



Rural Rental Housing Preservation Fund

The Housing Assistance Council is committed to preserving and improving existing affordable rental housing in rural America, including USDA Section 515 properties, HUD subsidized properties, and naturally occurring affordable housing. HAC has flexible loan capital available to support preserving these critical rural housing resources.



Preservation Loan Terms

Eligible Borrowers	Nonprofits, housing authorities, tribal entities and for-profit developers
Eligible Projects	Existing affordable or mixed income rental housing (with or without current income restrictions)
Target Locations	Rural areas, by USDA or Duty to Serve definitions*
Uses	Predevelopment, acquisition, site development, construction, bridge and permanent financing.
Loan Size	\$50,000 - \$1,500,000 (larger loans possible in partnership with other lenders).
Interest Rate	4.5% - 5.5%; lower rates for properties with deeper affordability/income restrictions in target states and locations (southeastern US)
Loan Term and Amortization	Short term loans up to 24 months; longer term loans up to 120 -180 months with an amortization period up to 30 years, based on project needs.
Collateral/Security	Real estate collateral preferred; up to 100% LTV; subordinate position possible
Recourse	Full recourse to borrower except permanent financing for LIHTC properties
Fees	1% loan fee (50% due at acceptance of terms; 50% due at closing).

*see <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> and <https://www.fhfa.gov/DataTools/Downloads/Pages/Duty-to-Serve-Data.aspx>

About HAC Lending: HAC's loan fund provides vital capital to rural housing developers: community-based, nonprofit organizations, housing development corporations, self-help housing sponsors, farm worker organizations, cooperatives, Native American tribes, public and governmental agencies, and private developers. HAC funds help these organizations improve housing and living standards for rural, low-income households.

For more information or to apply for HAC financing please contact Kristin Blum, Senior Loan Officer, at 207-596-0033, kristin@ruralhome.org, or Alison Duncan, Loan Officer, at 443-884-9960, alison@ruralhome.org.