



Box 236
412 Bench Street
Taylors Falls, Minnesota 55084

Minnesota Finance Agency
400 Sibley Street, Suite 300
St Paul, MN 55101

April 10, 2009

RE: Termination of USDA Loan and Subsidy of Rolling Hills Apartments

Enclosed is a notice provided to the City of Jackson regarding the prepayment of the mortgage loan provided by USDA, Rural Rental Housing, and the subsequent rental subsidies that it provides. Per the instructions of Minnesota Statute 471, 9997 we are providing you agency a copy of the resident impact statement notice and a copy of the notice sent to tenants.

The property is Rolling Hills Apartments located in Jackson, Minnesota. The owner is Valley Associates, PO Box 236, Taylors Falls, MN 55084 and any further question you may have are welcome.

The actual date of the subsidized housing refinance will be between now and April 10, 2010.

The apartment building contains 48 units. Twenty one of these units are one-bedroom units which have a current market rate of \$455. Twenty Seven of these units are Two-Bedroom units which have a current market rate of \$470. Thirty Two of these units are subsidized. There will be no rent change for the existing tenants with USDA vouchers. The owner does not intend to increase rents for all tenants at time of Prepayment.

Sincerely:

A handwritten signature in black ink, appearing to read "ma", is written over a faint, illegible typed name.

Valley Associates



This institution is an equal opportunity provider.





Box 236
412 Bench Street
Taylors Falls, Minnesota 55084

City of Jackson
Jackson, Minnesota

April 10, 2009

RE: Termination of USDA Loan and Subsidy of Rolling Hills Apartments

Dear Jackson City

This letter is sent to you, as the local government and pursuant to Minnesota Statute 471, 9997 to notify you that the loan and government subsidy of the rents will be terminating on the Rolling Hills Apartments. Under the above-referenced statute, the owner is required to submit to you a statement regarding the impact of the termination of the USDA support on the residents of Rolling Hills Apartments. The apartment building contains 48 units. Twenty one of these units are one-bedroom units which have a current market rate of \$455. Twenty Seven of these units are Two-Bedroom units which have a current market rate of \$470. Thirty Two of these units are subsidized. There will be no rent change for the existing tenants with USDA vouchers. The owner does not intend to increase rents for all tenants at time of Prepayment.

As indicated in the attached letter which has been sent to tenants, in order to mitigate the impact of the rental change to the tenants. The owner plans to cooperate with USDA to provide vouchers to qualified tenants in order for them to remain in Rolling Hills Apartments. If federal funding is not available for such vouchers, if tenants are not eligible for voucher or if the tenants choose not to participate in the subsidized rent program, the owner will allow tenants to move.

If you have any questions regarding the change from USDA involvement or wish to discuss these tenant mitigation efforts, please contact Valley Associates at the number listed above.

Sincerely:

Valley Associates
CC: Minnesota Housing Agency
USDA Rural Development



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Box 236
412 Bench Street
Taylors Falls, Minnesota 55084

April 10, 2009

Dear Rolling Hills Apartment Resident,

This letter is to inform you that the loan status of Rolling Hills Apartments will be changing. The owners will be prepaying the loan USDA and providing other financing. The rent support from USDA, subject to funding availability, will change to a voucher system as of prepayment. These voucher applications will be provided to management by Rural Development to assist tenants in completion. The owners will continue the individual rents as before at 30% of income for existing tenants, Rental assistance will continue to be provided by Rural Development to existing tenants and new tenants in the interim time. The owner does not intend to increase rents at time of prepayment.

Sincerely:

A handwritten signature in black ink, appearing to be 'm a'.

Valley Associates



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