



# NATIONAL RURAL HOUSING COALITION

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## *Housing in Rural America*

*Even before the financial crisis, it was hard to argue that rural America was not already in economic distress. Rural communities have higher poverty and unemployment rates than other metropolitan areas and the rural communities have higher incidents of substandard housing and rent overburden. Virtually every community in the country with inadequate drinking water has a population of 3300 or less. The financial crisis finds rural America in worse shape still. Although the sub-prime crisis is largely viewed as urban, a significant portion of micropolitan areas have high rates of foreclosures, and delinquencies.*

*Innovative rural organizations have long combined the ever dwindling resources available from the lead rural agency – USDA-- with other federal, state and private sources. In 2008, the Rural Housing Service financed only 10,000 units of housing for low income home owners and only about 600 units of rural rental housing. There is a substantial backlog of demand for rural housing assistance, including over 60,000 low income households that are qualified for direct single family loans.*

*Many of the sources for rental housing are drying up or no longer available. As a result, multi-family housing development in rural America has come to a virtual standstill.*

*Against this backdrop a new Congress and President are about to take office. They have the opportunity to address rural housing and community development needs by investing in successful programs for affordable home ownership, rental housing and home repair.*

*For these reasons the National Rural Housing Coalition recommends an increase in rural housing production of approximately 30,000 units and increase of \$300 million for rural rental assistance. The Coalition proposal includes some \$50 million for the green renovation of 10,000 single family housing units and \$100 million for the renovation of 2000 rural rental housing units. The Coalition also recommends an additional \$500 million for financing of rural water and waste disposal facilities in rural America.*

### **Economic Stimulus – Recommendations**

1. Increase funding for direct rural housing loan programs:
  - a. Section 502 ...add \$1 billion – 10,000 units;
  - b. Section 515 ...add \$350 million...3000 rental units new construction & renovation of 2000 rental units
  - c. Section
  - d. Section 504 home repair... add \$25 million – 5,000 units

