

HUD No. 14-039
April A. Brown
(202) 708-0685

FOR RELEASE
Tuesday
April 29, 2014

HUD SECRETARY ANNOUNCES DISASTER ASSISTANCE FOR ARKANSAS STORM VICTIMS

Foreclosure protection offered to displaced families

WASHINGTON – U.S. Housing and Urban Development Secretary Shaun Donovan today announced HUD will speed federal disaster assistance to the State of Arkansas and provide support to homeowners and low-income renters forced from their homes due to severe storms, tornadoes and flooding.

Today, President Obama issued a disaster declaration for Faulkner County. The President's declaration allows HUD to offer foreclosure relief and other assistance to certain families living in this county.

"Families who may have been forced from their homes need to know that help is available to begin the rebuilding process," said Donovan. "Whether it's foreclosure relief for FHA-insured families or helping these counties to recover, HUD stands ready to help in any way we can."

HUD is:

- Offering the State of Arkansas the ability to re-allocate existing federal resources toward disaster relief – HUD's Community Development Block Grant (CDBG) and HOME programs give the State and communities the flexibility to redirect millions of dollars to address critical needs, including housing and services for disaster victims. HUD is currently contacting State and local officials to explore streamlining the Department's CDBG and HOME programs in order to expedite the repair and replacement of damaged housing;
- Granting immediate foreclosure relief – HUD granted a 90-day moratorium on foreclosures and forbearance on foreclosures of Federal Housing Administration (FHA)-insured home mortgages;
- 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 from participating FHA-approved lenders 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.
- Information on housing providers and HUD programs – The Department will share information with FEMA and the State on housing providers that may have available units in the impacted counties. This includes Public Housing Agencies and Multi-Family owners. The Department will also connect FEMA and the State to subject matter experts to provide information on HUD programs and providers.

Read about these and other HUD programs designed to assist disaster victims.

###