

FEMA remote inspectors omitted the Substantial Damage Estimate process for Manufactured homes.



Thousands of manufactured home owners were not screened properly during the FEMA application process to determine if their manufactured home was worth repairing or if the home sustained more than 50 percent in damages compared to the homes market value.

When you registered with FEMA you completed an application and registration for disaster assistance. You were told this was your first step when registering for assistance and filing your damage claim. For many not knowing how FEMA processes it's application data, your answer to item 34 would either set the process in motion to have a true damage estimate completed or simply an arm-chair interview, with you providing pictures and videos for the FEMA remote inspector.

At no time during the application and registration for disaster assistance did FEMA ask or make an inquiry to the market value or tax assessed value of your manufactured home. Item 15, Residence Type: Travel Trailer, Mobile Home should have triggered a subset asking for the make, model, year and VIN of your home. This information could have been used to calculate if your manufactured home should be repaired or replaced based on the homes market value. Calculating if the home should be replaced rather than repaired at this point would save taxpayer dollars and eliminate wasteful spending of federal grants.

Your local municipality was provided by FEMA the Substantial Damage Estimator 3.0 (SDE) software to help administer the substantial damage requirements of their floodplain management ordinance in accordance with the minimum requirements of the National Flood Insurance Program (NFIP). Typically, your local floodplain and permit office has at least one person trained to interact with FEMA and collect the data from FEMA to run SDE assessments.

Why this information and process is important to manufactured home owners is to make homeowners aware that the state has federal disaster recovery program funds that are allocated to replace unsafe and unhealthy manufactured homes with modern new more energy efficient and safer more resilient homes. HUD CDBG-DR Grants are managed by the states HUD Housing and Community Development department. Every state has a HUD disaster recovery agency and no two states call them by the same name. I'll use the state HUD Grantee for Louisiana as my reference. The Office of Community Development - Disaster Recovery Unit (OCD-DRU) manages all HUD CDBG-DR Disaster Recovery Grants for Louisiana. They are fully funded by federal tax dollars and draw nothing from the state coffers and are not part of the states spending budget. Congress approves allocations of federal tax dollars for HUD Disaster Recovery Grants given to state and local government agencies as well as homeowners. The eligibility policies differ between FEMA grants and

HUD CDBG-DR grants which are typically funded better and offer more to disaster survivors in the long recovery process.

For manufactured homes it's important to verify your homes market value and compare that number with your repair or replacement estimate. FEMA is about giving small grants to make your damaged home safe, clean and habitable. (see [FEMA IA/IHP Grants Explained](#))

The state agency that manages HUD CDBG disaster recovery grants requires notification from your municipality that your manufactured home sustained damages that amount to more than 50 percent of the market value of the manufactured home.

The basis for the value of your home is one of the following.

This is calculated by any manufactured home dealer as trade-in value or from the NADA guide, a local Realtor or from your tax assessors records.

- Computed Actual Cash Value
- Professional Market Appraisal
- Adjusted Tax Assessed Value

The basis for cost of Repairs and Improvements can be any one of the following.

Any of the following can be provided by a local contractor or your municipality (community) and your own estimates using national standard pricing.

- Computed Damages
- Contractor Estimate
- Community / Municipality Estimate

If you didn't get an on-site damage inspection by FEMA you most likely responded to question 34 that you were able to live in your home. This response would have triggered that your home had minor damage even before your home was inspected for damage. If you didn't appeal the damage level you would remain in the minor category and be ineligible for HUD CDBG-DR grants due the the requirement that HUD offers assistance in a tiered response beginning with major to severe damage levels.

Using state guidelines for repairing manufactured homes the state is willing to assist homeowners with repairs to manufactured homes only if your home is under 10 years of age and the damages are under \$18,000 for single-wide and under \$23,000 for double-wide. If you have more damage or your manufactured home is older you only have one option and that's replacement of your home with a new manufactured home. The state will offer grants of \$85,000 for new single-wide and up to \$120,000 for new double-wide homes.

FEMA is not responsible for making the SDE assessment remotely, but, they could have requested the market value of your manufactured home or pulled your VIN to determine if the amount of grant funds that FEMA could award and made the SDE determination at that point. If the repairs were over 50 percent of the manufactured homes market value, FEMA, could have referred you to SBA or informed you of the HUD CDBG-DR program that would replace your manufactured home if FEMA or your municipality determined your home to be substantially damaged.

For your replacement you would have to have been determined to have major to severe damage. This damage

determination doesn't take into account the value of your home like a substantial damage report would. This is why you must appeal based on the market value of your home to show damages are more than 50 percent of the actual value. At that point, the HUD program not the FEMA program would be your disaster recovery assistance path. But to qualify, you must have your municipal government or FEMA review your damage level to support your substantially damaged claim.

#### Example scenario replacement of Manufactured Home Units (MHU)

- 2012 single wide market value \$35,000 less depreciation for budget level SDE assessment (32%) would make the market value of the home \$23,800. If your repairs were \$14,000 your percentage of damage would be 58.8% which is greater than 50 percent of the market value and HUD would recommend replacement of the home.
- 2004 MHU is 18 years old with \$17,000 in damages because of it's age HUD would recommend complete replacement. Calculating the market value of \$6,000 with 32% depreciation the SDE estimate would be 100% which would qualify the homeowner for replacement.

Being "Resilient" is knowing how to reduce your personal disaster debt burden. It is your responsibility as a homeowner to use this information I am providing to reduce your disaster debt burden. It is also the responsibility of your state, parish and local municipal government workers to be knowledgeable of all agencies and programs available to disaster survivors.

If you feel this information applies to you and would like to review your options with me before you appeal or contact FEMA, HUD or the OCD-DRU, feel free to reach me using the contact form below. If you have a group of homeowners planning a town hall meeting or are a state representative I would like to offer my experience with available programs and the opportunity to brief your speakers so they reach homeowners with usable information and realistic expectations.

Use the contact form below.

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