



To: Tenants of Peppertree Village

Subject: Update on the USDA Rural Development Loan and Our Commitment to Affordability

A short time ago, you received a letter letting you know that the U.S. Department of Agriculture (USDA) Rural Development loan used to build your apartment is set to be paid off on Jan. 25, 2027. We are writing today to give you an update and, above all, to offer you clarity and peace of mind.

Our Commitment to You

We are committed to making sure you can keep calling Peppertree Village home without seeing an increase in your out-of-pocket rent. That promise shapes every step we take as the loan nears its payoff date.

What We Are Doing

As the USDA loan reaches maturity in January 2027, we are proactively pursuing USDA's Stand-Alone Rental Assistance (SARA) program. This program is designed to preserve affordability after a property's original loan is paid off.

USDA rules do not let us apply until the SARA application window opens in October 2026. Even so, we have already started getting our application ready, and plan to submit it as soon as the window opens.

The notice you recently received is a standard step the USDA requires when a federal loan gets close to its payoff date. We understand it may have caused concern. Please know our focus remains on keeping your out-of-pocket rent the same.

Looking Ahead

As we move through this process and the payoff date gets closer, we will keep you informed of any changes that affect your home.

If you have questions about this letter or anything in it, please feel free to reach out to the property manager at:

Peppertree Village
1200 S. 15th Street
Fernandina Beach, FL 32034 (904) 261-6600

You may also contact Rural Development staff at:

Regina Garth
regina.garth@usda.gov
615-783-1363

Sincerely, HALLMARK MANAGEMENT – Peppertree Village Apartments