



City of Fosston

220 East 1st Street, P. O. Box 607, Fosston, MN 56542



April 15, 2005

Krista Turner
Minnesota Housing Finance Agency
400 Sibley Street
St. Paul, MN 55101

Re: Fosston Homes

Dear Ms. Turner:

Minnesota State Statute 471.9997 "Federally Assisted rental housing; impact statement" requires notification, in regards to the termination of participation in a federally assisted rental housing program, be sent to the following individuals/organizations: 1) The governing body of the local government, 2) Tenants residing in the property, and 3) The Minnesota Housing Finance Agency. This letter serves as notification to meet that statutory requirement.

Impact Statement: Fosston Homes, Inc. intends to terminate participation in the federally assisted rental-housing program known as USDA-Rural Development (formerly known as Farmers Home Administration), a mission of the USDA-Rural Housing Finance Service. Termination of Participation is expected to be 12 months from the date of this letter.

1. Number of Units that will no longer be subject to rent restrictions imposed by federal programs: 14
2. Estimated rents that will be charged as compared to rents charged under the federal program:
Current Rents: One Bedroom Basic Rent - \$245.00 Market Rent - \$245.00
Proposed Rents: (after termination in program): Market Rent \$245.00 to \$295.00

Current Rents: Two Bedroom Basic Rent - \$270.00 Market Rent - \$270.00
Proposed Rents: (after termination in program): Market Rent \$270.00 to \$325.00

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Public Works
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3. Actions the owner will take to assist displaced tenants in obtaining other housing:
It is anticipated that no tenants will be displaced by this action.

If there are any questions regarding this information please feel free to call me.

Sincerely,

A handwritten signature in cursive script that reads "Chuck Lucken".

Chuck Lucken
City Administrator

Enclosure: Minnesota State Statute 471.9997 "Federally assisted rental housing; impact statement."

cc: Robert Kleven, MFH Specialist
USDA-Rural Development