

PAPPAS ADDITION PARTNERSHIP

Outline Of Need: The City of Gering saw a desire and need for additional single family dwellings in their rural community with a population of under 8,000. Additionally, a local business, Magnolia Homes, was feeling the effects of a slowing economy and seeing fewer orders for their manufactured homes. Magnolia was looking for additional orders to avoid the possibility of lay-offs of their skilled work force. Several area families were all in the market for a home of their own.

How the Community Helped: Realizing the need for housing and manufacturing orders for a local business, Twin Cities Development (TCD) purchased 13 vacant lots in the Pappas Addition of Gering that had been sold to an out of state private investor on a tax sale. Six of the thirteen lots were sold to Magnolia Homes via a loan from the City of Gering utilizing LB 840 loan funds, with the plan of erecting new homes on the sites and then selling them as turn key single family units.

How Rural Development Helped: Three of these homes were purchased with funding provided by two local lending institutions, Valley Bank and Trust Co and PV Mortgage. The lenders utilized American Recovery and Reinvestment Act loan guarantees provided by USDA, Rural Development via the guaranteed rural housing program. Another home has been sold to an applicant who utilized the direct USDA, Rural Development housing program that provides payment assistance to the qualified homeowner.

“This project involved incredible cooperation through every step in the process; Twin Cities Development, the City of Gering, USDA, Magnolia Homes, Country Land & Homes, PV Mortgage, Valley Bank and other local contractors.”

“We took very seriously the fact that the taxpayers of Gering entrusted us to do something productive and meaningful with their money and we are very proud to say that we have added five beautiful new homes to the city and returned their money in its entirety. It brings us tremendous pride to be in the company of those organizations and most importantly to be a part of something truly great, helping deserving families achieve their dream of homeownership. Without the USDA this would not have been possible.”

Doug Fillingham, Magnolia Homes

The Results: Magnolia was able to keep their workforce intact by initially purchasing these six lots, building six homes in their on-site facility in Gering and erecting these homes in the Pappas Addition. With this first phase of the project a success, Magnolia Homes has now purchased five additional lots from TCD with the same plan of building five more homes and erecting them for sale.

Through this partnership, Twin Cities Development, the City of Gering, Magnolia Homes, Western Nebraska Housing Opportunities, local lenders, local contractors, and USDA, Rural Development worked towards a common goal of providing new, cost effective housing for local residents. The local community of Gering has not only been able to provide additional housing, they have benefitted by increasing their tax base while helping to stabilize the local economy by keeping Magnolia workers on the job through the tough economic times experienced in late 2008 and into 2009.

Best of all, four families all have a new home to call their own and are enjoying their new neighborhood!



Home built by Magnolia Homes.



The Ybarra-Mendez family purchased a Magnolia Home via the Rural Development Guaranteed Housing program.