





News Release

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HUD ANNOUNCES DISASTER ASSISTANCE IN THE WAKE OF HURRICANE IKE *Foreclosure protection offered to displaced families in Texas and Louisiana*

WASHINGTON - U.S. Housing and Urban Development Secretary Steve Preston today announced HUD will speed federal disaster assistance to dozens of counties and parishes in Texas and Louisiana following Hurricane Ike. This assistance will support homeowners and low-income renters and includes foreclosure relief for families whose homes are insured through HUD's Federal Housing Administration (FHA).

"Hurricane Ike cut a wide path across Louisiana and Texas, and possibly uprooted many families," said Preston. "FHA's foreclosure moratorium will give these families the breathing room they need to put their lives back together without worrying about the prospect of losing their homes."

A presidential disaster declaration triggers a variety of federal assistance including grants for temporary housing and home repairs, low-cost loans to cover uninsured property losses, and other programs to help individuals and business owners recover from the effects of the disaster.

HUD is **granting immediate foreclosure relief** - In certain storm and flooded ravaged counties, HUD granted a 90-day moratorium on foreclosures of FHA-insured home mortgages and strongly recommended that loan servicers take such actions as special forbearance, loan modification, refinancing, and waiver of late charges. Foreclosure relief is available for FHA-insured families living in the following counties:

TEXAS

Angelina, Austin, Brazoria, Chambers, Cherokee, Fort Bend, Galveston, Grimes, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Madison, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Washington Counties.

LOUISIANA

Acadia, Beauregard, Calcasieu, Cameron, Iberia, Jefferson Davis, Sabine, St. Mary, Vermillion, and Vernon Parishes.

In addition, HUD is:

- Offering states and local communities the ability to re-allocate existing federal resources toward disaster relief - HUD's Community Development Block Grant (CDBG) and HOME programs give the State the flexibility to redirect millions of dollars to address critical needs, including housing and services for tornado victims. HUD is currently contacting State and local officials to explore their needs for streamlining the Department's CDBG and HOME programs in order to expedite the repair and replacement of damaged housing;
- Making mortgage insurance available - HUD's Section 203(h) program provides FHA insurance to disaster victims who have lost their homes and are facing the daunting task of rebuilding or buying another home. Borrowers are eligible for 100 percent financing, including closing costs;
- Making insurance available for both mortgages and home rehabilitation - HUD's Section 203(k) loan program enables those who have lost their homes to finance the purchase or refinance of a house along with its repair through a single mortgage. It also allows homeowners who have damaged houses to finance the rehabilitation of their existing single-family home; and
- Offering Section 108 loan guarantee assistance - HUD will offer state and local governments federally guaranteed loans for housing rehabilitation, economic development and repair of public infrastructure.

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For more information about these and other HUD programs designed to assist disaster victims, visit www.hud.gov/info/disasters.cfm

HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development and enforces the nation's fair housing laws. More information about HUD and its programs is available on the Internet at www.hud.gov and espanol.hud.gov.

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