

September 21, 2026

Christy Glass
Legislative Research Commission
700 Capital Avenue
Suite 300
Frankfort, KY 40601
VIA EMAIL TO: christy.glass@lrc.ky.gov

RE: Rural Housing Trust Fund

To Whom It May Concern,

Enclosed please find the Annual Report for fiscal year 2026 for the Rural Housing Trust Fund (RHTF), which is administered by the Kentucky Housing Corporation (KHC).

The Annual Report provides an overview of the RHTF, a report on the allocation of the RHTF moneys for fiscal year 2026 and examples of some of the projects that received funding in the past.

Should you have any questions regarding the Annual Report or the RHTF, please don't hesitate to contact me at wsmith@kyhousing.org or at (502) 605-1336.

Sincerely,



Wendy Smith
Deputy Executive Director, Housing Programs

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encl.

Kentucky Rural Housing Trust Fund
Fiscal Year 2026 Awards

Year	County	Project Name	Budget Award Date	Award Amount
2026	Marshall	Cox Manor	01/29/2026	575,000.00
2026	Marshall	Brynn Haven	01/29/2026	548,000.00
2026	Trigg	The Lofts at Cadiz	01/29/2026	2,977,000.00
2026	Oldham	Choice Landing	01/29/2026	400,000.00

Kentucky's Rural Housing Trust Fund LRC Annual Report FY2026

September 21, 2026

Contact: Wendy Smith, Deputy Executive Director, Housing Program
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About Kentucky's Rural Housing Trust Fund (RHTF)

- **Creation:** Advocacy from housing nonprofits across Kentucky resulted in the 2023 General Assembly creating the RHTF under KRS 198A.744.
- **Who is helped:** Kentucky homebuyers and renters who earn at/below 120% of the state's area median income (\$78,400 in 2026).
- **Who uses the funds:** Kentucky housing nonprofits, for-profit developers, local housing authorities and units of local government compete for RHTF awards to use as gap financing for the development of affordable housing in rural Kentucky.
- **Where the funds can be used:** Funding preference was initially given to federally declared disaster areas in counties designated as rural by the USDA but has now been expanded to address the affordable housing supply gap in those rural counties.
- **Administration:** RHTF is administered by the Kentucky Housing Corporation (KHC), a quasi-governmental state housing finance agency. (kyhousing.org)

About RHTF (con't)

- **Funding:** RHTF was initially funded from reprogrammed State Aid Funding for Emergencies (SAFE) funds, to respond to the devastating tornadoes in the west and floods in the east. \$10M was allocated to the East for single family development and \$10M to the West (\$5M for single family and \$5M for multi-family). Subsequently, the General Assembly made one additional allocation of \$10M to the RHTF, \$5M for FY2025 and \$5M for FY2026.
- **Oversight:** The RHTF Advisory Committee was established by legislation and meets with KHC. The Committee is chaired by the Commissioner of Agriculture and other members include legislators, bankers, advocates, and nonprofits.

How RHTF Funds Are Invested Across Kentucky

KHC competitively awards AHTF for 3 types of affordable housing projects:

- Acquisition and new construction of affordable housing.
- Acquisition with rehabilitation.
- New construction of affordable housing developments.

Why the RHTF is So Valuable To Kentucky

- **Building New Homes in Rural Areas** – RHTF moneys can be used in many ways for single family and multifamily housing and can be invested in development of new homeownership and rental units. The funds were available for any rural county in Kentucky, as defined by the USDA.
- **Program Flexibility** - Because these are state-generated funds, RHTF projects are not weighed down by requirements that apply to federal housing programs. Environmental reviews, subsidy limits, and federal reporting are not required. RHTF can serve as match for other programs and easily pairs with other funding sources.
- **Leveraging other housing programs** - Because KHC administers a broad range of housing programs, RHTF may be layered alongside programs such as Low-Income Housing Tax Credits, the HUD HOME Investment Partnership, CDBG, Tax Exempt Bonds, Weatherization, and so on.

The map displays the distribution of COVID-19 cases across Virginia's 95 counties and independent cities. The data is categorized into six ranges, represented by a color gradient from light yellow to dark red. The highest case counts (over 1000 cases) are found in Loudoun, Fairfax, and Arlington counties. Other counties with significant case counts include Loudoun, Fairfax, Arlington, Loudoun, Fairfax, and Arlington. The majority of counties in the state have zero cases, indicated by the light yellow color.

Case Count Range	Count
0	58
1-99	12
100-499	10
500-999	5
1000-4999	3
5000+	2

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Development Projects Awarded RHTF Funds in FY26

Multifamily Projects Awarded RHTF Funds in January 2026

- **Brynn Haven**
 - Developer: Wabuck Development Company
 - New Construction of 60 units in Benton, Marshall County targeting families
 - \$548,000 RHTF
 - \$1,545,219 Low-Income Housing Tax Credits (LIHTC)
- **Choice Landing**
 - Developer: Apple Patch Community
 - New Construction of 72 units in Crestwood, Oldham County targeting multiple populations
 - \$400,000 RHTF
 - \$500,000 Affordable Housing Trust Fund (AHTF)
 - \$1,350,000 HOME Investment Partnership Program (HOME)
 - \$1,500,000 LIHTC

Multifamily Projects Awarded RHTF Funds in January 2026 (con't)

- **Cox Manor**
 - Developer: The Center for Addiction Recovery of Henderson
 - Rehabilitation of 24 units in Calvert City, Marshall County targeting elderly
 - \$575,000 RHTF
 - \$376,193 LIHTC
- **The Lofts at Cadiz**
 - Developer: Melior Development LLC
 - New Construction of 38 units in Cadiz, Trigg County targeting families
 - \$2,977,000 RHTF
 - \$950,000 LIHTC

Rural Housing Trust Fund Highlighted Projects

Rural Housing Trust Fund Single-Family Project

Chestnut Ridge – Knott County

- Chestnut Ridge is a new high-ground housing development, created to relocate and support families displaced by the catastrophic Eastern Kentucky floods of 2022. Multiple nonprofit housing organizations, state agencies and community partners are involved in developing this resilient community, which will provide 230 homes for flood displaced families.
- This project received a total of \$2,452,405 from FY23 and FY25 RHTF funds for 20 homes.

Chestnut Ridge



Chestnut Ridge



Rural Housing Trust Fund Multifamily Projects

Harper Village – Hopkins County

- A 32-unit development is underway in Madisonville, Hopkins County, as part of the WKY Disaster Bond Portfolio submitted in 2024.
- The co-developers are Affordable Housing of Hopkinsville, Inc. and Wabuck Development Company.
- The project will include 8 one-bedroom units, 20 two-bedroom units, and 4 three-bedroom units, all constructed using modular manufactured housing.
- The development is aimed at serving families.
- KHC has contributed the following funding:
 - \$4,500,000 from FY24 Rural Housing Trust Funds
 - \$4,800,000 through Tax-Exempt Bonds

Harper Village



Harper Village



The Lofts at Cadiz – Trigg County

- Funded with a FY25 allocation of RHTF dollars, the development is new construction and will build 38 units in Cadiz, KY, serving families.
- The RHTF contributed \$2.977M in FY25 funds.

Choice Landing – Oldham County

- Awarded funding in January 2026, this new construction project will build 72 units in Crestwood, Kentucky and plans to serve multiple populations.
- The RHTF contributed \$400K to the project, which also received other funding from KHC (AHTF, HOME & LIHTC funds).