

## From Congressman Steve Cohen

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# HUD Announces Disaster Assistance for Tennessee Tornado Victims

Friday, 08 February 2008

Washington, DC – Congressman Steve Cohen (TN-09) announced today that the U.S. Department of Housing and Urban Development (HUD) will speed federal disaster assistance to five tornado-ravaged counties in Tennessee and provide support to homeowners and low-income renters forced from their homes following severe storms, high winds and flooding. This assistance includes foreclosure relief for families whose homes are insured through HUD's Federal Housing Administration (FHA).

President Bush declared Hardin, Macon, Madison, Shelby, and Sumner Counties a major disaster area. This presidential 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.

"The people of the 9th District should know that the Federal Government is taking the necessary steps to ensure that assistance is available for victims of this terrible natural disaster," said Congressman Cohen. "We are working very hard to speed this process along and get help to those who need it."

"Those who are forced from their homes need to know that help is available," said HUD Secretary Alphonso Jackson. "Whether its foreclosure relief for FHA-insured families or helping these counties to rebuild, HUD stands ready to help in any way we can."

HUD is:

[Offering the State of Tennessee 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;

[Granting immediate foreclosure relief](#) - HUD granted a 90-day moratorium on foreclosures of Federal Housing Administration (FHA)-insured home mortgages and strongly recommended special forbearance by loan servicers;

[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.

For more information about these and other HUD programs designed to assist disaster victims, visit <http://www.hud.gov/offices/cpd/communitydevelopment/programs/dri/>

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