

Krueger Realty, Inc.

323 E. Blue Earth Avenue

Fairmont, MN 56031

Phone

FAX:

March 4, 2010

ATTN: Robert L. Odman, Assistant Commissioner MHFA
Minnesota Housing Finance Agency (MHFA)
Timothy Marx, Commissioner
400 Sibley St., Suite 300
St. Paul, MN 55101


Re: Southview I Apartments
Falcon Partnership, Southview II Apartments

Dear Mr. Odman:

Per state statute requirements, enclosed for your information is a copy of our residential impact statement for the two above-referenced properties located in Fairmont, MN.

Both properties are financed through USDA, Rural Development 515 program. It is our intention to prepay the existing loans on or about May 1, 2011. If you have any questions, I may be reached at Krueger Realty, Inc., 323 E. Blue Earth Ave., Fairmont, MN 56031, phone

Sincerely,


Kenneth R. Krueger
KRUEGER REALTY, INC.
FALCON PARTNERSHIP

RESIDENT IMPACT STATEMENT

KRUEGER REALTY, INC., the owner of SOUTHVIEW I APARTMENTS, 1511 Falcon Drive, Fairmont, MN 56031, anticipates that on or after May 1, 2011, it will terminate participation in the following federally assisted housing programs for the following number of units which apply to the project:

515 Rural Rental Housing 24 units

Minnesota law requires owner to submit to the residents of the project, the City of Fairmont, MN and the Minnesota Housing Finance Agency, and (if the property is located in the metropolitan area as defined in section 473.121, subdivision 2, the metropolitan council) a statement of the impact of such termination on the residents of the project. This document performs that purpose.

1. Twenty-four (24) units within the project will no longer be subject to rent restriction imposed by the federal program which applies to the project effective as of the date of termination of the program which will be no earlier than twelve months after the date of this Impact Statement.

2. Owner estimates that the rents to be charged after termination will be:
One (1) bedroom: \$460.00, as compared to current rents charged under the federal program of \$520.00; and two (2) bedroom: \$495.00, as compared to current rents charged under the federal program of \$550.00, and three (3) bedroom: \$N/A, as compared to current rents charged under the federal program of \$N/A.

3. Owner proposes to assist qualified tenants who may experience an increase in rent upon termination to obtain a Section 8 voucher from the United States Department of Housing and Urban Development or the Housing and Redevelopment Authority to avoid displacement.

Dated: March 4, 2010

Owner: KRUEGER REALTY, INC.

By: 

Its: President