



U.S. Department of Housing and Urban Development

Region IX
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ANNOUNCEMENT TO PRESIDENTIALLY DECLARED DISASTER VICTIMS IN THE FERNLEY, NV. AREA

Secretary Alfonso Jackson today announced HUD will speed federal disaster assistance to the area in Fernley, NV affected by recent flood caused by the breach of the Truckee Canal and provide support to homeowners and low-income renters forced from their homes.

"Those who are forced from their homes by the devastating flood need to know that help is available," said Jackson. "As families put their lives back together, HUD stands ready to assist local recovery efforts in any way we can."

The disaster declaration approved by President Bush today 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 President's action makes Federal funding available to affected individuals in the flood area of Fernley, NV.

With today's disaster declaration by the President, HUD is:

Granting Immediate Foreclosure Relief

Once the President declares a major disaster, HUD immediately issues a 90-day moratorium on foreclosures and forbearance on foreclosures of Federal Housing Administration (FHA) insured home mortgages.

Special Forbearance

Special (written) forbearance may be entered into for a period up to 18 months, and mortgagors with no other property subject to an FHA-insured mortgage are eligible without HUD's advance approval. Victims should closely coordinate these procedures with their lenders.

Refinancing

Refinancing, re-amortization or recasting the mortgage may be appropriate, especially where repairs to the property are necessary and secondary financing may be sought to complete the repairs. Under certain conditions, HUD approval is not required for recasting.

Waiving Late Charges

Mortgagees/Lenders should also consider waiving any late payment charges if the mortgagor's payment is late because he or she incurred added expenses or loss of income as a result of the disaster, or if he or she needs additional time to receive a pending insurance settlement.

Making Insurance Available for both mortgages and home rehabilitation

HUD's Streamlined 203(k) Program allows homeowners to refinance their home AND complete up to \$35,000 in repairs... all under one first mortgage. No need to finance a second mortgage, and the streamlined process provides easy, and quick processing by the lender. Also, the regular 203(k) "substantial rehabilitation" loan is an available tool to repair your home, should the cost of repairs significantly exceed the \$35,000 cap of the streamlined product.

For more information on options on your FHA insured loan please call 1-800-Call FHA (225-5342) or the HUD Reno Field Office at 775-824-3700.

For families needing immediate temporary affordable rental housing in and around the Fernley area, please contact the Rural Housing Authority in Carson City at 775-887-1795. Information for temporary housing in the Reno/Sparks area can be garnered by calling the Reno Housing Authority at 775-329-3630.