

extent that such accommodations are in adequate demand to be supported over the life of the mortgage.

Higher density development provides more efficient access to community facilities such as public transportation, libraries, parks, shopping, churches, etc., than does low-density detached housing. And it also permits efficient provision of management services and other amenities seldom available in single-family houses.

In addition to these basic objectives of all rental housing programs, each of the several FHA rental housing programs has one or more special purposes or objectives. These are indicated below for each program:

207 is the basic rental housing program for financing construction or rehabilitation of rental housing. It may be used for any structural type in a project of eight or more units. (It is not a special-purpose program.)

213 provides for financing of construction, rehabilitation, or acquisition of existing structures by a nonprofit cooperative association; or provides for construction or rehabilitation by a corporation intending to sell to a nonprofit cooperative. (For "management cooperatives" to be occupied by members, as distinguished from sales cooperatives covered under sales housing programs.) Provides for all structural types in projects of five or more units.

220 provides for financing construction or rehabilitation of rental housing projects in urban renewal areas. Provides for all structural types in projects of two or more units.

221(d)(3) provides for both market and below-market interest rate financing of construction or rehabilitation of rental and cooperative housing for moderate income families. Priority is given to families displaced by urban renewal or other government action. Handicapped and elderly persons also qualify as occupants. Sponsorship is limited to nonprofit organizations, cooperatives, limited dividend corporations, and public bodies (except those which are exclusively public housing authorities). Any structural type in projects of five or more units may be approved.

221(d)(4) provides for the same purposes as 221(d)(3) market rate, except this program is designed for private profit-motivated sponsors and may be built in areas that do not have a workable program.

810 provides for financing construction of rental housing for military and essential civilian personnel of the armed services, NASA, and AEC, and for employees of contractors for these agencies upon a finding by FHA of need. After initial 5 years as rental housing, or a shorter period if the Commissioner determines need for rental housing has ceased, units may be purchased with an insured mortgage.

2. Operation

The rental housing programs, as well as many of the special programs, are supervised by an Assistant Commissioner for Multifamily Housing, a Washington staff, and five regional representatives. There is also a separate Multifamily Insuring Office in New York. Otherwise, the regular FHA insuring offices administer the rental