

Used by the County Office to report the monthly status of the Compensation for Construction Defects program to the State Office. Used by the State Office to submit a monthly summarization of the County report to the National Office. The information provided informs the National Office and State Office of funding needs, purposes for which funds are being used, size of claims, etc., and to better inform management divisions and assist in budget preparation.

INSTRUCTIONS FOR PREPARATION

ALL ENTRIES EXCEPT ENTRY 5 ARE CUMULATIVE FOR CURRENT FISCAL YEAR

- (1) Enter the cumulative number and dollar amount of claims received during the current fiscal year.
- (2) Enter the cumulative number of claims entirely rejected by all approval authorities during the current fiscal year.
- (3) Enter the cumulative number and dollar amount of claims approved during the current fiscal year. If any part of a claim is approved, it will be reported as an approved claim. However, only the portion of the claim which is actually approved will be reported in amount.
- (4) Enter the cumulative number and dollar amount of all claims funded during the current fiscal year. This will include claims approved during a previous fiscal year but funded during the current fiscal year.
- (5) Enter the number and amount of all claims on hand approved but not funded regardless of the fiscal year in which they were approved.

The sum of the dollar amounts of item 6, 7, and 8 will be equal to the dollar amount of item 3. The sum of the number of claims entered in 6, 7, and 8 will probably not equal the number of claims shown in item 3. Entries made in these items are cumulative for the current fiscal year and will show the number and amount of claims approved for the purpose of:

- (6) Compensating the owner for or paying for repairs to be made to correct construction defects or to repair damages which are the result of the defect. These costs will include the cost of professional advice needed to determine causes of or means to repair the defect and reimbursement for interest on loans obtained to correct defects.
- (7) Paying for temporary living expenses, miscellaneous expenses, storage of household goods, or moving incurred as a result of the defect.
- (8) Acquiring title to mortgaged property because of defects. If there are no costs, the claim will still be reported. Costs which may be paid are those to compensate the borrower for loss of contribution as defined in RD Instruction 1924-F.