

Dear NAHMA Members,

Below, please find recent updates from USDA regarding rural rental assistance obligations, the Assistant to the Secretary for Rural Development, and the Guaranteed Rural Rental Housing low loan-to-cost ratio.

**1. Rural Development Communique to Owners and Agents of Multifamily Properties Receiving RHS Rental Assistance**

“Dear Owners and Management Agents:

We are pleased to inform you that Rental Assistance for Section 514/515 properties has been obligated through April. The Management Interactive Network Connection (MINC) has been updated to reflect these obligations. We understand that the most recent lapse in appropriations created anxiety and uncertainty regarding the status of your contract obligations. We are hopeful that this communique and the fact that all contracts are obligated through April will provide you reassurance and operational predictability in your management of these critical low-income resources throughout rural America. Thank you for your partnership in delivering the Rural Housing Service affordable housing mission.”

**2. Joel Baxley named Acting Assistant to the Secretary for Rural Development**

Today the White House Office of National Drug Control Policy (ONDCP) announced Anne Hazlett as the office’s Senior Adviser for Rural Affairs. Hazlett has served as the Assistant to the Secretary for Rural Development at USDA since June 2017. Because of Hazlett’s departure, Secretary Perdue named Joel Baxley, USDA’s Administrator of the Rural Housing Service (RHS), as Acting Assistant to the Secretary for Rural Development. Perdue will soon name an Acting Administrator for RHS. In the meantime, Perdue is working with the White House to identify a candidate to nominate for USDA Under Secretary for Rural Development, a position created by the 2018 Farm Bill. Following Senate confirmation of a new Under Secretary for Rural Development, the Assistant to the Secretary for Rural Development position would be eliminated. To read more, please click [here](#).

**3. Guaranteed Rural Rental Housing Low Loan-to-Cost Ratio**

Today, the Agency published a Federal Register Notice establishing the new Low Loan-To-Cost ratio for the Section 538 Program (Guaranteed Rural Rental Housing) continuous guarantee (option 3). The Low Loan-To-Cost ratio previously was 50%; effective February 7, 2019, the new ratio is 70% for any option 3, continuous guarantee in the Section 538 Program. Please contact RD-State office personnel should you have any questions regarding the new ratio. To read the Rural Housing Service notice online, please click [here](#).

Thanks,  
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NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing.*

