



**FEMA**

APR 28 2009

MEMORANDUM FOR: Individual Assistance Branch Chief  
FEMA Regions 1 - 10

FROM: Berl D. Jones, Jr.   
Director  
Individual Assistance Division

SUBJECT: Sales Price Petition Process and Calculator

The purpose of this memorandum is to provide additional guidance regarding applicants' financial inability to purchase temporary housing units at the quoted sales price. The Disaster Specific Guidance (DSG) on the Sale of Temporary Housing Units to Occupants, signed and issued on April 19, 2007, authorizes the sale of temporary housing units. FEMA develops the sales price of the units using the Temporary Housing Unit Depreciation Calculator. Individual Assistance previously authorized the Regions to accept a petition from an applicant based on the applicant's self-declaration of financial inability to afford the quoted sales price for the unit.

To ensure consistency in the implementation of the petition process, the following parameters are to be implemented for accepting and processing these petitions. The Region may accept an applicant's petition when:

A. The applicant meets all of the following conditions:

1. The applicant agrees to provide income and assets information for all members of the household 18 and older that are currently authorized to occupy the unit;
2. The applicant or co-applicant are currently occupying the unit;
3. The applicant was referred to Other Needs Assistance (ONA) from the Small Business Administration for personal property assistance; AND
4. The applicant does not have an outstanding debt to FEMA.

B. The applicant meets at least one of the following conditions:

1. The applicant is a pre-disaster homeowner and the unit is located at their pre-disaster damaged address; OR

2. The applicant is a pre-disaster homeowner not located at his or her pre-disaster damaged address or is a renter and the applicant has a verifiable location to place the unit, including funding to relocate the unit.

Regional staff will use the Petition Worksheet of the Temporary Housing Unit Depreciation Calculator (the calculator is available online at <http://ia.fema.net/contents/policy/sales.asp>) to determine the portion of income and/or assets the applicant must contribute toward the cost of the fair market sales price established by FEMA for the unit.

Applicants will be required to:

1. Utilize 100 percent of all remaining FEMA repair/replacement assistance toward the cost of purchasing the unit; AND
2. Contribute 30 percent of all members of the household's (over the age of 18) gross<sup>1</sup> monthly income for a single month toward the cost of purchasing the unit; AND
3. Contribute 40 percent of all members of the household's (over the age of 18) total assets toward the cost of purchasing the unit.

Under no circumstances will FEMA sell a unit for less than 25 percent of the FEMA-established sales price derived from the Temporary Housing Unit Depreciation Calculator. FEMA will not adjust the resulting sales price for the unit calculated through the Sales Price Petition Process. Once the process is complete, the Region will send all documents to the NPSC for scanning into the applicant's NEMIS record.

FEMA will incorporate the Sales Price Petition Process and Petition worksheet into the final Temporary Housing Unit Sales Policy. Until that time, program staff should use this process and calculator with the April 19, 2007 DSG on Sale of Temporary Housing Units to Occupants.

If you have any question regarding the process or calculator, please contact Lumumba Yancey, Chief, Individuals and Households Program Unit at 202.212.1133.

Attachment: Sales Price Adjustment Petition

cc: Regional Disaster Assistance Directors

---

<sup>1</sup> To validate income, applicants will be asked to provide last year's Tax return or this year's W-2, and a recent pay statement.