



NEWS RELEASE

United States Department of Agriculture • Rural Development
Rm. 152 Federal Building • 100 Centennial Mall North • Lincoln, NE 68508
Phone: (402) 437-5563 • Fax: (402) 437-5408 • TDY: (402) 437-5093 • Web: <http://www.rurdev.usda.gov/ne>

Linda J. Anders (402) 437-5734

GUARANTEED RURAL RENTAL HOUSING PROPOSALS BEING ACCEPTED BY USDA RURAL DEVELOPMENT

Lincoln, Nebraska, February 14, 2008 – The United States Department of Agriculture (USDA) Rural Development is accepting proposals for fiscal year 2008 funding of more than \$129 million under the Section 538 Guaranteed Rural Rental Housing (GRRH) loan program. GRRH loans help build and maintain affordable multi-family housing rental complexes in rural areas.

Through the GRRH program, eligible lenders provide loans to potential applicants such as nonprofit corporations, public bodies and for-profit organizations for the development of affordable rental housing. Qualifying properties include new construction, the acquisition of existing structures with a minimum per unit rehabilitation expenditure requirement of \$6,500 and the revitalization, repair, and transfer of existing direct section 515 housing. USDA Rural Development can provide a maximum 90 percent guarantee on unpaid principal and interest of loans made for eligible purposes. Additionally, on existing Section 515 direct Rural Rental Housing financed properties only, GRRH loans can be used for revitalization, repair, and costs involved in a transfer of ownership. For existing Section 515 financed apartment complexes a minimum of \$6,500 per unit of needed repairs and/or revitalization must be shown. To facilitate the revitalization of a property, the Agency may defer payment of qualifying USDA direct loan installments for up to a 20 year period.

Interested lenders are invited to submit proposals in the form of “RESPONSES” to USDA Rural Development, Attn: Linda Anders, Rural Housing Division; Rm. 152 Federal Building 100 Centennial Mall North; Lincoln, Nebraska 68508-3888. The Agency will select eligible responses and invite lenders to submit complete applications. Eligible lender responses that are selected, and have complete applications meeting all program requirements submitted on or before April 25, 2008, which have a score of 25 points or more and development cost ratio less than 70 percent will be given priority ranking and scoring. Responses that develop into complete applications after April 25th which have a score less than 25 points or score 25 points or more, but have a development cost ratio equal to or greater than 70 percent will be selected for further processing regardless of score subject to the availability of funding. As long as funds remain available, eligible responses to this notice will be accepted and eligible requests will be obligated until September 26, 2008, 12 P.M. Eastern time.

Contact Linda Anders at the USDA Rural Development State Office for additional information, (402) 437-5734; (402) 437-5093 TDY or linda.anders@ne.usda.gov. A complete copy of the Notice for Request for Proposals for GRRH Loans is available in the Federal Register: February 4, 2008, Volume 73 pages 6469-6477 which can be located at <http://www.gpoaccess.gov/fr/index.html>.

#

Committed to the future of rural communities.

“USDA is an equal opportunity provider, employer and lender.” To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice), or (202) 720-6382 (TDD).