



HOUSING  
ASSISTANCE  
COUNCIL

# LOAN FUND IMPACT REPORT



[www.ruralhome.org](http://www.ruralhome.org)

# DEAR FRIENDS,

Across rural America, the most effective way to increase the housing stock is not always new construction; often, it's more effective to rehabilitate the homes already there. Aging roofs, unsafe wiring, mold and moisture, storm damage, deferred maintenance: these are some of the reasons the housing supply in our rural towns is lower than it could be. When we rehabilitate distressed properties, we protect affordability and keep neighbors in their communities, near schools, clinics, and jobs.

HAC's Loan Fund exists to help local leaders get their housing development and rehabilitation projects from concept to completion. We pair flexible capital with hands-on help and usable data so deals move, especially in places where project sizes are smaller, margins are thinner, and distance adds cost. This year we financed \$20.8 million through 45 loans across 24 states and territories, advancing or rehabilitating 1,253 homes. That total includes 579 preserved rental homes, 224 new construction rental homes, and 450 for-sale homes.

The two stories you will find in this report reflect dozens more: multifamily preservation where capital needs outrun reserves; scattered-site rehabilitations that keep seniors safely at home; small-town projects that pencil only when a lender is willing to meet the scale and cadence of rural work.

Critical as capital is, it is important to remember that loan dollars alone do not close these gaps. Our Training and Technical Assistance staff help newer developers plan and sequence work. Our Research and Information team uses tools such as Rural Data Central (launched this year) to put county-level, plain-English maps and charts in local hands to win grants, brief councils, and make the case. And through HAC's Center for Rural Multifamily Housing Preservation, we are helping communities preserve aging USDA Section 515 and other rural properties through work aimed at keeping rents stable and homes in service. When capital, capacity, and facts travel together, projects move.

Going forward, we'll keep doing what works: deploying flexible dollars, hands-on help, and usable data so rural rehab and preservation move faster and further. And, of course, because new construction is also a major part of the solution, we will continue to finance it to expand rural housing supply and keep homes within reach.

Thank you to the borrowers and residents featured in these pages, to the lenders and funders who trusted us with their dollars, and to the local leaders who turned capital into real progress: one roof dried-in, one heater replaced, one building brought back to life. If you see your community in these stories, we hope you also see a path forward. We're here for the next property that needs a second chance, and the families who will call it home.

**David Lipsetz**   **Kristin Blum**  
President & CEO   Director of Lending

# FY 2025 AT A GLANCE

**45**

loans closed  
in FY25

**\$20.8 million**

invested in rural  
communities

**1,253**

homes to be created,  
rehabilitated, or  
preserved



**31%**

of dollars  
invested in  
homeownership

**224**

new rental  
units

**579**

rental units  
preserved

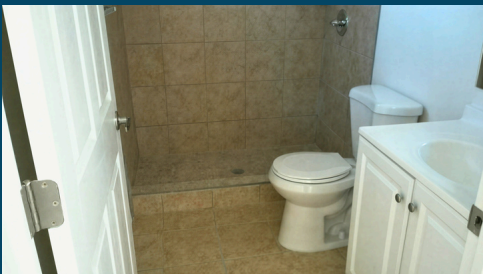
**450**

for-sale units



# RESULTS IN FOCUS





# ADULTS AND YOUTH UNITED DEVELOPMENT ASSOCIATION

Adults and Youth United Development Association, Inc. (AYUDA) is a community-based nonprofit serving the colonias of El Paso County. AYUDA's goal is to keep low-income homeowners safely housed by fixing the hazards that make homes unlivable. The families are veterans, elders, and working parents, most under 80% of area median income, who want to remain near their jobs, schools, clinics, and support networks.

The work targets health and safety first. Using the Texas Veterans Commission's Housing for Texas Heroes and HUD's Healthy Homes Production programs, AYUDA addresses critical repairs in owner-occupied homes: drying-in leaking roofs, replacing unsafe electrical panels, restoring heat and cooling, removing mold and moisture, and installing accessibility features so people can age in place. AYUDA relies on trusted, small local contractors who know the neighborhoods and can respond quickly.

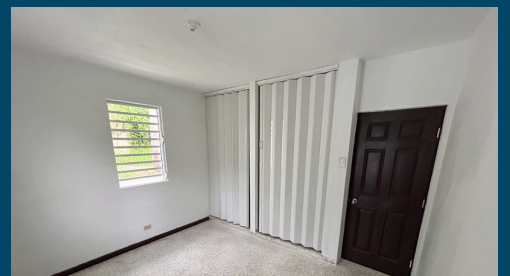
Unfortunately, in programs like these, cash flow is a recurring challenge. Because both funding sources reimburse only after work is completed (often four to eight weeks later), the lag strains a small nonprofit's ability to pay small, local contractors on time and forces stop-and-go production, leaving half-finished scopes waiting on the next check.

HAC's support closed that timing gap. A right-sized working-capital loan gives AYUDA the flexibility to pay crews now while reimbursements catch up. As

funds revolve back, the line turns to the next set of homes, keeping contractors working, schedules intact, and families out of limbo. The result is steady progress instead of pauses, and safer, healthier homes without homeowners taking on new debt. As of November 2025, several homes have been completed through this partnership, with more scheduled in the coming months.

This is rehabilitation at rural scale: practical fixes, delivered by local teams, financed to match how the work really flows. As the project continues, HAC will stay alongside AYUDA so more El Paso County families can remain safely in the homes they already have.





# CENTRO PARA LA RECONSTRUCCIÓN DEL HÁBITAT

Centro para la Reconstrucción del Hábitat (CRH) works with rural "municipios" across Puerto Rico to bring vacant and nuisance single-family houses back into use as affordable homes for first-time, low- and moderate-income buyers. After years of storms, out-migration, and complicated titles, too many houses sit empty on otherwise stable blocks. CRH's approach is practical: find the units that can be saved, fix what keeps them offline, clear title where needed, and match them with buyers who want to stay rooted in their communities.

In these markets, who has cash today often decides **who gets the keys**. Mission buyers and small nonprofits typically stack multiple approvals and wait through paperwork; private investors can close quickly and flip out of reach. Even light rehab can slow if minor permits pile up. And many households who can handle a monthly payment still need help with down payment and closing costs. The result is homes that could be lived in staying idle or being lost to speculation.

HAC's role is to change that tempo. An **acquisition-rehabilitation line of credit** gave CRH the ability to act like a cash buyer, and move directly into repairs. Repair scopes focus on what brings a house back online: roof and envelope, safe electrical, dry interiors, working kitchens and baths, using the fastest compliant pathways for in-kind fixes.

CRH pairs the capital with its in-house strengths: legal support to resolve heirs' property, and buyer assistance strategies that keep payments within reach (including disaster-recovery resources or USDA mortgage options where they fit). Several houses in process. Neighbors see the change quickly: a boarded window replaced, a safe panel installed, a family moving in instead of another season of weeds.

This is rehabilitation as supply — modest, flexible dollars aligned with local know-how to add affordable homes without pouring a new foundation. As the work continues, HAC will stay alongside CRH so more vacant addresses become lived-in homes and the neighborhoods around them steady.

*"We feel **happy**, we feel **calm**, because now we know we are **in a safe home**. This has been a **wonderful** thing for us. Why? Because **if the CRH hadn't existed** as such, **we wouldn't have been able to find this house**. And they are giving many other people the opportunity to have a home, just like we do."*

**The Capeles-Marrero Family**  
New homeowners of a formerly distressed property

# PORTFOLIO SNAPSHOT



Total Outstanding (net of forgivable portion and participations).....	\$71,839,071
Loan Loss Reserve.....	\$3,793,573
Loans.....	174

SEPTEMBER 2025

## LOANS CLOSED BY GEOGRAPHIES SERVED



## INVESTORS

- AMERICAN EXPRESS NATIONAL BANK
- CAPITAL ONE, NATIONAL ASSOCIATION
- CATHERINE CROSLAND AND DAVID LIPSETZ
- C-NOTE
- COMMONSPIRIT
- FIRST CITIZENS BANK
- EILEEN NEELY AND RICHARD PICARDI
- HOME MISSIONERS OF AMERICA
- LESLIE STRAUSS
- MORGAN STANLEY
- NORTHERN TRUST
- NORTH STAR ASSET MANAGEMENT
- OPPORTUNITY FINANCE NETWORK
- REGIONS BANK
- SELF-HELP ENTERPRISES
- SHON TERRIA AND JERMAINE CHARLESTON
- US BANK
- U.S. DEPARTMENT OF AGRICULTURE
- U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
- U.S. DEPARTMENT OF TREASURY CDFI FUND
- U.S. SMALL BUSINESS ADMINISTRATION
- WELLS FARGO BANK
- WOODFOREST NATIONAL BANK



## LOAN COMMITTEE

- ANDREW WINTER, CHAIR
- NATALIE MAXWELL, VICE CHAIR
- ARTURO ALVARADO
- DAVID LIPSETZ
- SCOTT MCREYNOLDS
- NICK MITCHELL-BENNETT
- PEDRO RODRIGUEZ
- JULIA MALINOWSKI  
(ALTERNATE)
- MIGUEL CHACON (ALTERNATE)

## LENDING TEAM

- KRISTIN BLUM
- TYSON CARTER
- NICOLAS DERIMAS
- ALISON DUNCAN
- TATENDA DZVIMBO
- SHANE ANTHONY FLOYD
- MATTHEW HAYNES
- JENNIFER LAM
- AINSWORTH THOMPSON
- EDDIE VARGO
- SATIQUA WILBON