

USDA RURAL HOUSING SERVICE

Program Obligation Reports Through March FY 2015

Summary

The Housing Assistance Council (HAC) presents this month's report on Fiscal Year 2015 USDA Rural Housing program obligations.

As of the end of March, USDA obligated 67,388 loans, loan guarantees, and grants totaling about \$8.9 billion. This is \$1.5 billion or 11,650 more obligations than the same time last year. Over 88 percent of the obligations represent Section 502 Guaranteed loans.

USDA also obligated 173,073 units of tenant assistance representing \$767 million through the combined total of the Section 521 Rental Assistance and the Section 542 Rural Housing Voucher programs. This represents about \$16.8 million or 6,493 fewer units than this time last year.

Single Family Housing Program Highlights

The Section 502 Guaranteed loan program, the largest of the Single Family Housing programs, obligated \$8.6 billion (62,409) in loan guarantees. Obligations increased by \$1.4 billion (10,255 loans) over last month. This is a significant increase over the average monthly obligations of about \$1.1 billion (8,000 loans) for the last several months.

For the Section 502 Direct program, there have been about \$177 million (1,496 loans). Obligations increased over the last several months to about \$72 million (568 loans) for the month. Very low-income loan obligations as a percentage of the total dollars obligated for the program decreased slightly to 33.6 percent of the total dollars obligated. When viewed as a percentage of the number of loans obligated, very low-income loans comprise 37.5 percent of the total number of loans obligated. One reason for this is that the average loan amount for a low-income borrower has been higher than the average loan for a very low-income borrower. In an effort to stimulate loan obligations for the program, USDA provided its field offices a temporary authorization to obligate loans subject to appraisals and also relaxed certain criteria related to refinancing non-agency existing debt.

The Section 504 Repair and Rehabilitation programs obligated 876 loans representing \$5.0 million and 1,965 grants representing \$12 million. Section 504 activity was a little higher than it was last month for grants but a little lower for loans.

Multi-Family Housing Programs

The Section 538 loan guarantee program increased to 26 obligations totaling \$36.9 million.*

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Section 521 Rental Assistance obligations total 170,652 units representing \$758.8 million* There was a slight decrease in obligations from last month likely from de-obligations of funds by several states and small or no obligations in others. Section 542 vouchers totaled 2,421 units representing \$8.5 million, which is \$2.1 million or 572 more obligations than this time last year.

*Note that corrections have been made to last month's reports due to typographic errors regarding Section 538 loans and Rental Assistance obligations.