



Rural Rental Housing Preservation and Section 515 Transfer Technical Assistance



Housing Assistance Council (HAC) is a national nonprofit that supports affordable housing efforts throughout rural America. Since 1971, HAC has provided technical assistance and training, below-market financing for affordable housing, research and information, and policy formulation to enable solutions for rural communities.

HAC's Section 515 Technical Assistance Services

HAC is committed to preserving and improving the USDA Section 515 multifamily portfolio. As a **USDA-funded Section 515 Technical Assistance provider**, HAC provides hands on assistance to nonprofits and housing authorities seeking to acquire and preserve Section 515 Multifamily properties. We tailor the specific technical assistance engagement to the need of the recipient(s).

Technical Assistance Services can include:

- Identification of potential properties to acquire and preserve.
- Financial feasibility analysis
- Assistance with engaging and reviewing third party reports and other property due diligence. (capital needs assessments, appraisals, environmental assessments etc.)

- Assistance with negotiations with sellers.
- Assistance with USDA discussions and process.
- Development of a preservation strategy, plan, and timeline.
- Identification of potential funding sources.
- Assembling transfer applications, including the Preliminary Assessment Tool (PAT) and other forms.
- Assistance with navigating approvals and regulatory processes through transfer closing.
- Other TA services related to transfer of the property as needed.

Financial assistance is available for some third-party costs (capital needs assessments, appraisals, environmental reports, etc.)

Why Preservation?

USDA's Section 515 multifamily properties are an important resource for many rural households and communities. Since the program's inception in 1962, USDA's Section 515 loans financed nearly 28,000 multifamily properties containing over 533,000 affordable apartment homes across the US. At one time, there was a USDA Section 515 property in 87% of all US counties. Section 515 properties serve a very low-income population (average household income of about \$14,000 across the portfolio)

But the availability of these homes is declining. Some owners are prepaying their Section 515 loan and leaving the program. Some properties are reaching the maturity of their USDA mortgage, which could result in ending of affordability restrictions and rental assistance. And many properties need capital investment to continue to be a quality housing option. Loss of these units will put vulnerable people at risk and decrease the supply of affordable rental housing in rural America.

For more information please contact:

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