

DEPARTMENT OF AGRICULTURE**Rural Housing Service****Notice of Availability of Funds; Multi-Family Housing, Single Family Housing****AGENCY:** Rural Housing Service, USDA.**ACTION:** Notice.

SUMMARY: The Rural Housing Service (RHS) announces the availability of housing funds for fiscal year 2001 (FY 2001). This action is taken to comply with 42 U.S.C. 1490p, which requires that RHS publish in the **Federal Register** notice of the availability of any housing assistance.

EFFECTIVE DATE: December 26, 2000.**FOR FURTHER INFORMATION CONTACT:**

Michael S. Feinberg, Chief, Loan Origination Branch, Single Family Housing, Direct Loan Division, Stop 0783, U.S. Department of Agriculture, 1400 Independence Ave., SW, Washington, D.C., 20250, telephone (202) 720-3214. (This is not a toll free number).

SUPPLEMENTARY INFORMATION:**Programs Affected**

The following programs are subject to the provisions of Executive Order 12372 that requires intergovernmental consultation with State and local officials. These programs or activities are listed in the Catalog of Federal Domestic Assistance under Nos.

- 10.405 Farm Labor Housing (LH) Loans and Grants
- 10.410 Very Low to Moderate Income Housing Loans
- 10.411 Rural Housing Site Loans and Self-Help Housing Land Development Loans
- 10.415 Rural Rental Housing Loans
- 10.417 Very Low Income Housing Repair Loans and Grants
- 10.420 Rural Self-Help Housing Technical Assistance
- 10.427 Rural Rental Assistance Payments
- 10.433 Rural Housing Preservation Grants
- 10.442 Housing Application Packaging Grants

Discussion of Notice

Part 1940, subpart L of 7 CFR contains the "Methodology and Formulas for Allocation of Loan and Grant Program Funds." The following guidance has been provided to our State offices on FY 2001 appropriations and access to funds. Separate guidance has been provided to our State offices for assistance available in our Multi- and Single-Family Housing programs as follows:

Multi-Family Housing (MFH)**I. General**

A. This provides guidance on MFH funding for the Rural Rental Housing program (RRH) for FY 2001. Allocation computations have been performed in accordance with 7 CFR 1940.575 and 1940.578. For FY 2001, State Directors, under the Rural Housing Assistance Grants (RHAG), will have the flexibility to transfer their initial allocations of budget authority between the Single Family Housing (SFH) section 504 Rural Housing Grants and section 533 Housing Preservation Grant (HPG) programs.

B. MFH Loan and Grant Levels for FY 2001 Are as Follows

MFH Loan Programs Credit Sales:
 \$1,782,582
 Section 514 Farm Labor Housing (LH) loans: \$28,522,532
 Section 515 Rural Rental Housing (RRH) loans: \$114,321,087
 Section 521 Rental Assistance (RA): \$680,000,000
 Section 516 LH grants: \$15,000,000 (does not include carryover)
 Sections 525 Technical and Supervisory Assistance grants (TSA) and 509 Housing Application Packaging grants (HAPG) (Shared between single and multi-family housing): \$1,687,543 (includes carryover)
 Section 533 Housing Preservation grants (HPG): \$8,000,000 (does not include carryover)
 Section 538 Guaranteed Rural Rental Housing program: \$100,000,000 (does not include carryover)
 Processing Worker Housing Grants: \$5,000,000

II. Funds Not Allocated to States**A. Credit Sales Authority**

For FY 2001, \$1,782,582 will be set aside for credit sales to program and nonprogram buyers. Credit sale funding will not be allocated by State.

B. Section 538 Guaranteed Rural Rental Housing Program

Guaranteed loan funds will be made available under a Notice of Funding Availability (NOFA) being published in the **Federal Register**. Additional guidance will be provided at that time.

III. Farm Labor Housing (LH) Loans and Grants

This is a new single funding account for the farm labor housing program that includes both loans and grants. The Administrator has the authority to transfer funds between the two programs. Upon NOFA closing the Administrator will evaluate the

responses and determine proper distribution of funds between loans and grants.

A. Section 514 Farm LH Loans

1. These loans are funded in accordance with 7 CFR 1940.579(a). FY 2001 Appropriation: \$28,522,532
 Available for Off-Farm Loans:

\$23,522,000

Available for On-Farm Loans:

\$2,000,000

National office Reserve: \$3,000,532

2. Off-farm loan funds will be made available under a NOFA being published in the **Federal Register**. Additional guidance will be provided in the NOFA.

B. Section 516 Farm LH Grants

1. Grants are funded in accordance with 7 CFR 1940.579(b). Unobligated prior year balances and cancellations will be added to the amount shown. FY 2001 Appropriation: \$15,000,000
 Available for LH Grants for Off-Farm:

\$10,000,000

Available for Technical Assistance

Grants: \$1,500,000

National office Reserve: \$3,500,000

2. Labor Housing grant funds for Off-Farm will be made available under a NOFA being published in this **Federal Register**. Additional guidance will be provided in the NOFA.

3. Technical assistance grants will be made available under a NOFA being published in this **Federal Register**. Additional guidance will be provided in the NOFA.

C. Processing Worker Housing Grant funds in the amount of \$5 million will be made available under a Notice of Funding Availability (NOFA) that will be published later this fiscal year. Additional guidance will be provided in the NOFA.

D. Labor Housing Rental Assistance (RA) will be held in the National office for use with LH loan and grant applications. RA is only available with an LH loan of at least 5 percent of the total development cost. Projects without a LH loan cannot receive RA.

IV. Section 515 RRRH Loan Funds

FY 2001 section 515 Rural Rental Housing allocation (Total):

\$114,321,087

New Construction funds and set-asides:

\$49,000,000

New construction loans: \$16,980,753

Set-aside for nonprofits: \$10,288,998

Set-aside for underserved counties and colonias: \$5,716,054

Earmark for EZ, EC, or REAP Zones:

\$14,514,195

State RA designated reserve: \$1,500,000

Rehab and repair funds and equity:

\$55,000,000

Rehab and repair loans: \$50,000,000
 Designated equity loan reserve:
 \$5,000,000
 General reserve: \$10,321,087

A. New Construction Loan Funds

New construction loan funds will be made available using a national NOFA being published in the **Federal Register**. Upon closing of the NOFA, States will submit a list, in rank order of the eligible projects.

B. National Office New Construction Set-asides

The following legislatively mandated set-asides of funds are part of the National office set-aside:

1. Nonprofit Set-Aside

An amount of \$10,288,998 has been set aside for nonprofit applicants. All Nonprofit loan proposals must be located in designated places as defined in RD Instruction 1944-E.

2. Underserved Counties and Colonias Set-Aside

An amount of \$5,716,054 has been set aside for loan requests to develop units in the underserved 100 most needy counties or colonias as defined in section 509(f) of the Housing Act of 1949 as amended. Priority will be given to proposals to develop units in colonias or tribal lands.

3. EZ, EC or REAP Zone Earmark

An amount of \$14,514,195 has been earmarked for loan requests to develop units in EZ or EC communities or REAP Zones until June 30, 2001.

C. Rental Assistance (RA)

Limited new construction RA will be held in the National office for use with section 515 Rural Rental Housing loans.

D. Designated Reserves for State RA

An amount of \$1.5 million of section 515 loan funds has been set aside for matching with projects in which an active State sponsored RA program is available. The State RA program must be comparable to the RHS RA program.

E. Repair and Rehabilitation Loans

Tenant health and safety continues to be the top priority. Repair and rehabilitation funds must be first targeted to RRH facilities that have physical conditions that affect the health and safety of tenants and subsequently made available to facilities that have deferred maintenance. All funds will be held in the National office and will be distributed based upon indicated rehabilitation needs in the MFH survey conducted in October 2000.

F. Designated Reserve for Equity Loans

An amount of \$5 million has been designated for the equity loan preservation incentive described in RD Instruction 1965-E. The \$5 million will be further divided into \$4 million for equity loan requests currently on the pending funding list and \$1 million to facilitate the transfer of properties from for-profit owners to nonprofit corporations and public bodies. Funds for such transfers would be authorized only for for-profit owners who are currently on the pending funding list who agree to transfer to nonprofit corporations or public bodies rather than to remain on the pending list. If insufficient transfer requests are generated to utilize the full \$1 million set aside for nonprofit and public body transfers, the balance will revert to the existing pending equity loan funding list.

G. General Reserve

There is one general reserve fund of \$10,321,087. Some examples of immediate allowable uses include, but are not limited to, hardships and emergencies, RH cooperatives or group homes, or RRH preservation.

V. Section 533 Housing Preservation Grants (HPG)

Total Available: \$8,000,000
 Less General Reserve: \$800,000
 Less Earmark for EZ, EC or REAP Zones: \$600,000
 Total Available for Distribution: \$6,600,000

Amount available for allocation. See end of this Notice for HPG State allocations. Fund availability will be announced in a NOFA being published in the **Federal Register**.

The amount of \$600,000 is earmarked for EZ, EC or REAP Zones until June 30, 2001.

Single Family Housing (SFH)

I. General

A. This Notice Provides SFH Allocations for FY 2001

Allocation computations have been made in accordance with 7 CFR 1940.563 through 1940.568. Information on basic formula criteria, data source and weight, administrative allocation, pooling of funds, and availability of the allocation are located on a chart at the end of this notice.

B. The SFH Levels Authorized for FY 2001 are as Follows

Section 502 Guaranteed Rural Housing (RH) loans
 Nonsubsidized Guarantees:
 \$3,144,568,810

Section 502 Direct RH loans

Very low-income subsidized loans:
 \$469,479,450
 Low-income subsidized loans:
 \$597,519,300
 Credit sales (Non program): \$10,000,000
 Section 504 housing repair loans:
 \$32,395,598
 Section 504 housing repair grants:
 \$30,000,000
 Section 509 compensation for construction defects: \$755,821
 Section 523 mutual and self-help housing grants: \$34,000,000
 Section 523 Self-Help Site Loans:
 \$5,008,976
 Section 524 RH site loans: \$5,128,000
 Section 306C Water and waste disposal grants: \$1,099,297
 Section 525 Supervisory and technical assistance and section 509 Housing Application Packaging Grants Total Available for single and multi-family: \$1,687,543
 Natural disaster funds (Section 502 loans): \$10,495,428
 Natural disaster funds (Section 504 loans): \$12,590,353
 Natural disaster funds (Section 504 grants): \$7,464,372

Carryover funds are included in the balance.

Does not include North Carolina Elderly Demonstration Program.

Includes \$1,000,000 for EZ/EC and REAP communities until June 30, 2001.

C. SFH Funding not Allocated to States are

1. Credit Sale Authority

Credit sale funds are available only for non-program sales of Real Estate Owned (REO) property.

2. Section 509 Compensation for Construction Defects

All claims for compensation for construction defects must be submitted to the National office for authorization prior to approval.

3. Section 523 Mutual and Self-Help Technical Assistance Grants

\$34 million has been appropriated for section 523 Mutual and Self-Help Technical Assistance Grants. Of these funds, \$1 million is earmarked for EZ, EC or REAP Zones until June 30, 2001. The State Director must request funding approval from the National office for all requests. A technical review and analysis must be completed by the Technical and Management Assistance (T&MA) contractor on all predevelopment, new, and existing (refunding) grant applications.

4. Section 523 Mutual and Self-Help Site Loans and Section 524 RH Site Loans

The State Director must request funding authority from the National office prior to obligating loan funds.

5. Section 306C WWD Grants to Individuals in Colonias

The objective of the section 306C WWD individual grant program is to facilitate the use of community water or waste disposal systems for the residents of the colonias along the U.S.-Mexico border.

The total amount available to Arizona, New Mexico, and Texas will be \$1,099,297 for FY 2001. This amount includes the carryover unobligated balance of \$99,297 and the transferred amount of \$1.0 million from the Rural Utilities Service (RUS) to RHS for processing individual grant applications. These States will have access to the equal quarterly allocation distributions.

6. Section 525 Technical and Supervisory Assistance (TSA) and Section 509 Housing Application Packaging Grants (HAPG)

One million dollars of new funds and \$687,543 of carry-over funds from previous years remain available for the TSA and HAPG programs. State Directors should submit proposals from potential applicants to the National office for review and concurrence prior to authorizing an application. The 29 eligible States under HAPG that have active grantees operating will be able to access up to \$5,000 for section 502 or 504 loan and grant programs in order to continue operations. Reserve requests will be considered on a first-come, first-served basis.

7. Natural Disaster Funds

Funds are available until exhausted to those States that have received a Presidential Declaration.

8. Deferred Mortgage Payment Demonstration

There is no FY 2001 funding provided for deferred mortgage authority or loans for deferred mortgage assumptions.

9. Section 502 Direct Funds for Families Not Qualifying for Payment Assistance

Funds from State's allocation may be used for qualified very low- and low-income applicants when the payment assistance formula shows there is no need for the subsidy.

II. State Allocations

A. Section 502 Nonsubsidized Guaranteed RH (GRH) Loans

1. Amount Available for Allocation

Total Available: \$3,144,568,810
Less National office General Reserve: \$704,948,167
Less Special Outreach Area Reserve: \$300,120,643
Basic Formula—Administrative Allocation: \$2,137,500,000

2. National office General Reserve

The Administrator may restrict access to this reserve for States not meeting their goals in special outreach areas.

3. Reservation of Funds

Because it is anticipated that demand will exceed available funds, States must use the reservation of funds system per § 1980.351 of RD Instruction 1980-D.

4. Special Outreach Areas

FY 2001 GRH funding is allocated to States in two funding streams (70/30) similar to the 60/40 income split for direct SFH funds. Seventy percent of GRH funds may be used in any eligible area. Thirty percent of GRH funds are to be used in special outreach areas. Special outreach areas are counties with median incomes at or below the State's nonmetropolitan median income. Each funding stream will independently be subject to pooling.

5. National Office Special Area Outreach Reserve

A special outreach area reserve fund has been established at the National office. Funds from this reserve may only be used in special outreach areas.

6. Suballocation by the State Director

The State Director may retain funds at the State office level or suballocate to the Area or Field office level.

B. Section 502 Direct RH Loans

1. Amount Available for Allocation

Total Available: \$1,066,998,755
Less Required Set Aside for Underserved Counties and Colonias: \$53,349,937
EZ, EC and REAP Earmark: \$38,757,160
Less General Reserve: \$146,500,000
Administrator's Reserve: \$30,000,000
Hardships & Homelessness: \$3,500,000
Homeownership Partnership: \$90,000,000
Rural Housing Demonstration Program: \$3,000,000
Program funds for the sale of REO properties: \$20,000,000
Less Designated Reserve for Self-Help: \$125,000,000

Basic Formula Administrative Allocation: \$703,391,658

2. Reserves

a. *State Office Reserve.* State Directors must maintain an adequate reserve to fund the following applications:

(i) Hardship and homeless applicants based upon historical data and projected demand. This shall include the direct section 502 loan and section 504 loan and grant programs.

(ii) The State's 25 percent portion of funds for Mutual Self-Help loans.

(iii) Subsequent loans for essential improvements or repairs and transfers with assumptions.

(iv) Financing for the purchase of program REOs when the National office reserve has been exhausted.

(v) States will leverage an amount equal to 25 percent of their initial low-income allocation and 5 percent of their initial very low-income allocation with funding from other sources. For example if a State receives an initial low-income allocation of \$900,000 the amount to be leveraged from other sources would be \$225,000 (\$900,000 × 25 percent) for a total RHS and other funding source of \$1,125,000 (\$900,000 + \$225,000).

(vi) Areas targeted by the State according to its strategic plan.

b. *National Office Reserves.*

(i) *General Reserve.* The National office has a general reserve of \$146.5 million. Of this amount, the Administrator's reserve is \$30 million. One of the purposes of the Administrator's reserve will be for loans in Indian Country. Indian Country is defined as land inside the boundaries of Indian reservations, communities made up mainly of Native Americans, Indian trust and restricted land, and tribal allotted lands. The remaining reserves will be established as follows:

(ii) *Hardship and Homelessness Reserve.* \$3.5 million has been set aside for hardships and homeless.

(iii) *Homeownership Partnership.* Ninety million dollars has been set aside for Homeownership Partnerships. These funds will be used to expand existing partnerships and create new partnerships, such as the following:

(A) Department of Treasury, Community Development Financial Institutions (CDFI)—Funds will be available to fund leveraged loans made in partnership with the Department of Treasury CDFI participants.

(B) Rural Home Loan Partnership (RHLPL). Partnership initiatives established to carry out the objectives of the National Partners in Homeownership including the RHLPL and other strategies or initiatives.

(iv) Rural Housing Demonstration Program. Three million dollars has been set aside for innovative demonstration initiatives.

(v) Program credit sales. Twenty million dollars has been set aside for program sales of REO property. There will be no State distribution of program credit sale authority, rather funds will be available on a first-come, first-served basis.

c. *Designated Reserve for Self-Help.* One hundred twenty-five million dollars has been set aside for matching funds to assist participating Self-Help applicants. The matching funds were established on the basis of the National office contributing 75 percent from the National office reserve and States contributing 25 percent of their allocated section 502 RH funds.

d. *Underserved Counties and Colonias.* An amount of \$53,349,937 has been set aside for the 100 underserved counties and colonias.

e. *Empowerment Zone (EZ) and Enterprise Community (EC) Earmark.* An amount of \$38,757,160 has been earmarked until June 30, 2001 for loans in EZ, EC or REAP Zones. Further information will follow.

f. *Reserve Requests.* All National office reserve requests should be submitted by the State Director to the National office on a case-by-case basis.

g. *State Office Pooling.* If pooling is conducted within a State, it must not

take place within the first 30 calendar days of the first, second, or third quarter. (There are no restrictions on pooling in the fourth quarter.)

h. *Suballocation by the State Director.*

The State Director may suballocate to each area office using the methodology and formulas required by 7 CFR part 1940, subpart L. If suballocated to the area level, the Rural Development Manager will make funds available on a first-come, first-served basis to all offices at the field or area level. No field office will have its access to funds restricted without the prior written approval of the Administrator.

C. *Section 504 Housing Loans and Grants*

Section 504 grant funds are included in the Rural Housing Assistance Grant program (RHAG) in the FY 2001 appropriation.

1. Amount available for allocation

Section 504 Loans
Total Available: \$32,395,598
Less 5% for 100 Underserved Counties and Colonias: \$1,619,780
EZ, EC or REAP Zone Earmark: \$1,287,968
Less General Reserve: \$1,500,000
Basic Formula—Administrative Allocation: \$27,987,850
Section 504 Grants
Total Available: \$30,000,000
Less 5% for 100 Underserved Counties and Colonias: \$1,500,000

Less EZ, EC or REAP Earmark: \$600,000
Less General Reserve: \$1,500,000

Basic Formula—Administrative Allocation: \$26,400,000

2. Reserves and Set-Asides

a. *State Office Reserve.* State Directors must maintain an adequate reserve to handle all anticipated hardship applicants based upon historical data and projected demand.

b. *Underserved Counties and Colonias.* Approximately \$1.62 million and \$1.5 million have been set aside for the 100 underserved counties and colonias until June 30, 2001 for the section 504 loan and grant programs, respectively.

c. *Empowerment Zone (EZ) and Enterprise Community (EC) Earmark (Loan Funds Only).* Approximately \$1.288 million and \$600,000 have been earmarked through June 30, 2001 for EZ, EC or REAPs for the section 504 loan and grant programs, respectively.

d. *National Office Reserve.* \$1.5 million for section 504 loan hardships and \$1.5 million for section 504 grant extreme hardships have been set-aside in the general reserve. For section 504 grants, an extreme hardship case is one requiring a significant priority in funding, ahead of other requests, due to severe health or safety hazards, or physical needs of the applicant.

INFORMATION ON BASIC FORMULA CRITERIA, DATA SOURCE AND WEIGHT, ADMINISTRATIVE ALLOCATION, POOLING OF FUNDS, AND AVAILABILITY OF THE ALLOCATION

| Description | Section 502 unsubsidized guaranteed RH loans | Section 502 Direct RH loans | Section 504 loans and grants |
|-------------------------------------------------------------|----------------------------------------------|-----------------------------|----------------------------------------|
| 1. Basic formula criteria, data source, and weight. | See 7 CFR 1940.563(b) | See 7 CFR 1940.565(b) | See 7 CFR 1940.566(b) and 1940.567(b). |
| 2. Administrative Allocation: Western Pacific Area | \$1,000,000 | \$1,000,000 | \$1,000,000 loan. \$500,000 grant. |
| 3. Pooling of funds: | | | |
| a. Mid year pooling | If necessary | If necessary | If necessary. |
| b. Year-end pooling | August 17, 2001 | August 17, 2001 | August 17, 2001. |
| c. Underserved counties & colonias. | N/A | June 30, 2001 | June 30, 2001. |
| d. EZ, EC or REAP | N/A | June 30, 2001 | June 30, 2001. |
| e. Credit sales | N/A | June 30, 2001 | N/A. |
| 4. Availability of the allocation: | | | |
| a. first quarter | 50 percent | 50 percent | 50 percent. |
| b. second quarter | 75 percent | 70 percent | 70 percent. |
| c. third quarter | 90 percent | 90 percent | 90 percent. |
| d. fourth quarter | 100 percent | 100 percent | 100 percent. |

1. Data derived from the 1990 U.S. Census was provided to each State by the National office on August 12, 1993.

2. Due to the absence of Census data.

3. All dates are tentative and are for the close of business (COB). Pooled funds will be placed in the National

office reserve and made available administratively. The Administrator reserves the right to redistribute funds based upon program performance.

4. Funds will be distributed cumulatively through each quarter

listed until the National office year-end pooling date.

Dated: December 15, 2000.

James C. Kearney,
Administrator, Rural Housing Service.

BILLING CODE 3410-XV-U

Rural Housing Service FY 2000
Multi-Family Housing
Section 533
Housing Preservation Grant

| STATE | FORMULA FACTOR | TOTAL ALLOCATION |
|------------|-------------------|---------------------|
| AL | 0.02957 | \$195,162 |
| AK | 0.00587 | \$38,742 |
| AZ | 0.01780 | \$117,480 |
| AR | 0.02310 | \$152,460 |
| CA | 0.04653 | \$307,098 |
| CO | 0.00840 | \$55,440 |
| DE | 0.00190 | \$12,540 |
| MD | 0.00880 | \$58,080 |
| FL | 0.02890 | \$190,740 |
| GA | 0.03867 | \$255,222 |
| HI | 0.00790 | \$52,140 |
| WPA | 0.00647 | \$42,702 |
| ID | 0.00743 | \$49,038 |
| IL | 0.02250 | \$148,500 |
| IN | 0.02157 | \$142,362 |
| IA | 0.01340 | \$88,440 |
| KS | 0.01130 | \$74,580 |
| KY | 0.03483 | \$229,878 |
| LA | 0.03170 | \$209,220 |
| ME | 0.00913 | \$60,258 |
| MA | 0.00793 | \$52,338 |
| CT | 0.00453 | \$29,898 |
| RI | 0.00100 | \$6,600 |
| MI | 0.02977 | \$196,482 |
| MN | 0.01673 | \$110,418 |
| MS | 0.03180 | \$209,880 |
| MO | 0.02460 | \$162,360 |
| MT | 0.00620 | \$40,920 |
| NE | 0.00713 | \$47,058 |
| NV | 0.00263 | \$17,358 |
| NJ | 0.00657 | \$43,362 |
| NM | 0.01437 | \$94,842 |
| NY | 0.02753 | \$181,698 |
| NC | 0.04497 | \$296,802 |
| ND | 0.00413 | \$27,258 |
| OH | 0.03450 | \$227,700 |
| OK | 0.01917 | \$126,522 |
| OR | 0.01423 | \$93,918 |
| PA | 0.03687 | \$243,342 |
| PR | 0.04923 | \$324,918 |
| SC | 0.02690 | \$177,540 |
| SD | 0.00597 | \$39,402 |
| TN | 0.02973 | \$196,218 |
| TX | 0.07645 | \$504,570 |
| UT | 0.00430 | \$28,380 |
| VT | 0.00403 | \$26,598 |
| NH | 0.00503 | \$33,198 |
| VI | 0.00273 | \$18,018 |
| VA | 0.02660 | \$175,560 |
| WA | 0.01743 | \$115,038 |
| WV | 0.01937 | \$127,842 |
| WI | 0.01873 | \$123,618 |
| WY | 0.00307 | \$20,262 |
| DISTR. | 1.00000 | \$6,600,000 |
| N/O RES. | | \$800,000 |
| EZ/EC/REAP | | \$600,000 |
| TTL AVAIL. | | \$8,000,000 |

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RURAL HOUSING SERVICE
FISCAL YEAR 2001 ALLOCATION IN THOUSANDS
SECTION 502 DIRECT RURAL HOUSING LOANS

| STATES | STATE BASIC FORMULA FACTOR | TOTAL FY 2001 ALLOCATION |
|----------------------------------------------------|-------------------------------|-----------------------------|
| ALABAMA | 0.0267275 | \$18,773 |
| ALASKA | 0.0055160 | \$3,874 |
| ARIZONA | 0.0145422 | \$10,214 |
| ARKANSAS | 0.0208104 | \$14,617 |
| CALIFORNIA | 0.0454819 | \$31,946 |
| COLORADO | 0.0091766 | \$6,446 |
| DELAWARE | 0.0024571 | \$1,726 |
| MARYLAND | 0.0115334 | \$8,101 |
| FLORIDA | 0.0312406 | \$21,943 |
| VIRGIN ISLANDS | 0.0020058 | \$1,409 |
| GEORGIA | 0.0374586 | \$26,311 |
| HAWAII | 0.0067195 | \$4,720 |
| W PAC ISLANDS | N/A | \$1,000 |
| IDAHO | 0.0076722 | \$5,389 |
| ILLINOIS | 0.0266774 | \$18,738 |
| INDIANA | 0.0270785 | \$19,020 |
| IOWA | 0.0163474 | \$11,482 |
| KANSAS | 0.0127369 | \$8,946 |
| KENTUCKY | 0.0288838 | \$20,288 |
| LOUISIANA | 0.0246715 | \$17,329 |
| MAINE | 0.0108314 | \$7,608 |
| MASSACHUSETTS | 0.0109818 | \$7,714 |
| CONNECTICUT | 0.0066693 | \$4,684 |
| RHODE ISLAND | 0.0015545 | \$1,092 |
| MICHIGAN | 0.0353525 | \$24,831 |
| MINNESOTA | 0.0199077 | \$13,983 |
| MISSISSIPPI | 0.0250226 | \$17,576 |
| MISSOURI | 0.0252733 | \$17,752 |
| MONTANA | 0.0063685 | \$4,473 |
| NEBRASKA | 0.0086752 | \$6,093 |
| NEVADA | 0.0028583 | \$2,008 |
| NEW JERSEY | 0.0097784 | \$6,868 |
| NEW MEXICO | 0.0110320 | \$7,749 |
| NEW YORK | 0.0359041 | \$25,219 |
| NORTH CAROLINA | 0.0484405 | \$34,024 |
| NORTH DAKOTA | 0.0045131 | \$3,170 |
| OHIO | 0.0390131 | \$27,402 |
| OKLAHOMA | 0.0174005 | \$12,222 |
| OREGON | 0.0154949 | \$10,884 |
| PENNSYLVANIA | 0.0467857 | \$32,862 |
| PUERTO RICO | 0.0239695 | \$16,836 |
| SOUTH CAROLINA | 0.0258249 | \$18,139 |
| SOUTH DAKOTA | 0.0062682 | \$4,403 |
| TENNESSEE | 0.0291846 | \$20,499 |
| TEXAS | 0.0660415 | \$46,387 |
| UTAH | 0.0040618 | \$2,853 |
| VERMONT | 0.0052653 | \$3,698 |
| NEW HAMPSHIRE | 0.0072711 | \$5,107 |
| VIRGINIA | 0.0289841 | \$20,358 |
| WASHINGTON | 0.0187042 | \$13,138 |
| WEST VIRGINIA | 0.0175008 | \$12,292 |
| WISCONSIN | 0.0237188 | \$16,660 |
| WYOMING | 0.0036105 | \$2,536 |
| STATE TOTALS | 1.0000000 | \$703,391 |
| 100 UNDERSERVED COUNTIES/COLONIAS | | \$53,350 |
| EMPOWERMENT ZONES AND ENTERPRISE COMMUNITY EARMARK | | \$38,757 |
| GENERAL RESERVE | | \$146,500 |
| SELF HELP | | \$125,000 |
| TOTAL | | \$1,066,998 |

RURAL HOUSING SERVICE
FISCAL YEAR 2001 ALLOCATION IN THOUSANDS
SECTION 502 DIRECT RURAL HOUSING LOANS

| STATES | TOTAL FY 2001 ALLOCATION | VERY LOW-INCOME ALLOCATION 40 PERCENT | LOW-INCOME ALLOCATION 60 PERCENT |
|---------------------------------------|-----------------------------|---------------------------------------------|----------------------------------------|
| ALABAMA | \$18,773 | \$7,509 | \$11,264 |
| ALASKA | \$3,874 | \$1,550 | \$2,325 |
| ARIZONA | \$10,214 | \$4,086 | \$6,129 |
| ARKANSAS | \$14,617 | \$5,847 | \$8,770 |
| CALIFORNIA | \$31,946 | \$12,778 | \$19,168 |
| COLORADO | \$6,446 | \$2,578 | \$3,867 |
| DELAWARE | \$1,726 | \$690 | \$1,036 |
| MARYLAND | \$8,101 | \$3,240 | \$4,861 |
| FLORIDA | \$21,943 | \$8,777 | \$13,166 |
| VIRGIN ISLANDS | \$1,409 | \$564 | \$845 |
| GEORGIA | \$26,311 | \$10,524 | \$15,786 |
| HAWAII | \$4,720 | \$1,888 | \$2,832 |
| W PAC ISLANDS | \$1,000 | \$400 | \$600 |
| IDAHO | \$5,389 | \$2,156 | \$3,233 |
| ILLINOIS | \$18,738 | \$7,495 | \$11,243 |
| INDIANA | \$19,020 | \$7,608 | \$11,412 |
| IOWA | \$11,482 | \$4,593 | \$6,889 |
| KANSAS | \$8,946 | \$3,579 | \$5,368 |
| KENTUCKY | \$20,288 | \$8,115 | \$12,173 |
| LOUISIANA | \$17,329 | \$6,932 | \$10,397 |
| MAINE | \$7,608 | \$3,043 | \$4,565 |
| MASSACHUSETTS | \$7,714 | \$3,085 | \$4,628 |
| CONNECTICUT | \$4,684 | \$1,874 | \$2,811 |
| RHODE ISLAND | \$1,092 | \$437 | \$655 |
| MICHIGAN | \$24,831 | \$9,933 | \$14,899 |
| MINNESOTA | \$13,983 | \$5,593 | \$8,390 |
| MISSISSIPPI | \$17,576 | \$7,030 | \$10,545 |
| MISSOURI | \$17,752 | \$7,101 | \$10,651 |
| MONTANA | \$4,473 | \$1,789 | \$2,684 |
| NEBRASKA | \$6,093 | \$2,437 | \$3,656 |
| NEVADA | \$2,008 | \$803 | \$1,205 |
| NEW JERSEY | \$6,868 | \$2,747 | \$4,121 |
| NEW MEXICO | \$7,749 | \$3,100 | \$4,649 |
| NEW YORK | \$25,219 | \$10,087 | \$15,131 |
| NORTH CAROLINA | \$34,024 | \$13,610 | \$20,414 |
| NORTH DAKOTA | \$3,170 | \$1,268 | \$1,902 |
| OHIO | \$27,402 | \$10,961 | \$16,441 |
| OKLAHOMA | \$12,222 | \$4,889 | \$7,333 |
| OREGON | \$10,884 | \$4,353 | \$6,530 |
| PENNSYLVANIA | \$32,862 | \$13,145 | \$19,717 |
| PUERTO RICO | \$16,836 | \$6,734 | \$10,102 |
| SOUTH CAROLINA | \$18,139 | \$7,256 | \$10,884 |
| SOUTH DAKOTA | \$4,403 | \$1,761 | \$2,642 |
| TENNESSEE | \$20,499 | \$8,200 | \$12,299 |
| TEXAS | \$46,387 | \$18,555 | \$27,832 |
| UTAH | \$2,853 | \$1,141 | \$1,712 |
| VERMONT | \$3,698 | \$1,479 | \$2,219 |
| NEW HAMPSHIRE | \$5,107 | \$2,043 | \$3,064 |
| VIRGINIA | \$20,358 | \$8,143 | \$12,215 |
| WASHINGTON | \$13,138 | \$5,255 | \$7,883 |
| WEST VIRGINIA | \$12,292 | \$4,917 | \$7,375 |
| WISCONSIN | \$16,660 | \$6,664 | \$9,996 |
| WYOMING | \$2,536 | \$1,014 | \$1,522 |
| STATE TOTALS | \$703,391 | \$281,356 | \$422,035 |
| 100 Underserved Counties and Colonias | \$53,350 | \$21,340 | \$32,010 |
| EZ/EC/REAP Reserve | \$38,757 | \$15,503 | \$23,254 |
| General Reserve | \$146,500 | \$81,280 | \$65,220 |
| Self-Help | \$125,000 | \$70,000 | \$55,000 |
| TOTAL | \$1,066,998 | \$469,479 | \$597,519 |

RURAL HOUSING SERVICE
 FISCAL YEAR 2001
 ALLOCATION IN THOUSANDS
 SECTION 502 GUARANTEED LOANS (NONSUBSIDIZED)

| STATES | STATE BASIC FORMULA FACTOR | TOTAL FY 2001 ALLOCATION |
|--------------------------------|-------------------------------|-----------------------------|
| ALABAMA | 0.0253847 | \$54,235 |
| ALASKA | 0.0061561 | \$13,153 |
| ARIZONA | 0.0155290 | \$33,178 |
| ARKANSAS | 0.0213661 | \$45,649 |
| CALIFORNIA | 0.0524861 | \$112,136 |
| COLORADO | 0.0100701 | \$21,515 |
| DELAWARE | 0.0024043 | \$5,137 |
| MARYLAND | 0.0104750 | \$22,380 |
| FLORIDA | 0.0308357 | \$65,881 |
| VIRGIN ISLANDS | 0.0027236 | \$5,819 |
| GEORGIA | 0.0385293 | \$82,318 |
| HAWAII | 0.0083323 | \$17,802 |
| W PAC ISLANDS | N/A | \$1,000 |
| IDAHO | 0.0077774 | \$16,616 |
| ILLINOIS | 0.0256395 | \$54,779 |
| INDIANA | 0.0236023 | \$50,425 |
| IOWA | 0.0151422 | \$32,351 |
| KANSAS | 0.0123032 | \$26,286 |
| KENTUCKY | 0.0286790 | \$61,273 |
| LOUISIANA | 0.0256223 | \$54,742 |
| MAINE | 0.0113916 | \$24,338 |
| MASSACHUSETTS | 0.0117468 | \$25,097 |
| CONNECTICUT | 0.0065708 | \$14,039 |
| RHODE ISLAND | 0.0017216 | \$3,678 |
| MICHIGAN | 0.0337181 | \$72,039 |
| MINNESOTA | 0.0184738 | \$39,469 |
| MISSISSIPPI | 0.0259670 | \$55,479 |
| MISSOURI | 0.0253687 | \$54,200 |
| MONTANA | 0.0067138 | \$14,344 |
| NEBRASKA | 0.0083216 | \$17,779 |
| NEVADA | 0.0029735 | \$6,353 |
| NEW JERSEY | 0.0091825 | \$19,618 |
| NEW MEXICO | 0.0117200 | \$25,040 |
| NEW YORK | 0.0369739 | \$78,995 |
| NORTH CAROLINA | 0.0471742 | \$100,787 |
| NORTH DAKOTA | 0.0040847 | \$8,727 |
| OHIO | 0.0378081 | \$80,777 |
| OKLAHOMA | 0.0175713 | \$37,541 |
| OREGON | 0.0166212 | \$35,511 |
| PENNSYLVANIA | 0.0438367 | \$93,656 |
| PUERTO RICO | 0.0250931 | \$53,611 |
| SOUTH CAROLINA | 0.0249510 | \$53,308 |
| SOUTH DAKOTA | 0.0065435 | \$13,980 |
| TENNESSEE | 0.0276859 | \$59,151 |
| TEXAS | 0.0665018 | \$142,080 |
| UTAH | 0.0039861 | \$8,516 |
| VERMONT | 0.0057475 | \$12,280 |
| NEW HAMPSHIRE | 0.0075234 | \$16,074 |
| VIRGINIA | 0.0278404 | \$59,481 |
| WASHINGTON | 0.0200905 | \$42,923 |
| WEST VIRGINIA | 0.0172518 | \$36,859 |
| WISCONSIN | 0.0222867 | \$47,616 |
| WYOMING | 0.0035006 | \$7,479 |
| STATE TOTALS | 1.0000000 | \$2,137,500 |
| GENERAL RESERVE | | \$704,948 |
| SPECIAL OUTREACH AREAS RESERVE | | \$302,120 |
| TOTAL | | \$3,144,568 |

RURAL HOUSING SERVICE
FISCAL YEAR 2001
ALLOCATION IN THOUSANDS
SECTION 504 RURAL HOUSING LOANS

| STATES | STATE BASIC FORMULA FACTOR | TOTAL FY 2001 ALLOCATION |
|----------------------------------------------------|-------------------------------|-----------------------------|
| ALABAMA | 0.0290630 | \$767 |
| ALASKA | 0.0080174 | \$212 |
| ARIZONA | 0.0200434 | \$529 |
| ARKANSAS | 0.0225489 | \$595 |
| CALIFORNIA | 0.0531151 | \$1,402 |
| COLORADO | 0.0085185 | \$225 |
| DELAWARE | N/A | \$100 |
| MARYLAND | 0.0095206 | \$251 |
| FLORIDA | 0.0295641 | \$780 |
| VIRGIN ISLANDS | N/A | \$100 |
| GEORGIA | 0.0395858 | \$1,045 |
| HAWAII | 0.0100217 | \$264 |
| W PAC ISLANDS | N/A | \$1,000 |
| IDAHO | 0.0075163 | \$198 |
| ILLINOIS | 0.0225489 | \$595 |
| INDIANA | 0.0220478 | \$582 |
| IOWA | 0.0130282 | \$344 |
| KANSAS | 0.0115250 | \$304 |
| KENTUCKY | 0.0320695 | \$846 |
| LOUISIANA | 0.0295641 | \$780 |
| MAINE | 0.0100217 | \$264 |
| MASSACHUSETTS | 0.0080174 | \$212 |
| CONNECTICUT | 0.0040087 | \$106 |
| RHODE ISLAND | N/A | \$100 |
| MICHIGAN | 0.0290630 | \$767 |
| MINNESOTA | 0.0175380 | \$463 |
| MISSISSIPPI | 0.0300651 | \$793 |
| MISSOURI | 0.0240521 | \$635 |
| MONTANA | 0.0060130 | \$159 |
| NEBRASKA | 0.0070152 | \$185 |
| NEVADA | N/A | \$100 |
| NEW JERSEY | 0.0070152 | \$185 |
| NEW MEXICO | 0.0150326 | \$397 |
| NEW YORK | 0.0285619 | \$754 |
| NORTH CAROLINA | 0.0476031 | \$1,256 |
| NORTH DAKOTA | 0.0040087 | \$106 |
| OHIO | 0.0330717 | \$873 |
| OKLAHOMA | 0.0175380 | \$463 |
| OREGON | 0.0150326 | \$397 |
| PENNSYLVANIA | 0.0370803 | \$978 |
| PUERTO RICO | 0.0340738 | \$899 |
| SOUTH CAROLINA | 0.0280608 | \$740 |
| SOUTH DAKOTA | 0.0060130 | \$159 |
| TENNESSEE | 0.0295641 | \$780 |
| TEXAS | 0.0781694 | \$2,566 |
| UTAH | 0.0040087 | \$106 |
| VERMONT | 0.0045098 | \$119 |
| NEW HAMPSHIRE | 0.0055119 | \$145 |
| VIRGINIA | 0.0295641 | \$780 |
| WASHINGTON | 0.0185402 | \$489 |
| WEST VIRGINIA | 0.0180391 | \$476 |
| WISCONSIN | 0.0195423 | \$516 |
| WYOMING | N/A | \$100 |
| STATE TOTALS | 1.0000000 | \$27,987 |
| GENERAL RESERVE | | \$1,500 |
| EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES EARMA | | \$1,288 |
| 100 UNDERSERVED COUNTIES/COLONIAS | | \$1,620 |
| TOTAL | | \$32,395 |

RURAL HOUSING SERVICE
FISCAL YEAR 2001 ALLOCATION IN THOUSANDS
SECTION 504 RURAL HOUSING GRANTS

| STATES | STATE BASIC FORMULA FACTOR | TOTAL FY 2001 ALLOCATION |
|-----------------------------------------------------|-------------------------------|-----------------------------|
| ALABAMA | 0.0280565 | \$722 |
| ALASKA | 0.0056781 | \$146 |
| ARIZONA | 0.0170343 | \$439 |
| ARKANSAS | 0.0223784 | \$576 |
| CALIFORNIA | 0.0480968 | \$1,238 |
| COLORADO | 0.0083501 | \$215 |
| DELAWARE | N/A | \$100 |
| MARYLAND | 0.0100202 | \$258 |
| FLORIDA | 0.0340685 | \$878 |
| VIRGIN ISLANDS | N/A | \$100 |
| GEORGIA | 0.0367406 | \$946 |
| HAWAII | 0.0076821 | \$198 |
| W PAC ISLANDS | N/A | \$500 |
| IDAHO | 0.0073481 | \$189 |
| ILLINOIS | 0.0263864 | \$680 |
| INDIANA | 0.0243824 | \$628 |
| IOWA | 0.0163662 | \$422 |
| KANSAS | 0.0133602 | \$344 |
| KENTUCKY | 0.0297265 | \$766 |
| LOUISIANA | 0.0260524 | \$671 |
| MAINE | 0.0103542 | \$267 |
| MASSACHUSETTS | 0.0096861 | \$250 |
| CONNECTICUT | 0.0053441 | \$138 |
| RHODE ISLAND | N/A | \$100 |
| MICHIGAN | 0.0317305 | \$817 |
| MINNESOTA | 0.0197063 | \$508 |
| MISSISSIPPI | 0.0270545 | \$697 |
| MISSOURI | 0.0257184 | \$662 |
| MONTANA | 0.0060121 | \$155 |
| NEBRASKA | 0.0086841 | \$224 |
| NEVADA | N/A | \$100 |
| NEW JERSEY | 0.0083501 | \$215 |
| NEW MEXICO | 0.0123582 | \$318 |
| NEW YORK | 0.0323985 | \$835 |
| NORTH CAROLINA | 0.0470948 | \$1,213 |
| NORTH DAKOTA | 0.0046761 | \$120 |
| OHIO | 0.0360726 | \$929 |
| OKLAHOMA | 0.0183703 | \$473 |
| OREGON | 0.0156983 | \$404 |
| PENNSYLVANIA | 0.0437547 | \$1,126 |
| PUERTO RICO | 0.0263865 | \$680 |
| SOUTH CAROLINA | 0.0260524 | \$671 |
| SOUTH DAKOTA | 0.0063461 | \$164 |
| TENNESSEE | 0.0293925 | \$757 |
| TEXAS | 0.0714772 | \$1,841 |
| UTAH | N/A | \$100 |
| VERMONT | 0.0046761 | \$120 |
| NEW HAMPSHIRE | 0.0060121 | \$155 |
| VIRGINIA | 0.0283905 | \$731 |
| WASHINGTON | 0.0183703 | \$473 |
| WEST VIRGINIA | 0.0180363 | \$465 |
| WISCONSIN | 0.0223783 | \$576 |
| WYOMING | N/A | \$100 |
| STATE TOTALS | 0.9823100 | \$26,400 |
| GENERAL RESERVE | | \$1,500 |
| EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES EARMAR | | \$600 |
| 100 UNDERSERVED COUNTIES/COLONIAS | | \$1,500 |
| TOTAL | | \$30,000 |