

New York State Office, The Galleries of Syracuse, 441 S. Salina Street, Suite 357, Syracuse, NY 13202, (315) 477-6419, TDD (315) 477-6447, George N. Von Pless

North Carolina State Office, 4405 Bland Road, Suite 260, Raleigh, NC 27609, (919) 873-2066, TDD (919) 873-2003, Terry Strole

North Dakota State Office, Federal Building, Room 208, 220 East Rosser, PO Box 1737, Bismarck, ND 58502, (701) 530-2049, TDD (701) 530-2113, Kathy Lake

Ohio State Office, Federal Building, Room 507, 200 North High Street, Columbus, OH 43215-2477, (614) 255-2418, TDD (614) 255-2554, Melodie Taylor

Oklahoma State Office, 100 USDA, Suite 108, Stillwater, OK 74074-2654, (405) 742-1070, TDD (405) 742-1007, Phil Reimers

Oregon State Office, 101 SW Main, Suite 1410, Portland, OR 97204-3222, (503) 414-3325, TDD (503) 414-3387, Bill Daniel

Pennsylvania State Office, One Credit Union Place, Suite 330, Harrisburg, PA 17110-2996, (717) 237-2281, TDD (717) 237-2261, Gary Rothrock

Puerto Rico State Office, 654 Munoz Rivera Avenue, IBM Plaza, Suite 601, Hato Rey, PR 00918, (787) 766-5095 (ext. 249), TDD (787) 766-5332, Lourdes Colon

Rhode Island

Served by Massachusetts State Office

South Carolina State Office, Strom Thurmond Federal Building, 1835 Assembly Street, Room 1007, Columbia, SC 29201, (803) 253-3432, TDD (803) 765-5697, Larry D. Floyd

South Dakota State Office, Federal Building, Room 210, 200 Fourth Street, SW., Huron, SD 57350, (605) 352-1132, TDD (605) 352-1147, Dwight Wullweber

Tennessee State Office, Suite 300, 3322 West End Avenue, Nashville, TN 37203-1084, (615) 783-1375, TDD (615) 783-1397, G. Benson Lasater

Texas State Office, Federal Building, Suite 102, 101 South Main, Temple, TX 76501, (254) 742-9755, TDD (254) 742-9712, Eugene G. Pavlat

Utah State Office, Wallace F. Bennett Federal Building, 125 S. State Street, Room 4311, Salt Lake City, UT 84147-0350, (801) 524-4324, TDD (801) 524-3309, Robert L. Milianta

Vermont State Office, City Center, 3rd Floor, 89 Main Street, Montpelier, VT 05602, (802) 828-6028, TDD (802) 223-6365, Sandra Mercier

Virgin Islands

Served by Florida State Office

Virginia State Office, Culpeper Building, Suite 238, 1606 Santa Rosa Road, Richmond, VA 23229, (804) 287-1547, TDD (804) 287-1753, Eileen Nowlin

Washington State Office, Puyallup Executive Park, 1011 E. Main, Suite 306, Puyallup, WA 98372-6771, (253) 845-9272 (ext. 5), TDD (253) 845-0553, Robert Lund

Western Pacific Territories

Served by Hawaii State Office

West Virginia State Office, Federal Building, 75 High Street, Room 320, Morgantown, WV 26505-7500, (304) 284-4889, TDD (304) 284-4836, Craig St. Clair

Wisconsin State Office, 4949 Kirschling Court, Stevens Point, WI 54481, (715) 345-7615 (ext.151), TDD (715) 345-7614, Sherry Engel

Wyoming State Office, 100 East B, Federal Building, Room 1005, PO Box 820, Casper, WY 82602, (307) 261-6315, TDD (307) 261-6333, Charles Huff

FOR FURTHER INFORMATION CONTACT: For general information, applicants may contact Tracee Lilly, Senior Loan Officer, Multi-Family Housing Processing Division, Rural Housing Service, United States Department of Agriculture, Stop 0781, 1400 Independence Avenue, SW, Washington, DC 20250, telephone (202) 720-1604 (voice) (this is not a toll free number) or (800) 877-8339 (TDD-Federal Information Relay Service).

SUPPLEMENTARY INFORMATION:

Programs Affected

This program is listed in the Catalog of Federal Domestic Assistance under Number 10.433, Rural Housing Preservation Grants. This program is subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials (7 CFR part 3015, subpart V). Applicants are referred to 7 CFR 1944.674 and 1944.676(f), (g), and (h) for specific guidance on these requirements relative to the HPG program.

Application Requirements

7 CFR part 1944, subpart N provides details on what information must be contained in the preapplication package. Entities wishing to apply for assistance should contact the Rural Development State office to receive further information, the State allocation of funds, and copies of the preapplication package. Eligible entities for these competitively awarded grants include state and local governments,

nonprofit corporations, Federally recognized Indian Tribes, and consortia of eligible entities.

Funding Information

The funding instrument for the HPG program will be a grant agreement. The term of the grant can vary from 1 to 2 years, depending on available funds and demand. No maximum or minimum grant levels have been established at the National level. You should contact the State office to determine the allocation and the State maximum grant level, if any. For FY 2002, \$7,982,000 is available for the Housing Preservation Grant Program. A set aside of \$600,000 has been established for grants located in Empowerment Zones, Enterprise Communities, and REAP Zones and \$6,600,000 has been distributed under a formula allocation to States pursuant to 7 CFR part 1940, subpart L, "Methodology and Formulas for Allocation of Loan and Grant Program Funds". Decisions on funding will be based on preapplications.

Dated: February 15, 2002.

James C. Alsop,

Acting Administrator, Rural Housing Service.

[FR Doc. 02-4331 Filed 2-22-02; 8:45 am]

BILLING CODE 3410-XV-P

DEPARTMENT OF AGRICULTURE

Rural Housing Service

Notice of Availability of Funding and Requests for Proposals for Guaranteed Loans Under the Section 538 Guaranteed Rural Rental Housing Program

AGENCY: Rural Housing Service, USDA.

ACTION: Notice of fund availability.

Required Responses From: Eligible Lenders for Multi-Family Lending.

Program Offers: Loan Guarantees and Interest Credits for Rural Housing.

SUMMARY: This Notice of Fund Availability (NOFA or Notice) announces the timeframe, submission requirements and deadlines to submit proposals in the form of "NOFA responses" for the section 538 Guaranteed Rural Rental Housing Program (GRRHP) for the Fiscal Year (FY) 2002 allocation of \$99.77 million. This Notice describes the commitment of program dollars, eligibility requirements, lender responsibilities, and the overall NOFA and application processes.

The GRRHP operates under 7 CFR part 3565. The GRRHP Origination and Servicing Handbook (HB-1-3565) is available to provide lenders and the

general public with guidance on program administration. HB-1-3565, which contains a copy of 7 CFR part 3565 in Appendix 1, can be found at the Rural Development regulation web site address <http://rdinit.usda.gov/regs>.

Eligible lenders are invited to submit NOFA responses for the development of affordable rental housing to serve rural America. The Rural Housing Service (RHS) will review responses submitted by eligible lenders, on the lender's letterhead, and signed by both the prospective borrower and lender. Although a complete application is not required in response to the NOFA, eligible lenders may submit a complete application concurrently with the NOFA response. The submission of a complete application will not affect the scoring process.

DATES: The FY 2002 program dollars will be allocated through a continuous selection process. The RHS will review all NOFA responses through May 16, 2002. Reviews will take place on an ongoing basis. Those responses that are selected that subsequently submit complete applications and meet all federal environmental requirements will receive commitments until all funds are expended. A notice will be placed in the **Federal Register** when all funds are committed for FY 2002. NOFA responses received after May 16, 2002 will be held for review subject to the availability of funds.

Eligible lenders intending to mail a NOFA response or application must provide sufficient time to permit delivery to the NOFA submission address on or before the closing deadline date and time. Acceptance by a U.S. Post Office or private mailer does not constitute delivery. Postage due NOFA responses and applications will not be accepted.

FOR FURTHER INFORMATION CONTACT:

Arlene Nunes, Senior Loan Specialist, Guaranteed Loans, Multi-Family Housing Processing Division, U.S. Department of Agriculture, South Agriculture Building, Room 1271, STOP 0781, 1400 Independence Avenue, SW, Washington, DC 20250-0781. E-mail: anunes@rdmail.rural.usda.gov. Telephone: (202) 401-2307. This number is not toll-free. Hearing or speech-impaired persons may access that number by calling the Federal Information Relay Service toll-free at (800) 877-8339.

Eligibility of Prior Year Selected NOFA Responses: NOFA responses selected in FY 2001 are eligible for FY 2002 program dollars subject to the availability of funds. FY 2001 NOFA responses selected by RHS for

submission of a complete application may submit an application for competition for FY 2002 funding without completing a FY 2002 NOFA response. All qualified applications will be funded on a first come basis until all program funds are exhausted. RHS will commit and obligate funds only to lenders that submit a complete application including all federal environmental documents required by 7 CFR 1940 subpart G, Form RD 3565-1, "Application for Loan and Guarantee" and the 2,500 dollar application fee.

General Program Information

Program Purpose: The section 538 Guaranteed Rural Rental Housing Program is designed to increase the supply of affordable multi-family housing through partnerships between the RHS and major lending sources, as well as state and local housing finance agencies and bond issuers.

Qualifying Properties: Qualifying properties include new construction for multi-family housing units or acquisition of existing structures with rehabilitation of at least 15,000 dollars per unit.

Eligible Financing Sources: Any form of Federal, state, and conventional sources of financing can be used in conjunction with the loan guarantee, including Home Investment Partnership Program (HOME) grant funds, tax exempt bonds, and low income housing tax credits.

Maximum Guarantee: The maximum guarantee for a permanent loan will be 90 percent of the unpaid balance and interest on the loan. The maximum guarantee on a construction loan will be 90 percent of the work in place, which have credit enhancements, or up to 90 percent of the amount actually advanced by the lender, whichever is less.

Reimbursement of Losses: Any losses will be split on a pro-rata basis between the lender and the RHS from the first dollar lost.

Interest Rate: RHS will accept the best rate negotiated between the lender and prospective borrower indexed to the 10-year Treasury Bond Yield. However, priority points will be given for interest rates less than 300 basis points over the 10-Year Treasury Bond Yield. Interest rates must be fixed over the term of the loan.

Interest Credit: RHS will award interest credit to at least 20 percent of the loans made under the program. If 20 percent of the loans have not received interest credit by May 16, 2002, then RHS will award interest credit to those loans that initially requested interest credit and have the highest interest

credit priority score until at least 20% of the loans have received interest credit. Requests for interest credit must be made in the NOFA response. Lenders are not permitted to make requests for interest credit after the selection process has taken place.

Due to limited funding and in order to distribute Interest Credit assistance as broadly as possible, the Agency has decided to limit the interest credit to \$1.5 million per loan. For example, if an eligible request were made for interest credit on a loan of \$2.5 million, up to \$1.5 million of the loan would receive interest credit and \$1 million would be originated at the note rate. Interest credit is not available for construction loans. Interest credit is only available for permanent loans. Lenders with projects that are viable with or without interest credit are encouraged to submit a NOFA response reflecting financial and market feasibility under both funding options. NOFA responses requesting consideration under both options will not affect interest credit selection. However, once the interest credit funds are exhausted, only those NOFA responses requesting consideration under both funding options or the Non-Interest Credit option will be further considered.

Due to limited interest credit funds and the responsibility of RHS to target and give priority to rural areas most in need, NOFA responses requesting interest credit must score a minimum of 65 points under the criteria established in this NOFA. In the event of ties, selection between responses will be by lot.

Surcharges for Guarantee of Construction Advances: There is no surcharge for the guarantee of construction advances for FY 2002.

Program Fees for FY 2002: The following information stipulates the program fees.

(1) There is an initial guarantee fee of 1 percent of the total guarantee amount, which will be due when the loan guarantee is issued. In the case of a combination construction and permanent loan guarantee, the 1 percent initial fee will be paid when the construction loan note guarantee is issued. For purposes of calculating this fee, the guarantee amount is the product of the percentage of the guarantee times the initial principal amount of the guaranteed loan.

(2) There is an annual renewal fee of 0.5 percent of the outstanding principal and interest of the loan. This fee will be collected annually on January 1st of each calendar year.

(3) There is no fee for site assessment and market analysis or preliminary feasibility in FY 2002.

(4) There is a non-refundable application fee of \$2,500 when the application is submitted.

(5) There is a flat fee of \$500 when a lender requests RHS to extend the term of a guarantee commitment.

(6) There is a flat fee of \$500 when a lender requests RHS to extend a guarantee commitment after the period of the commitment lapses.

(7) There is a flat fee of \$1,250 when a lender requests RHS to approve the transfer of property and assumption of the loan to an eligible prospective borrower.

(8) There is no lender application fee for lender approval in FY 2002.

Eligible Lenders: An eligible lender for the section 538 Guaranteed Loan Housing Program as required by 7 CFR 3565.102 must be a licensed business entity or Housing Finance Agency in good standing in the state or states where it conducts business. Lender eligibility requirements are contained in 7 CFR part 3565, subpart C, section 3565.102 "Lender Eligibility". Below is a list of eligible lenders under 7 CFR 3565.102:

(1) A licensed business entity that meets the qualifications and has the approval of the Secretary of Housing and Urban Development (HUD) to make multi-family housing loans that are insured under the National Housing Act. A complete list of HUD approved lenders can be found in the HUD Web site at www.hud.gov.

(2) A licensed business entity that meets the qualifications and has the approval of the Freddie Mac or Fannie Mae corporations to make multi-family housing loans that are sold to the same corporations. A complete list of Freddie Mac approved lenders can be found in Freddie Mac's web site at www.freddiemac.com. Fannie Mae approved lenders are found at www.fanniemae.com.

(3) A state or local Housing Finance Authority (HFA) with a top-tier rating from Moody's or Standard & Poors, or member of the Federal Home Loan Bank system, and the demonstrated ability to underwrite, originate, process, close, service, manage, and dispose of multi-family housing loans in a prudent manner.

(4) Be a GRRHP approved lender, defined as an entity with an executed multi-family housing Lender's Agreement with RHS.

(5) Lenders that can demonstrate the capacity to underwrite, originate, process, close, service, manage, and dispose of multi-family housing loans.

In order to be approved the lender will have to have an acceptable level of financial soundness as determined by a lender rating service. The submission of materials demonstrating capacity will be required if the lender's NOFA response is selected.

Lenders who are otherwise ineligible may become eligible if they maintain a correspondent relationship with an eligible lender that does have the capacity to underwrite, originate, process, close, service, manage, and dispose of multi-family housing loans. In this case, the eligible lender must submit the NOFA response and application. All contractual and legal documentation will be signed between RHS and the lender that submitted the NOFA response and application.

RHS Lender Approval Application: Lenders whose NOFA responses are selected will be notified by the RHS to submit a request for RHS lender approval application within 30 days of notification. Lenders that have received RHS lender approval in the past and are in good standing do not need to reapply for RHS lender approval.

Submission of Documentation for RHS Lender Approval: All lenders that have not yet received RHS lender approval must submit a complete application for RHS lender approval. As RHS does not have a formal application form, a complete application will consist of a cover letter requesting RHS lender approval and the following documentation:

(1) a request for RHS lender approval on the lender's letterhead;

(2) Lenders who are HUD, Freddie Mac or Fannie Mae multi-family approved lenders are required to show evidence of this status, such as a copy of a letter designating the distinction.

(3) The lender's Loan Origination, Loan Servicing and Portfolio Management Handbooks. These handbooks should detail the lender's policies and procedures on loan origination through termination for multi-family loans;

(4) Portfolio performance data;

(5) Copies of standard documents that will be used in processing GRRHP loans;

(6) Resumes and qualifications of key personnel that will be involved in the GRRHP;

(7) Identification of standards and processes that deviate from those outlined in the GRRHP Origination and Servicing Handbook (HB-1-3565) found at <http://rdinit.usda.gov/regs>;

(8) A copy of the most recent audited financial statements;

(9) Lender specific information including: (a) Legal name and address,

(b) list of principal officers and their responsibilities, (c) certification that the officers and principals of the lender have not been debarred or suspended from Federal programs, (d) Form AD 1047, "Certification Regarding Debarment and Suspension," (e) certification that the lender is not in default or delinquent on any Federal debt or loan, or possess an outstanding finding of deficiency in a federal housing program, and (f) certification of the lender's credit rating;

(10) Documentation on bonding and insurance; and

(11) Certification that computer systems comply with year 2000 technology.

RHS Lender Approval Requirements: Lenders who request RHS lender approval must meet the standards stipulated in the 7 CFR part 3565, subpart C, section 3565.103 "Approval Requirements."

Lender Responsibilities: Lenders will be responsible for the full range of loan origination, underwriting, management, servicing, compliance issues and property disposition activities associated with their projects. The lender will be expected to provide guidance to the prospective borrower on the RHS requirements during the application phase. Once the guarantee is issued, the lender is expected to service each loan it underwrites or contract these services to another capable entity.

Discussion of Notice

Content of NOFA Responses: All NOFA responses require lender information and project specific data. Incomplete responses will not be considered for funding. Lenders will be notified of incomplete NOFA responses. Complete NOFA responses are to include a signed cover letter from the lender on the lender's letterhead and the following information:

(1) Lender Information

A. Lender certification—The lender must certify that the lender will make a loan to the prospective borrower for the proposed project, under specified terms and conditions subject to the issuance of the RHS guarantee. Lender certification must be on the lender's letterhead and signed by both the lender and the prospective borrower.

(2) Project Specific Data

A. The lender must submit the project specific data below on the lender's letterhead, signed by both the lender and the prospective borrower.

| | |
|---|--|
| Lender Name | Insert the lender's name |
| Lender Tax ID # | Insert lender's tax ID # |
| Lender Contact Name | Name of the lender contact for Loan |
| Mailing Address | Lender's complete mailing address |
| Phone # | Phone # for lender contact |
| Fax # | Insert lender's fax # |
| E-mail Address | Insert lender contact e-mail address |
| Borrower Name and Organization Type | State whether borrower is a Limited Partnership, Corporation, Indian Tribe, etc. |
| Tax Classification Type | State whether borrower is for profit, not for profit, etc. |
| Borrower Tax ID # | Insert borrower's tax ID # |
| Borrower Address, including County | Insert borrower's address and county |
| Borrower Phone # | Insert borrower's phone # |
| Principal or Key Member for the Borrower | Insert name and title |
| Borrower Information and Statement of Housing Development Experience | Attach relevant information |
| New Construction or Acquisition or Repair or Rehabilitation of at Least \$15,000 Per Unit | State whether the project is new construction or acquisition or repair or rehabilitation |
| Project Location Town or City | Town or city in which the project is located |
| Project County | County in which the project is located |
| Project State | State in which state the project is located |
| Project Zip Code | Insert zip code |
| Project Congressional District | Congressional District for project location |
| Project Name | Insert project name |
| Project Type | Family, senior (all residents over 55), or mixed |
| Property Description and Proposed Development Schedule | Provide as an attachment |
| Total Project Development Cost | Enter amount for total project |
| # of Units | Insert the # of units in the project |
| Cost Per Unit | Total development cost divided by # of units |
| Bedroom Mix | # of units by # of bedrooms |
| Rent | Proposed rent structure |
| Median Income for Community | Provide median income for the community |
| Evidence of Site Control | Attach relevant information |
| Description of Any Environmental Issues | Attach relevant information |
| Loan Amount | Insert the loan amount |
| Interest Credit (IC) | Is interest credit requested for this loan (Yes or No)? |

| | |
|---|---|
| Interest Rate (for interest credit requests only) | Lenders seeking interest credit must provide the interest rate. Priority points will be awarded to projects requesting interest credit for interest rates less than 300 basis points over the 10-year treasury bond yield |
| If Above Is Yes, Should Proposal Be Considered Under Non-IC Selection, If IC Funds Are Exhausted? | If Yes, proposal must show financial feasibility for NON-IC consideration. |
| Borrower's Proposed Equity | Insert amount. |
| Tax Credits | Will the project be allocated tax credits? How much? What is the estimated value of the tax credits awarded? |
| Other Sources of Funds | List all funding sources. |
| Loan to Value | Guaranteed loan divided by value of project. |
| Debt Coverage Ratio | Net Operating Income divided by debt service payments. |
| Percentage of Guarantee | Percentage guarantee requested. |
| Collateral | Attach relevant information. |
| Empowerment Zone (EZ) or Enterprise Community (EC) | Yes or No? Is the project in a recognized EZ or EC? |
| Colonia or Tribal Lands | Is the project in a Colonia or on an Indian Reservation? Yes or No? |
| Population | Must be within the 20,000 population limit set for the program. |
| Is a Guarantee for Construction Being Requested? Are Advances Being Requested? | State yes or no. The Agency will guarantee construction advances, only as part of a combination construction and permanent loan. |
| Loan Term | Up to a 40-year amortized loan Balloon mortgage with a minimum 25-year term are eligible. |

Scoring of Priority Criteria for Selection of Projects with Interest Credit Requests: RHS will allocate points to projects with requests for interest credit. Projects with no interest credit request will be reviewed for eligibility and viability on a continuous basis and without any priority selection criteria.

The seven priority criteria for projects with requests for interest credit are listed below.

Priority 1—Projects located in rural communities with the smallest populations.

Score for Priority 1—Projects with the lowest populations will receive the highest points.

| Population size | Points |
|----------------------------|--------|
| 0–1,000 people | 20 |
| 1,001–2,000 people | 19 |
| 2,001–3,000 people | 18 |
| 3,001–4,000 people | 17 |
| 4,001–5,000 people | 16 |
| 5,001–6,000 people | 15 |
| 6,001–7,000 people | 14 |
| 7,001–8,000 people | 13 |
| 8,001–9,000 people | 12 |
| 9,001–10,000 people | 11 |
| 10,001–11,000 people | 10 |
| 11,001–12,000 people | 9 |
| 12,001–13,000 people | 8 |
| 13,001–14,000 people | 7 |
| 14,001–15,000 people | 6 |

| Population size | Points |
|----------------------------|--------|
| 15,001–16,000 people | 5 |
| 16,001–17,000 people | 4 |
| 17,001–18,000 people | 3 |
| 18,001–19,000 people | 2 |
| 19,001–20,000 people | 1 |

Priority 2—The RHS will award points for projects with 3–5 bedroom units.

Score for Priority 2—The RHS will score the projects with the 3–5 bedroom units as follows:

| No. of 3–5 bedroom units | Points |
|--------------------------|--------|
| More than 15 | 20 |
| 10–15 | 15 |
| 5–9 | 10 |
| 1–4 | 5 |

Priority 3—The most needy communities as determined by the median income from the most recent census data will receive points.

Score for Priority 3—The RHS will allocate points to projects located in communities having the lowest median income. Points for median income will be awarded as follows:

| Median income (dollars) | Points |
|--------------------------|--------|
| Less than \$25,000 | 20 |
| \$25,000–\$29,999 | 15 |
| \$30,000–\$34,999 | 10 |
| \$35,000–\$40,000 | 5 |
| More than \$40,000 | 0 |

Priority 4—Projects that demonstrate partnering and leveraging in order to develop the maximum number of units and promote partnerships with state and local communities will also receive points.

Score for Priority 4—The RHS will award points as follows:

| Loan to value ratio (percentage %) | Points |
|------------------------------------|--------|
| More than 75 | 10 |
| 70–75 | 15 |
| Less than 70 | 20 |

Priority 5—RHS will award points for interest rates less above the 10-Year Treasury Bond Yield as follows:

SCORE FOR PRIORITY 5

| Interest rate | Points |
|---------------------------------------|--------|
| 300 basis points or more, inclusive | –20 |
| 299 to 200 basis points, inclusive .. | 5 |
| 199 to 100 basis points, inclusive .. | 10 |

SCORE FOR PRIORITY 5—Continued

| Interest rate | Points |
|--|--------|
| 99 to 50 basis points, inclusive | 15 |
| Less than 50 basis points, inclusive | 20 |

Priority 6—The development of projects on Tribal Lands, or in an Empowerment Zone or Enterprise Community will receive points.

Score for Priority 6—The RHS will attribute 20 points to projects that are developed in any of the locations described in priority 6.

Priority 7—The development of projects in a Colonia or in a place identified in the State's Consolidated Plan or State Needs Assessment as a high need community for multi-family housing will receive points.

Score for Priority 7—The RHS will attribute 20 points to projects that are developed in any of the locations described in priority 7.

NOFA Submission Address: Eligible lenders will send the NOFA responses to: Director, Multi-Family Housing Processing Division, Rural Housing Service, U.S. Department of Agriculture, Room 1263, STOP 0781, 1400 Independence Avenue, SW, Washington, DC 20250-0781. Responses for participation in the program must be identified as "Section 538 Guaranteed Rural Rental Housing Program" on the envelope.

Notifications: NOFA responses will be reviewed for completeness and eligibility. The RHS will notify those lenders whose NOFA responses are selected via letter. The RHS will request lenders without RHS lender approval to apply for RHS lender approval within 30 days upon receipt of notification of selection. For information regarding RHS Lender Approval, please refer to section SUBMISSION OF DOCUMENTATION FOR RHS LENDER APPROVAL in this NOFA. Requests for RHS lender approval should be sent to the person and address listed in the NOFA SUBMISSION ADDRESS section in this NOFA.

Lenders will also be invited to submit a complete application and the required application fee of \$2,500 to the Rural Development State Office where the project is located.

Submission of GRRHP Applications: Notification letters will instruct lenders to contact the Rural Development State Office immediately following notification of selection to schedule required agency reviews. Rural Development State Office addresses can be found in the USDA web site, www.usda.gov, under the Rural Development program area.

Rural Development State Office staff will work with lenders in the development of the complete application. Applications must include: (1) The appropriate level of environmental review in accordance with 7 CFR part 1940, subpart G, (2) the Civil Rights Impact Analysis Certification, (3) intergovernmental review (7 CFR part 3015, subpart V), and (4) appropriate flood insurance coverage as stipulated in 7 CFR part 1806 subpart B.

The deadline for the submission of a complete application and fee is 90 days from the date of notification of NOFA selection. If the application and fee are not submitted within 90 days from the date of notification, the selection is subject to cancellation, thereby allowing another NOFA response that is ready to proceed with processing to be selected.

Obligation of Program Funds: The RHS will only obligate funds to projects that undergo a satisfactory environmental review in accordance with the National Environmental Protection Act (NEPA).

Conditional Commitment: Once the complete application and application fee are received and all NEPA requirements have been met, the Rural Development State Office will issue a conditional commitment, which stipulates the conditions that must be met for the issuance of a guarantee, in accordance with 7 CFR part 3565, subpart G, section 3565.303. Once the conditional commitment is issued the funds are obligated to the lender.

Issuance of Guarantee: The RHS will issue a guarantee to the lender for a project in accordance with 7 CFR part 3565, subpart G, section 3565.303 "Issuance of Loan Guarantee." No guarantee can be issued without a complete application, review of appropriate certifications, satisfactory assessment of the appropriate level of environmental review, and the completion of any conditional requirements.

Dated: February 15, 2002.

James C. Alsop,

Acting Administrator, Rural Housing Service.
[FR Doc. 02-4332 Filed 2-22-02; 8:45 am]

BILLING CODE 3410-XV-P

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 2002 (FY 2002). 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: February 25, 2002.

FOR FURTHER INFORMATION CONTACT: For information regarding this notice contact Teresa Sumpter, Loan Specialist, Single Family Housing Direct Loan Division, telephone 202-720-1485, Stop 0783, for single family housing (SFH) issues and Tammy S. Daniels, Loan Specialist, Multi-Family Housing Processing Division, telephone 202-720-0021, Stop 0781 for multi-family housing (MFH) issues, U.S. Department of Agriculture, 1400 Independence Ave., SW., Washington, DC 20250. (The telephone numbers listed are not toll free numbers). For information on applying for assistance, visit our Internet Web site at www.rurdev.usda.gov/recd_map.html and select your State or check the blue pages in your local telephone directory under "Rural Development" for the office serving your area. Also attached for information purposes is a listing of Rural Development State Directors, State Office addresses and phone numbers.

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