



## Advocates Gather In Albany

Housing advocates from around the state converged on Albany on Tuesday, February 23rd to press the legislature on the importance of affordable housing programs. Present in the halls of the Capitol that day were the Rural Advocates, the NYS Association for Affordable Housing (NYSAAFH), the Neighborhood Preservation Coalition of NYS, and the Supportive Housing Network of New York.

Advocates stressed the need to maintain support for the State's primary housing programs in the face of the current economic and foreclosure crises. With significant levels of unemployment and families displaced by homelessness, the caseloads of housing agencies are larger than ever. The Governor's proposed cuts to operating funds for housing agencies will undoubtedly result in staff reductions at the very time that more staff are needed to assist the growing caseloads of families in need of assistance. Advocates are trying to make the case that a total of \$22.5 million is needed in support for the Neighborhood and Rural Preservation Programs to properly staff these agencies in response to the economic crisis. The

Governor has also proposed to reduce the Rural Rental Assistance Program by more than \$1 million, and advocates are requesting that the allocation be raised to \$16 million. The Governor proposed zeroing out a number of smaller programs, including NY Main Street, Access to Home, Rural Area Revitalization Program, Rural Home Ownership Assistance, IDDP, and Urban Initiatives. The advocates are calling for allocations of \$5 million for each of those programs. The Governor proposed funding the RESTORE program at just \$400,000, and the advocates are requesting an increase to this program for a total appropriation of \$2 million.

The advocates are also calling for significant increases in funding levels for the major capital programs: Low Income Housing Trust Fund; Homeless Housing and Assistance Program; and the Affordable Housing Corporation. The advocates are requesting appropriations of \$50 million for each of these programs, significantly more than the Governor's budget proposed levels of \$29 million, \$30 million, and \$25 million, respectively.

Guest speakers from the Legisla-

tive Commission on Rural Resources and the Division of Housing and Community Renewal conceded that the current state budget dilemma made the prospect of securing additional housing funds a difficult effort. The audience pointed out to the guest speakers that other budget actions, such as state park closures, would ultimately have a negative impact on rural homelessness by forcing camper families to find other shelter this year.

It is critical that all legislators understand the importance of affordable housing and community renewal efforts in solving the ongoing economic downturn by investing in our communities, and creating jobs by doing so.

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"80% of success is showing up."

Woody Allen

**RD**

**Rural Delivery**

Rural Delivery is published by the New York State Rural Housing Coalition, Inc. The Coalition is a non-profit statewide membership organization dedicated to strengthening and revitalizing rural New York by assisting housing and community development providers.

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Federal and US military employees can support the Rural Housing Coalition through the annual Combined Federal Campaign (CFC). If you are a federal government or military employee and would like to donate through the CFC, please enter CFC code #9614 on your pledge card during the next fund drive.

## Bits and Pieces...

### AHODP Application Round Open

Applications for the 2010-2011 New York State Affordable Housing Corporation funding round are due by April 12, 2010. For more information, and a fillable application form, visit: [www.nyhomes.org/index.aspx?page=57](http://www.nyhomes.org/index.aspx?page=57).

### Peer To Peer Trainings Planned For May

Regional meetings for Rural Preservation Companies are now being planned for dates in May in Salamanca, Auburn, Canton, and Troy. The sessions will be held on May 4th in Salamanca, May 5th in Auburn, May 11th in Troy, and May 18th in Canton. RPC directors are encouraged to watch the mail and their email for additional scheduling and registration information.

### Housing Construction Up 2.8% In January

According to an Associated Press report, housing construction posted a better-than-expected increase in January which pushed activity to the highest level in six months. The Commerce Department said that construction of new homes and apartments rose 2.8% in January to a seasonally adjusted annual rate of 591,000 units. That was better than the 580,000 annual pace that economists were forecasting. Applications for building permits, considered a good barometer of future activity, fell 4.9% to a rate of 621,000, but that was after two months of large increases. Economists are hoping that housing is beginning to recover and a rebound in this area will help support the economy as it struggles to mount a sustained recovery from the deepest recession since the 1930s.

### REO Acquisition Webinar Available

A property acquisition webinar designed to assist nonprofit agencies to purchase foreclosed (or REO) properties in bulk from lending institutions is available on the website of Living Cities. The training discusses strategies for acquiring REO properties and examines the factors and conditions that influence municipalities' and nonprofits' success in REO acquisitions.

The webinar and training materials are available online at [www.livingcities.org/innovation/rapid/property-acquisition/](http://www.livingcities.org/innovation/rapid/property-acquisition/).

## Senate Bill Targets Independent Contractors

The Legislative Gazette reports that the NY Senate Labor Committee recently approved legislation aimed at fighting the misclassification of employees, a practice that prevents the state from collecting millions of dollars in state tax revenue.

The bill, titled the Construction Industry Fair Play Act, (S 5847-a) was approved unanimously by the committee on February 1st. The bill requires workers to meet three specific criteria to be labeled an independent contractor: The worker is completely independent of the primary contractor; the worker's duties are performed infrequently; and the worker is usually involved in independent contracting and solicits other companies.

If workers do not meet each of these criteria, they would be classified as an employee, and their wag-

es would have to be reported by their employers to the appropriate taxing authorities.

A study published in 2007 by Cornell University titled *The Cost of Worker Misclassification in New York State* reported 704,785 workers were classified as independent contractors, with more than 45,000 working for construction companies. The study also reported \$4.2 million in underreporting of unemployment wages. The state Joint Enforcement Task Force on Employee Classification reported at a hearing conducted Jan. 13 by the Labor Committee it had recovered more than \$389 million in unreported wages, along with \$11 million in unreported insurance taxes.

The bill now moves on to the Senate Codes Committee. There is no same-as bill in the Assembly.

## Timely Management Guidance

In his book "Wise Decision-Making in Uncertain Times," Kevin P. Kearns writes in the chapter "Market Engagement and Competition" about the comparative advantage, or having an advantage over rivals in securing customers and defending against competitive forces.

According to Kearns this concept is routinely used in the for-profit sector, and the concepts are transferable to the not-for-profit sector:

- Does the organization possess certain demonstrable strengths that can help it seize an existing or emerging opportunity in the external environment? If yes, the organization enjoys a comparative advantage with respect to that opportunity.

- Does the organization possess certain demonstrable strengths that can help it avoid or mitigate existing or emerging threats in the external environment? If yes, the organization should try to mobilize those strengths as quickly as possible.

- Does the organization have certain weaknesses that are preventing it from seizing existing or emerging opportunities in the external environment? If yes, the organization can try to turn its weaknesses into strengths, divest them or seek an alliance in order to compensate.

- Does the organization have certain weaknesses that make it especially vulnerable to existing or emerging threats in the external environment? If yes, the organization must try to identify a damage-control strategy.

Kearns' book is published by the Foundation Center, and is available at [http://foundationcenter.org/marketplace/catalog/product\\_monograph.jhtml?id=prod970001](http://foundationcenter.org/marketplace/catalog/product_monograph.jhtml?id=prod970001).

## Amanda's Law Set To Take Effect February 22nd

Last year, Governor David Paterson signed Amanda's Law (A6093A / C 367), which went into effect on February 22, 2010. It requires all residences, both new and existing, to have carbon monoxide alarms installed. Previously, only homes built or bought after July 30, 2002, were required to install these devices.

The law is named for 16-year-old Amanda Hansen of West Seneca, New York, who died January 17, 2009, due to a carbon monoxide leak from a defective boiler while she was sleeping at a friend's house.

"Amanda's Law will prevent future tragedies like the one that took Amanda Hansen's life far too soon," Governor Paterson said. "This legislation will create safer homes for New Yorkers, and I encourage all New Yorkers to install these devices and regularly check to make sure they are working."

The specific requirements of the law differ for new and existing residences and also vary depending on the age of the building and occupancy category. For more information, check the Department of State website: [www.dos.state.ny.us/code/COAlarm.htm](http://www.dos.state.ny.us/code/COAlarm.htm).

## DHCR Releases Small Cities and NY Main Street NOFAs

The New York State Division of Housing and Community Renewal has announced the availability of approximately \$45 million in funding for the NYS Community Development Block Grant and New York Main Street programs.

The NYS CDBG program provides financial assistance to eligible cities, towns, and villages with populations of less than 50,000 and counties with an area population under 200,000, in order to develop viable communities by providing decent, affordable housing, and suitable living environments, as well as expanding economic opportunities, principally for persons of low and moderate income.

The program objectives are achieved by supporting activities or projects that: benefit low and moderate income families; create job opportunities for low and moderate income persons; prevent or eliminate slums and blight; or address a community development need that poses a serious and imminent threat to the community's health or welfare. CDBG funds can be used to finance infrastructure projects such as critical public water and sewer projects that protect public health and public facility projects such as day care centers, clinics, and senior centers.

Eligible applicants for the NY Main Street program include cit-

ies, towns, villages, and counties throughout New York State and non-profit organizations. The New York Main Street program provides financial resources and technical assistance to communities to strengthen the economic vitality of the State's traditional Main Streets and neighborhoods. The NY Main Street grant program provides funds from the New York State Housing Trust Fund Corporation to business improvement districts and other not-for-profit organizations that are committed to revitalizing historic downtowns, mixed-use neighborhood commercial districts, and village centers.

NY Main Street funding may be used for building renovation projects, including facade renovations and interior rehabilitation, "Downtown Anchor" projects, to help establish or expand cultural or business anchors that are key to local revitalization efforts and, as an ancillary activity, streetscape enhancement to plant trees and other landscaping, install street furniture and trash cans in order to enhance the NYMS target area.

The 2010 Annual Competitive Round Application will be available on the Office of Community Renewal's web site, [www.nysdhr.gov/AboutUs/Offices/Community-Renewal](http://www.nysdhr.gov/AboutUs/Offices/Community-Renewal). Applications are due no later than April 23, 2010.

## Lead Regulations Debut In April

Common renovation activities like sanding, cutting, and demolition can create hazardous lead dust and chips by disturbing lead-based paint, which can be harmful to adults and children.

To protect against this risk, on April 22, 2008, the EPA issued a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning in April 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified, and are subject to stiff fines if they fail to follow proper lead-safe practices. The EPA has recently been holding training seminars for contractors. EPA recommends that anyone performing renovation, repair, and painting projects that disturb lead-based paint in pre-1978 homes, child care facilities and schools follow lead-safe work practices.

All contractors should follow these three simple procedures:

*Contain the work area.*

*Minimize dust.*

*Clean up thoroughly.*

The Toxic Substances Control Act of 1992 required EPA to regulate renovation activities by 1996, but EPA had delayed writing the rules until pressed by a 2005 lawsuit. After April 2010, contractors disturbing more than 6 feet of a surface to post warning signs, restrict occupants from work areas, contain the dust and debris created, clean up the area thoroughly, and confirm that cleanup is successful.

The new requirements can be found at EPA's Regulations on Residential Property Renovation at 40 CFR 745.80, Subpart E.

### ***Congratulations!***

Alice Dickinson, Executive Director of the Rural Development Advisory Council in Orange County, was named on February 11th one of eight women honored for the 2010 Tribute to Women of Achievement. The awards are sponsored by Girl Scouts Heart of the Hudson and the YWCA Orange County. Alice won her award in the category of public service. This year's honorees will be officially recognized at a formal dinner May 12th.

## Proposed Housing Goals for Freddie Mac and Fannie Mae Issued

The Federal Housing Finance Agency (FHFA) announced on February 17th that it sent to the Federal Register for publication a proposed rule establishing 2010 and 2011 housing goals for Freddie Mac and Fannie Mae (collectively, “the enterprises”). The goals require Fannie and Freddie to direct a specific portion of their business to low and moderate income families.

The Housing and Economic Recovery Act of 2008 (HERA) created FHFA and authorized the agency to establish a new housing goal regime for the enterprises. Prior to HERA, HUD served as the enterprises’ program regulator and set housing goals in three categories: low and moderate income mortgages, mortgages in underserved areas, and special affordable mortgages. HERA altered the goals by focusing on single-family and multifamily purchases separately, and by put-

ting a greater emphasis on the mortgages used to purchase a home, as opposed to mortgages used to refinance an existing mortgage.

Under HERA, the FHFA is to establish five goals and one sub-goal. These goal and sub-goal categories consist of three single-family, owner-occupied home purchase mortgage goals (low income families, very low income families, and families in low income/high minority/disaster areas), a low income single-family refinancing mortgage goal, and a multifamily special affordable housing goal (focused on families with low incomes and, as a sub-goal, families with very low incomes).

The proposed rule would implement the HERA provisions by setting prospective goals for each category. However, unlike under past housing goal rules, FHFA will determine compliance with the goals

in one of two ways. An enterprise can meet an annual goal either by meeting the prospective goal set in the regulation, or by “meeting the market” and purchasing mortgages targeted under the goal at a level at least equal to the number of those mortgages in the market during the goal year.

In an effort to keep the enterprises from supporting undesirable lending practices, the rule would also prohibit the enterprises from getting credit for mortgages in private-label securities and for purchasing mortgages with high interest rates or other undesirable terms.

The public comment period for the proposed rule is 45 days from the date of publication in the Federal Register. More information on the proposed rule can be found at: [www.fhfa.gov/webfiles/15409/2010HousingGoalsPress\\_Release21710F%5b1%5d.pdf](http://www.fhfa.gov/webfiles/15409/2010HousingGoalsPress_Release21710F%5b1%5d.pdf).

## Career Opportunities

### Program Manager & Loan Underwriter

The New Hampshire Community Loan Fund, a statewide, nonprofit community development financial institution located in Concord, NH has an immediate opening for an energetic Program Manager and Loan Underwriter for our single-family lending program.

Responsible for the Community Loan Fund’s single-family lending programs, particularly the manufactured home loan program (i.e. Co-operative Home Loan), including

personnel management, program administration, underwriting, documentation, portfolio management and reporting. Authority for loan decisions are based upon established policy. This individual will also be responsible for developing new products, in collaboration with the ROC-NH and Lending teams that identify and meet the needs of the Community Loan Fund’s client base.

Minimum position requirements:

Bachelor’s degree in Business Administration, MBA highly preferred. Must have a minimum of 7 years of hands-on lending, underwriting, and managerial experience.

Interested applicants may send a resume and cover letter, including salary expectations, to the Community Loan Fund at [jobopening@communityloanfund.org](mailto:jobopening@communityloanfund.org). No phone calls, please. Equal Opportunity Employer. Visit us at [www.communityloanfund.org](http://www.communityloanfund.org).

The New York State Rural Housing Coalition is happy to be able to provide help wanted advertising opportunities for our members and non-profit community development agencies. Ad copy must be provided in Microsoft Word format, and may be transmitted by email to [rhc@ruralhousing.org](mailto:rhc@ruralhousing.org). Ad copy must comply with federal and state equal opportunity requirements to be published, and must be received by the 25th of the month to ensure placement in the succeeding issue of *Rural Delivery*. Ads provided in this fashion will also be posted in the Career Opportunities page of the Coalition’s website, unless a request is specifically made not to place the advertisement on-line.

## Senate Jobs Bills Do Not Include NHTF

As predicted, the Senate leadership has decided not to include the NHTF in its most recent iteration of a “jobs” bill. While the form that its jobs legislation will take remains in flux, neither the Baucus-Grassley proposal nor the stripped down version that Majority Leader Harry Reid brought forward contain the NHTF.

Senate sources cite the fact that HUD has not yet issued the program regulations, therefore making it impossible for NHTF dollars to actually create jobs in 2010, as the reason the NHTF is not in the bill. In a classic Catch-22, HUD officials state the program regulations will be issued once funding is approved.

The NHTF campaign will focus on two avenues to achieve passage of funding to get the NHTF started:

1. Negotiations between the Senate and the House on jobs legislation, as the House bill passed in December does include \$1.065 billion to capitalize the NHTF and fund project-based vouchers to be coupled with capital grants.

2. Other must-pass vehicles to which the NHTF can be attached.

Advocates are asked to contact their Senators to express dismay that the Senate has failed to provide funding for the NHTF, even though such funding is supported by a majority of Senators.

## New York State Historic Homeownership Rehabilitation Tax Credit

Rehabilitation work on historic residential structures may qualify for a tax incentive. The credit will cover 20% of qualified rehabilitation costs of structures, up to a credit value of \$50,000. Houses must be an owner-occupied residential structure and be individually listed on the State or National Register of Historic Places, or a contributing building in a historic district that is listed on the state or National Register of Historic Places. In addition, the house needs to be located in an eligible census tract. At least \$5,000 must be expended on qualifying work. At least 5% of the total project must be spent on the exterior of the building. All work must be approved by OPRHP prior to start of construction.

Typical work that qualifies for the credit includes repairs to:

◇ walls, masonry, finishes (interior and exterior), floors, ceilings, win-

dows and doors.

◇ chimneys, stairs (interior and exterior), and roofs.

◇ components of central air conditioning or heating systems, plumbing and plumbing fixtures, electrical wiring and lighting fixtures.

◇ elevators, sprinkler systems, fire escapes and other components related to the operation or maintenance of the building.

Projects such as landscaping, fencing, additions or other work outside the historic building generally do not qualify.

To find out if a property qualifies and to get an application, go to the SHPO website at: [www.nysparks.state.ny.us/shpo/](http://www.nysparks.state.ny.us/shpo/)

or by regular mail to:

Residential Tax Credit Program, Division for Historic Preservation, Peebles Island Resource Center, PO Box 189, Waterford, NY 12188-0189 or call (518) 237-8643.

## 8 Details Of A Grant Proposal's Budget

One of the crucial factors in a grant proposal can be the budget. This can be a crucial factor when those who disperse the money have to make a hard decision.

In her book “How To Say It: Grant Writing” Deborah S. Koch offers advice on what grant proposal budgets should be.

- **Transparent.** There should be no mysteries about what each activity will cost or what each figure represents.

- **Clear.** The reader should be able to find information easily and understand what he/she is seeing.

- **Detailed.** Apply the assume-nothing rule to budgets and budget narratives. Explain the basis for determining the cost for each line item.

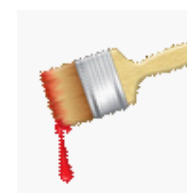
- **Concise.** While you need enough detail to explain everything so as to be understood, you do not need to explain down to every last paper clip.

- **Complete.** Show all sources of income for the project and all expenditures, expressed in broad terms, for the budget.

- **Reasonable.** Do not ask for money for something that is not essential to the project, but neither should you short-change yourself.

- **Realistic.** Likewise, if you under-budget, you might be seen as inexperienced, as not understanding the true costs of things or how long a task might take.

- **Documentable.** For every cost you claim, you should be able to prove that it is the true cost.



## HUD Secretary Announces Sustainability Initiative

HUD Secretary Saun Donovan announced on February 4th HUD's sustainability initiative.

In a forum at Portland State University, attended by 120 stakeholders, Secretary Donovan announced the launch of HUD's Office of Sustainable Communities. With a \$200 million budget this year, OSHC will work to connect housing to jobs, create unprecedented partnerships across federal agencies, and contribute to building a new clean energy economy. Included in the budget is \$140 million in planning and challenge grants to spur local innovations and regional partnerships that will coordinate housing, transportation, and land use decisions that will connect where we live to where we work. Guided by six principles, HUD's Partnership for Sustainable Communities Initiative with the Department of Transportation and the Environmental Protection Agency will allow them to work hand-in-hand to drive the creation of affordable homes and thriving businesses in clean, healthy communities.

The goal of the Sustainable Communities Planning Grant Program is to support multi-jurisdictional regional planning efforts that integrate housing, transportation, environmental impact, and economic development decision-making.

HUD is considering three funding categories for the program:

1. Where there are no existing regional plans for sustainable development, grants would support the preparation of such plans. Funds could be used for: "visioning and scenario planning exercises," data analysis, urban design, outreach efforts to achieve broad consensus on a single "vision/scenario," and

adoption of a plan by all appropriate regional governmental bodies.

2. Where there are regional sustainable development plans, grants would support the preparation of more detailed programs to implement those existing plans. Examples of detailed programs include: inter-jurisdictional affordable and fair housing strategies, corridor transit-oriented development plans, land banking and acquisition strategies, and revenue sharing strategies.

3. Where regions have already implemented meaningful regional sustainable development plans, grants would provide incentives that could result in even greater action. Incentives might include funding for pre-development costs, land acquisition, or capital for infrastructure.

Two levels of funding are being considered. For large metro areas of more than 500,000 people, maximum grants might be \$5 million, while for small metro or rural areas with fewer than 500,000 people, maximum grants might be \$2 million. At least \$25 million is set aside for small metro or rural areas.

A tentative schedule for rolling out these grants begins with regional listening sessions from February 16th to March 1st (locations and dates will be posted at [www.hud.gov/sustainability](http://www.hud.gov/sustainability)), webcast briefings during the week of March 1st, comments due March 12th, a NOFA published the week of March 12th, applications due by June 5th, and awards announced on August 2nd. More information can be found at: [http://portal.hud.gov/portal/page/portal/HUD/program\\_offices/sustainable\\_housing\\_communities](http://portal.hud.gov/portal/page/portal/HUD/program_offices/sustainable_housing_communities).

## Sustainable Community Awards

The Home Depot Foundation's Awards of Excellence for Sustainable Community Development recognizes public-private partnerships that have successfully developed projects and/or initiatives that promote and exemplify a more sustainable community. The program seeks to recognize sustainable projects that take a holistic, integrated approach, whereby sustainability planning, affordable housing, and the creation of green spaces and planting of trees are inextricably linked.

Applications are evaluated based on how well the projects or initiatives meet criteria in the categories of overarching sustainability, environmental sustainability, and green infrastructure. Projects should have been completed between January 1, 2006, and December 31, 2009.

The awards are presented to both the cities and their nonprofit partners representing the partnership that completed the local initiative. The foundation will recognize a national winner, national runner-up, and up to three honorable mentions, including providing grants to the city's nonprofit partner in each winning project. The winning nonprofit partner will receive a \$75,000 grant, the runner-up partner will receive a \$25,000 grant, and honorable mentions will each receive a \$2,500 grant. The grants are to be used at the discretion of the awardee to further the sustainability goals of the community.

Visit the Home Depot Foundation Web site for complete program information at [www.homedepotfoundation.org/aoe\\_community.html](http://www.homedepotfoundation.org/aoe_community.html).

## Panel: Commercial Real Estate Losses Could Further Threaten Financial System

In an oversight report released February 10th titled *Commercial Real Estate Losses and the Risk to Financial Stability*, the Congressional Oversight Panel (COP) found that an expected surge in commercial real estate loan failures over the next few years could significantly harm America's weakened financial system and, among other things, destabilize the lives of thousands of tenants in multifamily buildings.

Commercial real estate loans are those taken out by developers to purchase, build, and maintain real estate such as shopping centers, offices, hotels, and multifamily properties. Because commercial loans typically balloon after a short-term period of just a few years, loans need to be refinanced on a regular basis.

According to the report, banks and other commercial property lenders bear two primary risks: either that a borrower may not be able to pay interest and principal during the loan's term, or that the borrower may not be able to get refinancing when the loan term ends. In either case, the loan will default and the property will face foreclosure.

The authors estimates that between 2010 and 2014, about \$1.4 trillion in commercial real estate loans will reach the end of their terms, the period in which the remaining balance of the loan becomes due. Currently, nearly half of these loans are "underwater," meaning the borrower owes more on the loan than the underlying property is worth, and will not be able to be refinanced in the usual manner, putting them at risk

of default and foreclosure. The report finds that the loans most likely to fail are those made at the height of the real estate bubble, when commercial real estate values had been driven above sustainable levels. The Panel worries that foreclosures on apartment complexes could push families out of their residences, even if they had never missed a rent payment. The uncertainty of ownership during a foreclosure and the lack of investment in the period in which the property is distressed could likely lead to the deterioration of services and of the properties themselves, significantly injuring tenants' quality of life.

Access the report and additional information at: <http://cop.senate.gov/reports/library/report-021110-cop.cfm>.

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Visit Our Website At [www.ruralhousing.org](http://www.ruralhousing.org)

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