



ASSIGNMENT FACT SHEET

Assignment is the act of transferring financial benefits of *The Road Home* program from the original eligible homeowner to a new homeowner. These rights can only be assigned one time.

Eligibility

- The original owner must have been in possession of the property at the time of the storm and meet all other eligibility requirements for the Homeowner program.
- The assigned owner – the new homeowner, who has acquired, or is acquiring a home, from an eligible homeowner – must agree to the covenant requirements of the *The Road Home* Homeowner program.
- Rights to *The Road Home* Homeowner program benefits can be assigned as of August 29, 2005 but before benefits are paid.
- The sales transaction between the original owner and the assigned owner must be complete prior to or concurrent with the Road Home closing.

Application

- The original owner must submit the application.
- The original owner must work in coordination with the assigned owner to provide information about the assigned owner and legal proof of the assignment.
- Both the original owner and the assigned owner must present credentials and identity information to *The Road Home* program.

Legal documentation

The following legal documentation is required to execute assignment:

- Road Home legal assignment authorization form entitled “Assignment of Road Home Grant Proceeds” or legal equivalent prepared by attorney and signed by both original owner and assigned owner – new homeowner
- or
- Assignment of rights executed in sales agreement between the original owner and the assigned owner.

Calculation

The assigned owner – new homeowner – is eligible for Option 1: Stay benefits including:

- Compensation Grant, Elevation Allowance, and/or Affordable Compensation Loan if both the original owner and the new homeowner are determined at or below 80% AMI and eligible for the loan.
- The calculation is based on the information provided by the original owner on the application. The calculation of benefits is made just as would be done if there were no sale. The purchase price of the home is not in any way part of the calculation of benefits.

New Homeowner Obligations

The new homeowner must sign all the legal documents including the covenant agreement which obligates the new homeowner to remain an owner occupant, maintain hazard insurance, maintain flood insurance in perpetuity if located in the flood plain and comply with building code requirements.

Closing

- At closing, the assigned owner – new homeowner – signs the legal documents associated with Option 1: Stay.
- If there is a mortgage lender, funds will be deposited in a disbursement account with the lender of the assigned owner.
- If there is no mortgage lender, funds will be deposited in a Road Home disbursement account.