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## News & Events

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### FOR IMMEDIATE RELEASE

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## Road Home Recipients Can Request More Time to Rebuild Their Homes

NEW ORLEANS, La. - Homeowners who accepted Road Home grants to rebuild their homes after hurricanes Katrina and Rita can request an extension of the three-year deadline to rebuild their homes, the state of Louisiana announced Thursday.

As part of the covenant Road Home grant recipients agree to, their homes must be rebuilt within three years of receiving the grant funds. Under the new policy, homeowners can request a one-year extension of this covenant if they have a valid reason for not being able to complete their homes during the original three-year period. The state's Office of Community Development may grant homeowners no more than two such extensions.

"When homeowners accept their grants, they signed a covenant that said they would rebuild within three years. The first group of homeowners affected by this requirement will meet their deadlines this fall," said Paul Rainwater, executive director of the Louisiana Recovery Authority.

"Based on data analysis on the Road Home and the very difficult financial climate we find ourselves in, the state of Louisiana will offer applicants an extension of this timeline if they can show good cause as to why they cannot complete their construction, including experiencing an unexpected financial hardship, coping with health issues, falling prey to an unscrupulous contractor or exhausting their Road Home funds because the cost of construction was too high."

"While we hope Road Home grantees rebuild within three years of receiving their grant awards, we are convinced that some simply will not make this deadline, and we do not want to penalize those who, for reasons out of their control, need more time to complete their homes," Rainwater said.

To request an extension, the homeowner must be able to provide a current building permit to demonstrate that he or she intends to rebuild or repair the home. Homeowners who may need such an extension should call the state Office of Community Development at 225.219.9600. Extensions begin at the end of the three-year rebuilding period.

An extension of the three-year timeline to rebuild does not cancel other aspects of the Road Home covenant, including requirements that the homeowner must keep the property properly insured. If the homeowner received Road Home elevation funds, the covenant extension does not automatically extend the terms of the Elevation

Covenant Rider, unless specifically requested by the homeowner.

Acceptable reasons for requesting an extension of the covenants include:

- Unexpected financial hardship for a homeowner;
- Homeowner experiences an emergency or health issue;
- Unforeseen and uncontrollable delays in construction after the homeowner makes a good-faith effort to secure a contractor or builder;
- Homeowner falls victim to an unscrupulous contractor that unlawfully takes Road Home proceeds;
- Homeowner exhausts Road Home proceeds prior to bringing the home to a livable standard;
- Homeowner passes away during the covenant period and the heirs are unable to complete repairs in the three-year period;
- Homeowner receives military orders or a job assignment requiring that he or she relocate;
- Homeowner sells the property and assigns the right to the Road Home grant, and the new seller is unable to complete the work in the original covenant period;
- Homeowner files for divorce after receiving Road Home grant funds and one spouse retains a portion of the funds without intending to fulfill the Road Home covenants;
- Homeowner completes work and reoccupies the home during the three-year covenant period, but the home is damaged by a subsequent natural disaster;
- Home was repaired during the covenant period, but contaminated drywall was installed and the homeowner must remove this drywall before the home is livable.

*Created in the aftermath of Hurricane Katrina and Hurricane Rita in 2005, the Louisiana Recovery Authority (LRA) is the coordinating and planning body leading the most extensive rebuilding effort in American history. The central point for hurricane recovery in Louisiana, the LRA works closely with the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) and partners with state and federal agencies to oversee more than \$20 billion worth of programs, speed the pace of rebuilding, remove hurdles and red tape and ensure that Louisiana recovers safer and stronger than before.*

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