Exhibit "B"

Section 202 Supportive Housing for the Elderly Program

Summary:
HUD provides capital advances to finance the construction, rehabilitation or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies for the projects to help make them affordable.

Purpose:
The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transportation, etc. The program is similar to Supportive Housing for Persons with Disabilities (Section 811).

Type of Assistance:
HUD provides interest-free capital advances to private, nonprofit sponsors to finance the development of supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years.

Want More Informatio

Program instructions are in HU Handbooks, Notices and Forms which can be found on **HUDclips**

Prospective applicants should contact the local **Multifamily Hub or Program Center** property.

The Multifamily Housing Clearinghouse (MFHC) 800-685-8470 also provides information and publications o Service Coordination.

EMAIL US the Section 202 Program.

Involvement of Faith Based Organizations in HUD Programs.

Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent. Project rental assistance contracts are approved initially for 5 years and are renewable based on the availability of funds.

The available program funds for a fiscal year are allocated to HUD's local offices according to factors established by the Department.

Eligible Grantees:
Private nonprofit organizations can apply to develop a Section 202 project if they can, among other requirements, submit a resolution that they will provide a minimum capital investment equal to 0.5 percent of the HUD-approved capital advance, up to a maximum of $25,000 for national sponsors or $10,000 for other sponsors. Public entities are not eligible for funding under this program.

Eligible Customers:
Occupancy in Section 202 housing is open to any very low-income household comprised of at least one person who is at least 62 years old at the time of initial occupancy.

Application:
Applicants must submit an application for a capital advance, including a Request for Fund Reservation (HUD Form 92015-CA) and other information in response to the Notice of Funding Availability (NOFA) published in the Federal Register each fiscal year. Applications must be submitted to the local HUD field office with jurisdiction over the area where the proposed project will be located. Those selected for funding must meet basic program requirements, including private nonprofit status, financial commitment and acceptable control of an approvable site. Awards are usually announced in September.

Technical Guidance:
The program is authorized under the Housing Act of 1959; Section 210 of the Housing and Community Development Act of 1974 P. L. 86-372 (12 U.S.C. 1701q, 73 Stat. 654, 667); the National Affordable Housing Act, P. L. 101-625 (42 U.S.C. 12701); the Housing and Community Development Act of 1992 (P.L. 102-550); the Rescissions Act (P.L. 104-19); and the American Homeownership and Economic Opportunity Act of 2000 (P.L. 106-569). Program regulations are in 24 CFR Part 891.To learn more about the Section

202 program, see Supportive Housing for the Elderly (HUD Handbook 4571.3) and Supportive Housing for the Elderly--Conditional Commitment--Final (HUD Handbook 4571.5) which are available on the Internet at http://www.hudclips.org or from the HUD Multifamily Clearinghouse at 1-800-685-8470. Also see notice H96-102 REV 00-23 (HUD).

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Back to top

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