



Rural Development

Oregon AN No. 1372 (1980-D)

Oregon State Office

August 30, 2013

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TO: Rural Housing Program Employees
USDA Rural Development
Oregon

Single Family Housing Program Participants
Oregon

SUBJECT: Determination of Rural Areas for the Rural Housing Programs

PURPOSE / INTENDED OUTCOME:

The purpose of this Oregon Administrative Notice (AN) is to provide U.S. Department of Agriculture (USDA) Rural Development employees in the Rural Housing Programs and Single Family Housing (SFH) Program participants in Oregon with information regarding rural area designations for the Rural Housing Programs based on the 2010 Census and the definition of rural contained in HB-1-3550, Chapter 5, Paragraph 5.3.

COMPARISON WITH PREVIOUS AN:

There have been no Oregon ANs issued regarding the 2010 Census and the Rural Housing Programs. Expired Oregon AN No. 1214 (3550 & 1980), dated October 29, 2001, was the last Oregon AN issued pertaining to rural areas.

IMPLEMENTATION RESPONSIBILITIES:

Effective October 1, 2013, USDA Rural Development will officially adopt the 2010 Census for rural area designations in the absence of any new legislation passed to extend the Rural Area Designation Waiver grandfather clause. Rural area designations will revert to the original definition contained in Rural Development Instruction 1980-D and HB-1-3550. An eligible rural area is a town, village, city, or place with a population under 10,000. Areas with populations above 10,000 but below 20,000 that are not part of a Metropolitan Statistical Area (MSA) are also considered rural.

EXPIRATION DATE:
August 31, 2014

FILING INSTRUCTIONS:
RD Instruction 1980-D

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Based on the current available data from the 2010 Census, the following areas in Oregon have been determined to not to meet the rural area definition for the USDA Rural Development Housing Programs:

- Albany
- Ashland
- Bend
- Canby
- Central Point
- Corvallis
- Cornelius
- Dallas
- Damascus
- Eugene-Springfield
- Forest Grove
- Grants Pass
- Klamath Falls
- McMinnville
- Medford
- Millersburg
- Newberg
- Portland Metro
- Redmond
- Roseburg
- Salem-Keizer
- Sherwood
- St. Helens
- Wilsonville
- Woodburn

Complete information on the areas in Oregon that are defined as non-rural for the Rural Housing Programs can be obtained from the following website:
<http://eligibility.sc.egov.usda.gov>.

In accordance with HB-1-3550, Paragraph 5.3, C.3, the maps for ineligible areas are to be posted in the USDA Rural Development offices in Oregon that have jurisdiction for each of these respective non-rural areas.

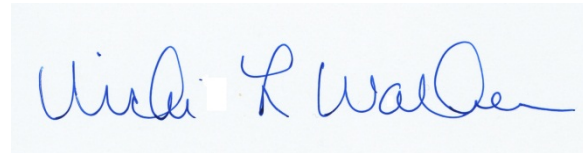
Under the following limited circumstances, loans may be approved for the Direct Loan Program if the area's designation has changed from rural to non-rural:

- If an applicant who applied to the program before the area's designation changed selects a property in the newly designated non-rural area, a loan may be made for that property if it meets all other eligibility requirements.
- New conditional commitments may be issued in non-rural areas if a purchaser is found whose loan application was completed before the area's designation changed.
- Existing conditional commitments will be honored in non-rural areas only if a purchaser is found whose loan application was completed before the area's designation changed.
- Real estate owned (REO) property sales and transfers with assumption may be processed in areas that have been designated as non-rural.
- For properties in a newly designated non-rural area that already had a USDA Rural Development loan, subsequent loans may be made to: (1) make necessary repairs; (2) pay equity in connection with an assumption of the USDA Rural Development loan; or (3) pay equity to a departing co-borrower.
- Properties that have an existing Direct Loan may be refinanced through the Guaranteed Rural Housing (GRH) Program in areas considered rural prior to the October 1, 2013, change in rural area designation.

Under the following conditions, loans may be approved for the GRH Loan Program if the area's designation has changed from rural to non-rural:

- If a complete and approved application file is received from the lender no later than September 30, 2013, Loan Approval Officials may utilize the current rural area designations for those communities that will change from rural to non-rural effective October 1, 2013. The loan does not need to be obligated or closed prior to October 1, 2013.
- Properties that have an existing GRH loan may be refinanced through the GRH Program in areas considered rural prior to the October 1, 2013, change in rural area designation.

For questions regarding this AN, please contact the Oregon Rural Development SFH staff at (503) 414-3393.



VICKI L. WALKER
Oregon State Director