.

When registering, all applicants should have the following information available:

- Social security number
- Current and pre-disaster address
- Current contact information including phone number and email address
- Homeowners insurance policy information (if applicable)
- Household financial information
- Banking information: account and routing numbers for direct deposit of funds
- Description of losses

Important Information:

- **Save all receipts** for any expenses related to evacuation, including hotels, gas, and food, as FEMA may be able to reimburse you, but only if your house suffered damage that made it unlivable.
- After you have registered for FEMA assistance, they will send an inspector to your home to verify the damages. Make sure the inspector has identification and do not pay the inspector. **FEMA inspections are free.**
- FEMA may require you to apply for a SBA loan before receiving any financial assistance. This does not mean you have to accept a loan or that you will qualify for one.

Assistance provided by FEMA for homeowners and renters can include grants for rent, temporary housing and home repairs to their primary residences, as well as other serious disaster-related needs, such as medical and dental expenses or funeral and burial costs.

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Appeals for all FEMA Claims:

If you are denied assistance from FEMA, you can file an appeal within 60 days of the decision letter you receive. To appeal, send a letter to FEMA by mail to: FEMA – Individuals and Households Program, National Processing Center, PO Box 10055, Hyattsville, MD 20782-7055, or fax to 1-800-827-8112.

This letter should explain why you disagree with FEMA's decision and be signed by you. Include your FEMA registration number and the disaster number on your appeal letter (These should be on any correspondence you receive from FEMA and should be given to you when you registered for assistance.)

2. DISASTER FOOD STAMPS

To apply for Disaster Food Stamps (DSNAP), go to www.dcfsla.gov/DSNAP or call 1-888-LAHELP-U (1-888-524-3578).

Go to www.dcfsla.gov/DSNAP for updates to eligible parishes and deadlines to apply.

You will need the following information to apply:

- Names, Social Security Numbers and Dates of Birth for each household member
- Address and Parish where you currently live
- Monthly income for each household member
- All liquid resources for each household member (cash on hand, checking, savings)

Applicants may name an Authorized Representative to go to a DSNAP site on their behalf. Authorized Representatives must bring with them to the DSNAP site a picture ID and the picture ID of the applicant/head of household along with a signed statement from the applicant/head of household or an adult household member authorizing them as a representative.

3. INSURANCE

Filing an insurance claim after a major disaster can be a long and difficult process.

This guide provides some basic information about insurance that every homeowner should know before filing a claim.

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1. **Know what kind of coverage you have.**

- Have copies of your declaration pages and your policies and review them.
- Homeowners insurance generally covers damage from wind and wind-driven rain, or you may have a separate wind and hail policy. Most homeowners insurance also includes coverage for additional living expenses, personal property, and other structures (like garages, sheds, and fences).
- Flood insurance covers damage from rising waters, and usually damage to personal property caused by flooding, but it does not offer coverage for additional living expenses. If you don't have a copy of your policy, request one from your agent or insurance company.

2. **Know what is covered.**

- Some insurance policies may exclude certain items or damage from certain events. Review your policy declarations for any "exclusions" that your policy does not cover.

3. **Know how much coverage you have.**

- Your declaration page will tell you how much you can receive for covered damages under your policy. These are known as the policy limits and differ for each type of coverage.
- Policies may also cover either Replacement Cost Value (RCV) or Actual Cash Value (ACV). RCV will pay to replace damaged items with a new item comparable in value. ACV will only pay the value of an item minus any depreciation since it was purchased.

4. **Deductibles:**

- When filing an insurance claim, the homeowner is responsible for covering damage up to the amount of the deductible.
- Many homeowners insurance policies have special hurricane deductibles, so if the damage was caused by a named hurricane, the homeowner will have to pay more out-of-pocket expenses, before insurance will pay for anything.
- Look at your policy declaration page to find out how much your deductible is. If the damage is less than the deductible, you may not receive any money from your insurance company, and you will be responsible for your own repairs.

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5. **Additional Living Expense/Loss of Use:**

- Most homeowners' insurance policies (but not flood insurance) include coverage for additional living expenses. If you are unable to live in your home, you may be able to file a claim for any money you had to spend on hotels, gas, food, or other necessary items, while you were evacuated.
- Keep receipts for all your purchases, so you can provide them to the insurance company when you make your claim.
- Living expenses and loss of use may not be available if there is no structural damage to the property, so make sure to check your policy and discuss this with your insurance agent.

6. **Personal Property:**

- Also called Contents coverage, this is included in most homeowners' insurance policies. It covers damages to furniture, clothing, housewares, electronics, appliances, and bedding.
- Take pictures of all damaged items, make a list of all damaged items, when and where they were purchased, and document how much they were worth before filing a claim.

7. **Document your losses:**

- Take pictures of all damage to your home. If minor repairs are needed to secure the property, you should take pictures of the damage, then complete the repairs immediately to prevent the damage from getting worse.
- Keep receipts for any money that was spent to secure the house. Your insurance company should cover this as well.

8. **Claim Process:**

- Call your insurance agent or the insurance company's toll-free claims hotline to file a claim. The insurance company will then send an adjuster to your home to survey the damages. You should be at the house when the adjuster comes so you can point out any damage that might not be visible, especially damage to attics. Make sure the adjuster looks at all areas of your house that may have had damages.

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- Do not agree to a rushed settlement or sign any form that says “final” or “full” settlement before you've had a chance to review it.
 - The claim process is a negotiation. You don't have to accept what the insurance company offers and can negotiate depreciated values.
9. **Get repair quotes from reputable, licensed contractors.**
- Your insurance should pay you whatever is necessary to bring your house back to its pre-storm condition. Do not accept a check unless it is enough to pay what a contractor has documented the repairs will cost.
10. **Keep records.**
- Keep copies of all correspondence between you and your insurance company. Document every conversation you have with an insurance company representative in a claim diary. Include the date and time of each conversation.
11. **Seek assistance.**
- If you continue to have problems with your insurance claim, there is help available. If you feel that the insurance company is not fairly settling your claim, you can file a complaint, go to mediation, or hire an attorney to file a lawsuit. Call the Department of Insurance at 1-800-259-5300 or go online to <http://www.lidi.state.la.us/> to file a complaint, or call the Louisiana State Bar Association at 1-800-421-5722 for help finding an attorney.

4. MORTGAGES

Homeowners with mortgages on their homes should be aware of assistance that is available to them, and what the consequences are of accepting relief from their mortgage companies. In order to qualify for any mortgage relief, homeowners should immediately contact their mortgage company and ask for assistance due to this federally declared disaster. If you need further advice, you can also call the Greater New Orleans Fair Housing Action Center at 504-596-2100.

If you can't pay your mortgage because of the disaster, your lender may be able to help you. If you are at risk of losing your home because of the disaster,

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your lender may stop or delay initiation of foreclosure for 90 days. Lenders may also waive late fees for borrowers who may become delinquent on their loans as a result of the disaster.

If a disaster declaration is made and you have a conventional mortgage, you are strongly encouraged to contact your lender for further information, and to see if you are eligible for relief.

If a disaster declaration is made and you have an FHA-insured mortgage, contact your lender to let them know about your situation. Some of the actions that your lender may take are:

- During the term of a disaster related foreclosure moratorium, your loan may not be referred to foreclosure if you were affected by a disaster.
- Your lender will evaluate you for any available loss mitigation assistance to help you retain your home.
- Your lender may enter into a forbearance plan, or execute a loan modification or a partial claim, if these actions will help retain and pay for your home.
- If saving your home is not feasible, lenders have some flexibility in using the pre-foreclosure sales program or may offer to accept a deed-in-lieu of foreclosure.

Are You Eligible for a Foreclosure Moratorium

You may be eligible for FHA Disaster Relief if you are one of the affected borrowers as described below. You must be in one of three basic groups in order to qualify for a moratorium on foreclosure:

1. You or your family live within the geographic boundaries of a Presidentially-declared disaster area, you are automatically covered by a 90-day foreclosure moratorium.
2. You are a household member of someone who is deceased, missing or injured directly due to the disaster, you qualify for a moratorium.
3. Your financial ability to pay your mortgage debt was directly or substantially affected by a disaster, you qualify for a moratorium.

Take Action to Qualify for Foreclosure Relief

A Foreclosure Moratorium applies only to borrowers who are delinquent on their FHA loan. FHA lenders should automatically stop all foreclosure actions against families with delinquent loans on homes within the boundaries of a Presidentially-declared disaster area.

It is very important that you notify your lender to be sure that they realize you are an affected borrower. Your lender may request supporting documentation and

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use it to determine if you meet the relief criteria. Once identified as an affected borrower, foreclosure action may be stopped for the duration of the moratorium period.

If your home was damaged in the disaster or you will not be able to make your monthly loan payment(s) because your finances were adversely affected, contact your lender immediately to request assistance.

Borrowers who were injured or whose income relied on individuals who were injured or died in the disaster will be asked for documentation such as medical records or death certificates, if available. Your lender will ask you for financial information to help evaluate what assistance can be provided to you to reinstate your loan.

If Your FHA Loan Was Current before the Disaster but Now You Can't Make Your Next Month's Payment

FHA's Foreclosure Moratorium only applies to borrowers in default. If you are current, you should continue to make your mortgage payment whenever possible. If, however, you are unable to pay your loan as a result of the disaster, your lender may waive any late fees normally charged and let you know about other options. Also, if you foresee ongoing problems in making your mortgage payments resulting from changes in your financial status, you should contact your lender immediately.

If Your Lender is Unable to Assist You

If you are not satisfied after discussing possible relief actions with your lender, please call a HUD-approved counseling agency toll free at (800) 569-4287.

Conventional Mortgages:

For conventional mortgages that are not backed by the FHA, mortgage companies will handle situations on a case-by-case basis. If you are unable to make mortgage payments, your lender may suspend payments for a specific period of time. This can be called a **payment moratorium**, a **suspension** of payments, or a **temporary forbearance**. After that time period is over you will have to make up the missed payments, either in a lump sum or through other repayment arrangements. If a mortgage company representative tells you they will add the payments on the back end of your mortgage or not to worry about making payments, DO NOT BELIEVE THEM.

If you are unable to make mortgage payments for an extended period of time, there are other **repayment options**. Make sure to get any agreements with your mortgage company in writing. Some of these include:

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1. **Repayment plan:** You will make payments in addition to your regular monthly payment to catch up on any missed payments. How much your payment is depends on how much you can afford and how far you are behind. They may ask you to make up to 2 payments a month to catch up. Your mortgage company will likely offer this option first.
2. **Loan Modification:** Your missed payments will be added back into the loan balance, and the terms of your mortgage may be changed, including the interest rate and length of repayment. This is a long-term solution that will generally only be offered after you have returned to your house. You may qualify for a loan modification depending on your income and specific situation, but it is not guaranteed. You have to qualify for this assistance, by proving that you can afford the payments, and will have to provide proof of your income and expenses.
3. **Partial Claim:** Only for FHA, government-insured loans. A partial claim is a forgivable loan from the government agency that can cover from 4 to 12 months of missed payments. You can only qualify for 1 partial claim over the life of the loan. The loan has to be repaid when the house is sold or the loan is paid off.

Other Information to Know

Even if your house is severely damaged, and you can't live in it, you still owe a debt to your mortgage company. Your mortgage is a contract on the land that your house is on, so even if the house is not there, you still owe that money.

If you can afford to make your mortgage payment, you should continue to do so. While mortgage companies are able to offer limited assistance, they are not generally sympathetic with homeowners in your situation. None of the above-mentioned repayment arrangements are guaranteed. They all depend on the homeowner's ability to pay, and you must be able to qualify.

For assistance with any mortgage-related problems, contact a Housing Counseling Agency in your area. A list of HUD-approved counseling agencies can be found at www.hud.gov or by calling 1-800-569-4287.

Mortgage Companies and Insurance

When you receive an insurance claim for losses to your home, the check will be written out to you and your mortgage company. That is because your mortgage company also has an interest in the property. You will need to send the check to the mortgage company and they will deposit it into a restricted escrow account.

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The money can only be used for 2 purposes:

1. **Complete repairs:** Your mortgage company will pay out the money to you or your contractor in installments as repairs are completed. You will need to provide contractor's estimates and receipts for the money to be paid out. Generally, the mortgage company will not pay out all of the money until repairs are 90% complete.
2. **Pay off your mortgage:** If the insurance claim is enough to pay off the mortgage, including any fees owed, the mortgage company can pay off the mortgage. If it is not, **you can't use the money to make regular payments.** If you have a pre-payment penalty, ask your mortgage company to waive it. Clauses in certain mortgage contracts allow your lender to pay off your mortgage if your insurance claim is more than you owe on the house, even without your permission. Before sending a check to the mortgage company, make sure to find out if they will do this. If they pay off the mortgage, you will not have any money to fix the house.

5. CONTRACTORS

Many contractors will try to take advantage of consumers after a disaster. Follow this advice to find a reputable contractor:

- **Get bids from at least 3 different contractors** before hiring one. Make sure the estimate clearly details all the work that needs to be done.
- **Get references for contractors.** Ask the contractor for phone numbers of people who have used them before. References can also be found online at www.gnoinfo.com or www.bbb.org.
- **Make sure your contractor is licensed in the state of Louisiana.** You can check on a contractor's license by calling the State Licensing Board for Contractors at 225-765-2301 or online at www.lslbc.louisiana.gov. Get a physical address and phone number.
- **Ask for proof of insurance from the contractor** before signing an agreement.
- **Get a written contract and don't sign anything until you understand the terms.** Don't sign any contract with blank spaces in it. Seek legal assistance if needed to review the contract and file the contract with

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the Clerk of Court's office. Any changes to the contract should be in writing.

- **Include in the contract a payment schedule that details how the contractor and all subcontractors will be paid as repairs are completed.** Generally, you should only need to pay 10% of the total cost or \$1,000 up front, depending on the total cost of the job. Do not pay more than 25% up front, and do not pay if you are not satisfied with the work. Make your payments by check or money order directly to the company, not an individual, and never pay cash.
- **Do no sign a certificate of completion and make final payment until you are satisfied with the work.**
- If you have a problem with a contractor, call the Attorney General's Consumer Protection Hotline at 1-800-351-4889 to file a complaint, or go online to <http://www.ag.state.la.us/>.

6. OTHER RESOURCES

1. In **New Orleans**, visit the city's website for resources on emergency shelter, school updates, road closures, debris pick-up, and more, see www.nola.gov/ready/.
2. **Red Cross:** For emergency shelter and other needs, call 211.
3. **Discrimination Complaints:** If you feel you may have been discriminated against in securing temporary shelter or permanent housing, call the Greater New Orleans Fair Housing Action Center at 877-445-2100.
4. **Southeast Louisiana Legal Services** have offices that serve areas affected by the 2017 tornados:
 - Donaldsonville: 800-256-6151, serves Ascension (West), Assumption, and St. James
 - Gonzales: 225-647-9775, serves Ascension (East)
 - Covington: 800-891-0076, Livingston, St. Helena and Tangipahoa
 - Hammond: 800-349-0886, St. Tammany and Washington

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- New Orleans: 877-521-6242, Orleans, St. Bernard and East Bank Jefferson
 - Marrero: 800-624-4771, West Bank Jefferson, St. Charles and Plaquemines
5. **Louisiana Appleseed:** Louisiana Appleseed is available to help with succession issues. If you live in property you inherited but you have never opened succession to transfer the title into your name, you can begin the process to get funds to help repair the property, but you will have to take legal steps to properly transfer title into the name of the proper heirs before receiving the funds. Louisiana Appleseed may be able to help. Phone: (504) 561-7312