

# PRESERVATION SPOTLIGHT

## RURAL RENTAL HOUSING



**LESLIE STRAUSS**  
**HOUSING ASSISTANCE COUNCIL**

[leslie@ruralhome.org](mailto:leslie@ruralhome.org)

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

# USDA MULTIFAMILY PROGRAMS



- **Sec. 515 – no new loans since 2011; tenants up to 80% AMI**
- **Sec. 514/516 – loans and grants to developers of farmworker rental housing**
- **Sec. 521 Rental Assistance – project-based for tenants in 515 and 514/516**
- **Sec. 538 – loan guarantees to developers; tenants up to 115% AMI**

# USDA RENTAL PRESERVATION PROGRAMS



- **Preservation and revitalization (MPR) demonstration – many tools; primarily debt deferral**
- **Sec. 542 vouchers – tenants in prepaid properties only**
- **Preservation Revolving Loan Fund demonstration – no new funding**

# RENTAL HOUSING FOR A 21ST CENTURY RURAL AMERICA

*A Platform for Preservation*

HOUSING ASSISTANCE COUNCIL



There is at least one USDA rural rental property in 2,719, or **87** percent of all U.S. counties.

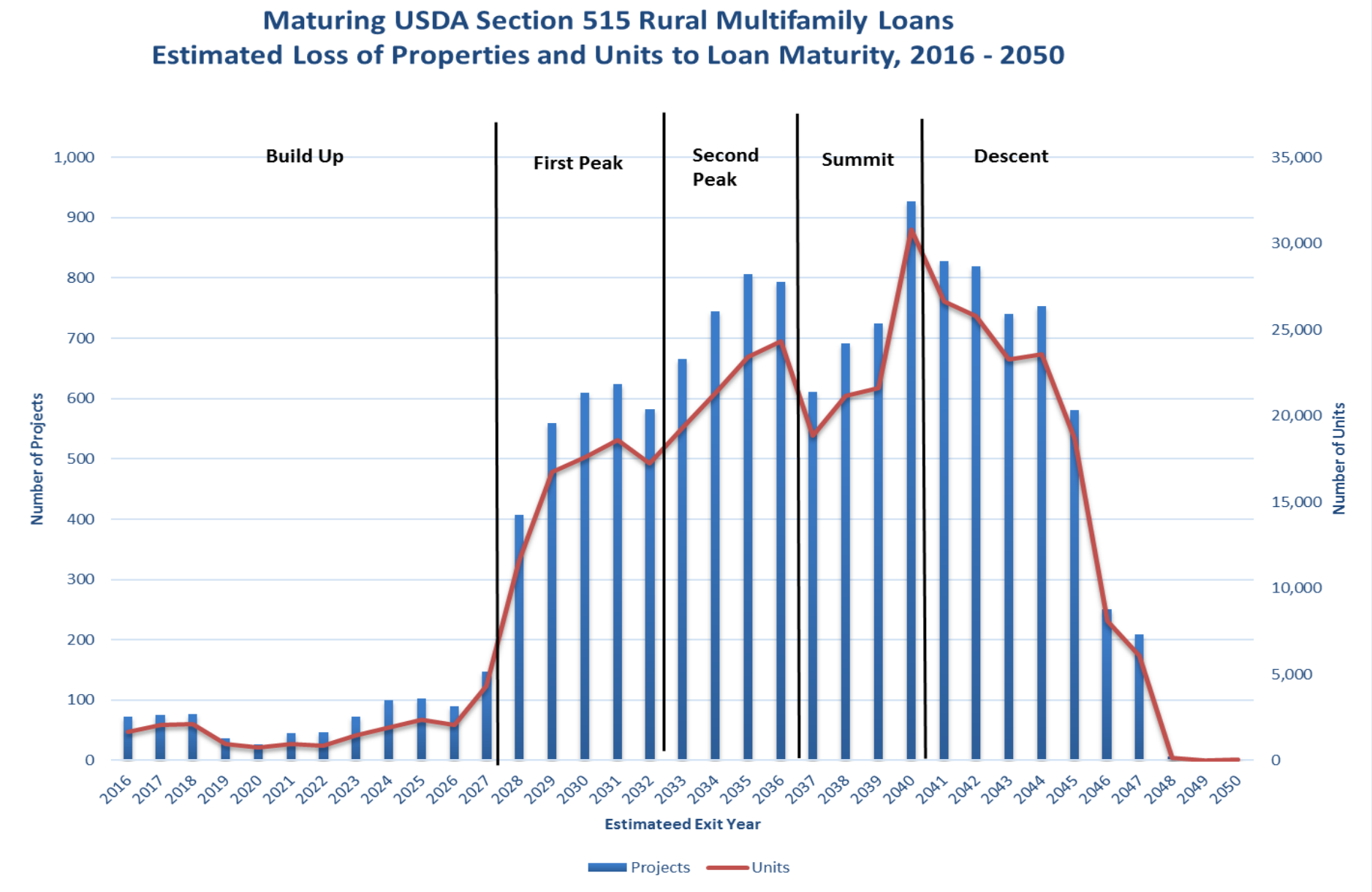
## USDA Section 515 Rural Rental Housing Properties

Properties as of June 30, 2017



Source: Housing Assistance Council (HAC) Tabulations of USDA Data

# Maturing Mortgages Are Now the Most Pressing Preservation Issue for Section 515 Properties



# Maturing USDA Rural Rental Housing Loans

Estimated Exit Date of USDA Section 515 Rural Rental Housing Properties



Source: Housing Assistance Council (HAC) Tabulations of USDA Data



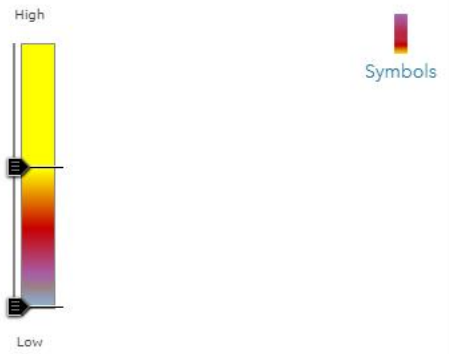
**Housing Assistance Council**

1025 Vermont Avenue, NW  
Suite 606  
Washington, DC 20005  
(202) 842-8600  
[www.ruralhome.org](http://www.ruralhome.org)



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Maturing USDA Rural Rental Housing Loans - Mature Date Rev

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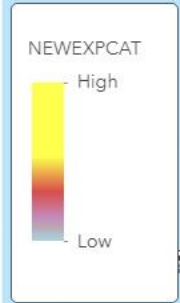
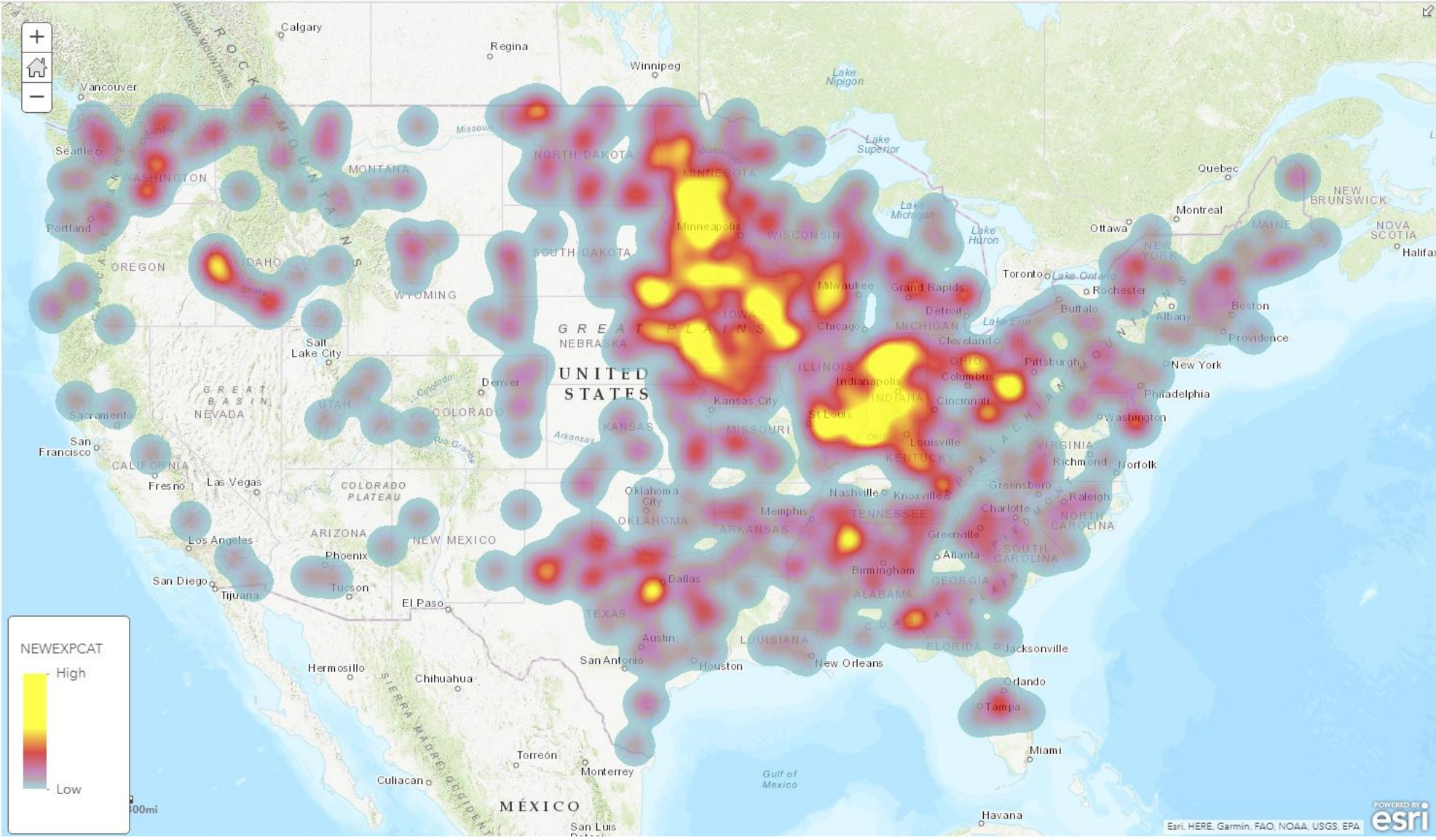


**Area of Influence**  
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**Transparency**  
A horizontal slider with a white marker. The left end is labeled '0%' and the right end is labeled '100%'.

**Visible Range**  
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**OK** **CANCEL**



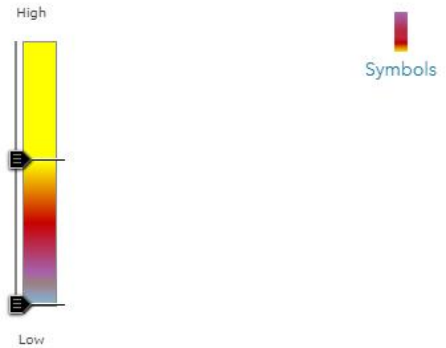


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Area of Influence

Smaller Larger

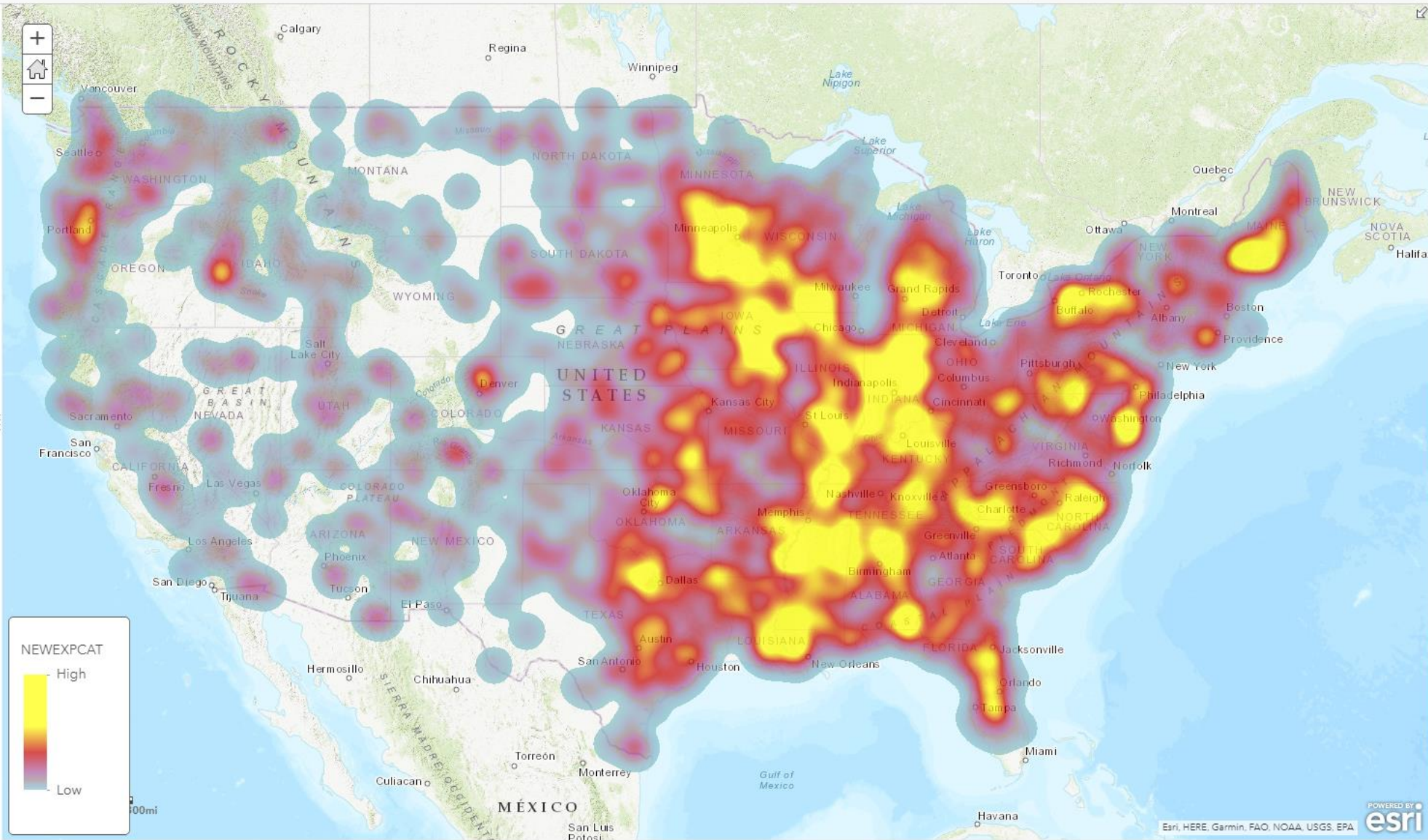
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Maturing USDA Rural Rental Housing Loans - Mature Date Rev

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Area of Influence

Smaller Larger

Transparency

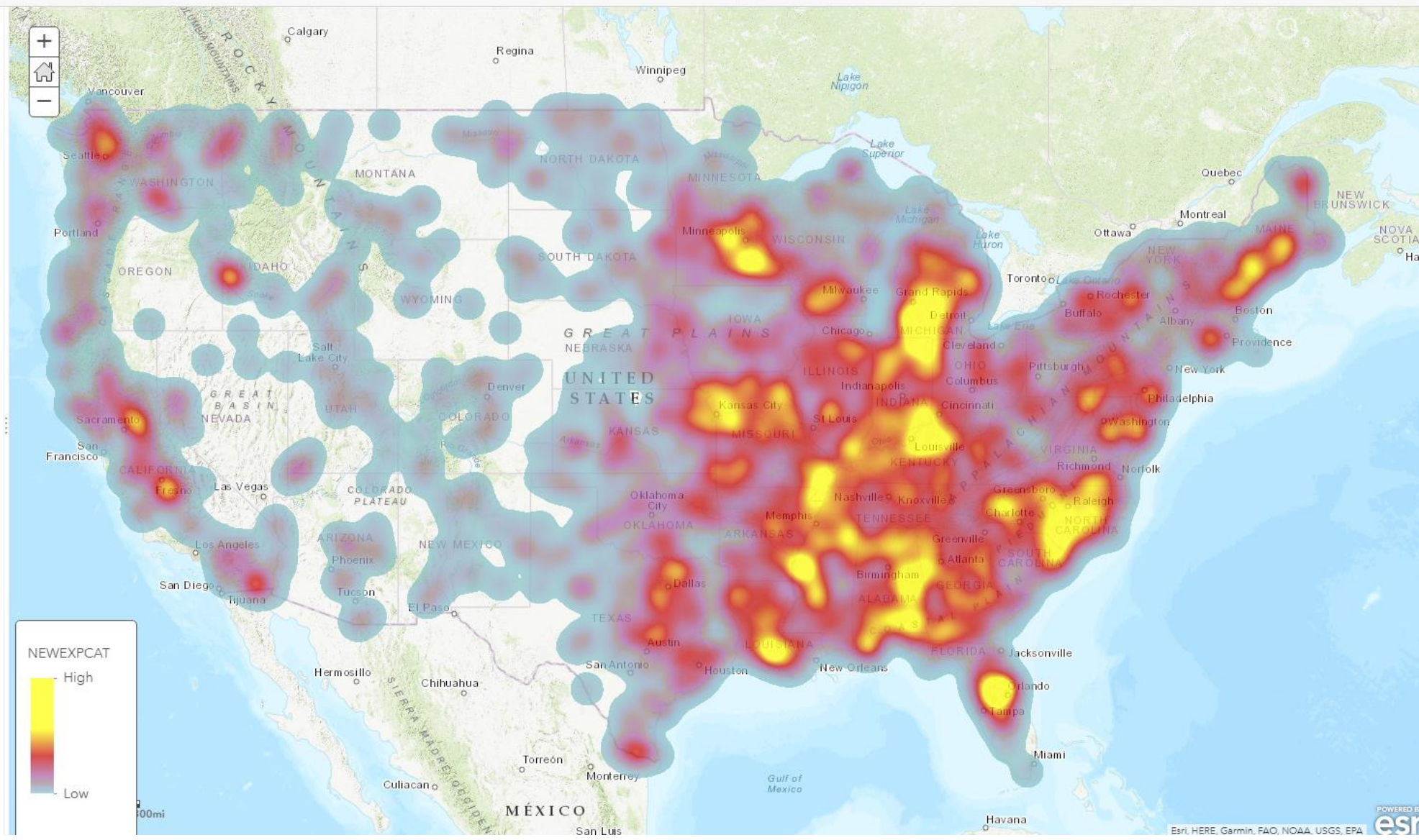
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OK CANCEL



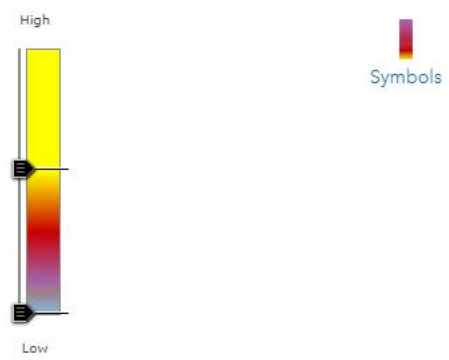


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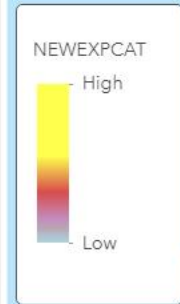
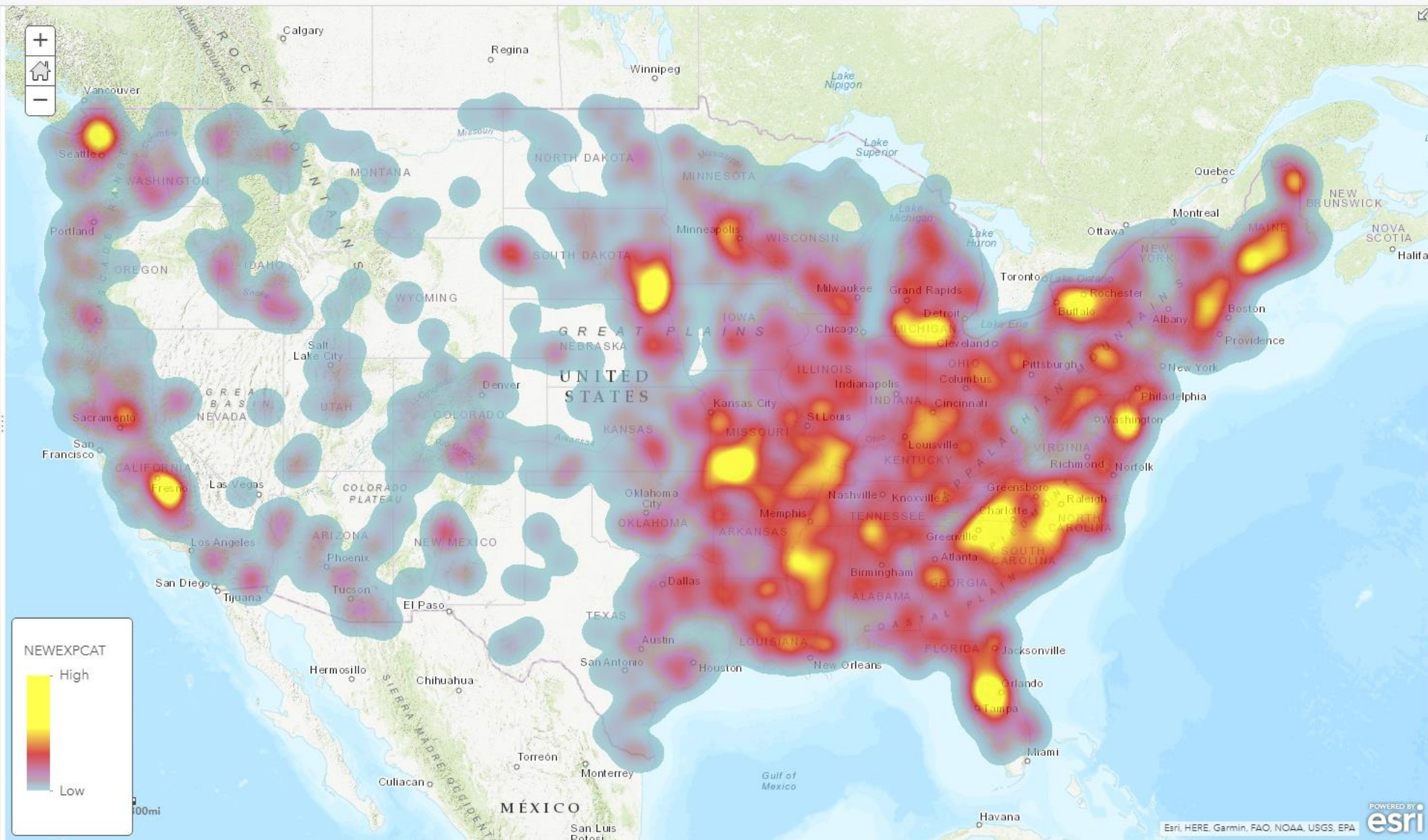
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Area of Influence  
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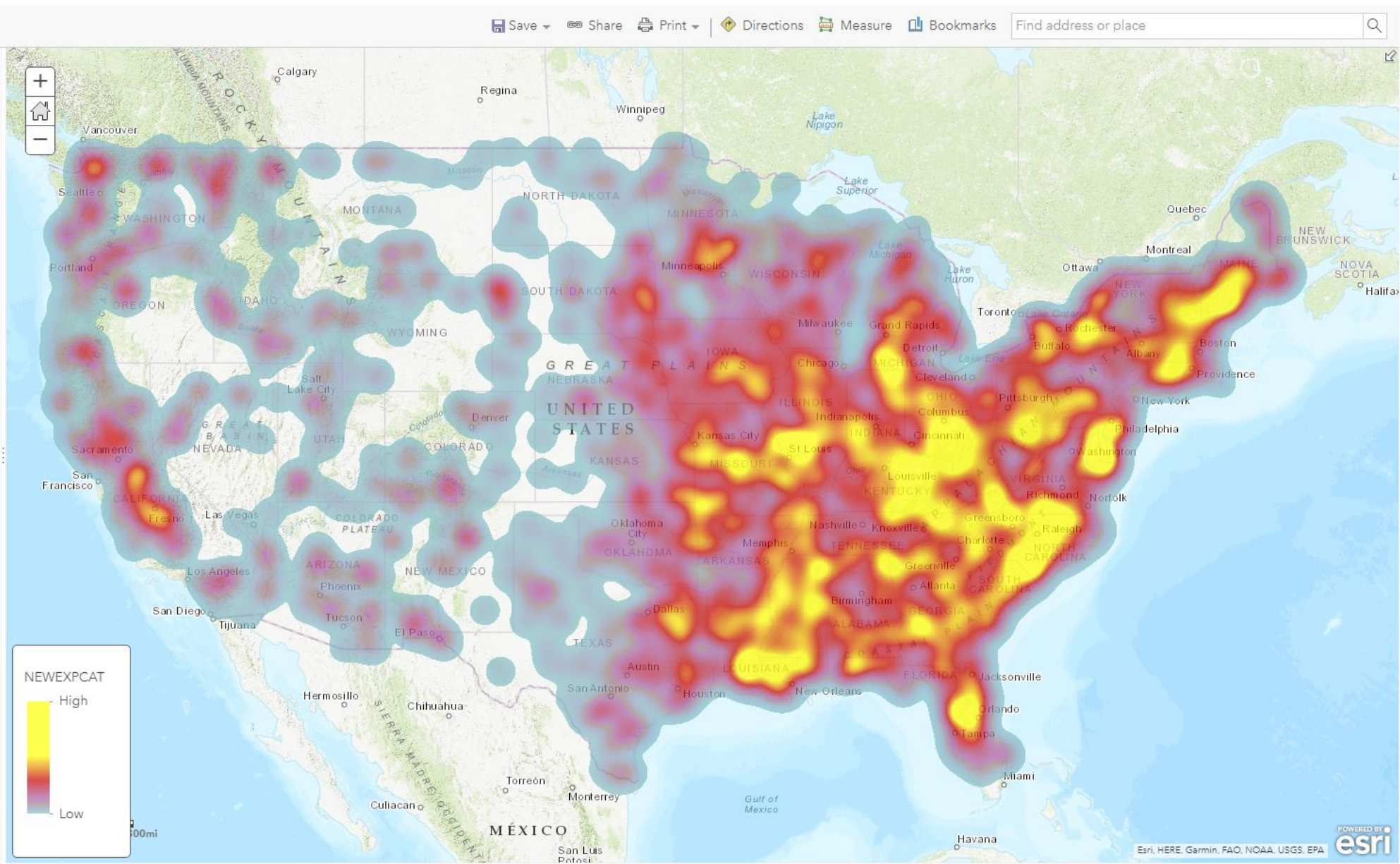
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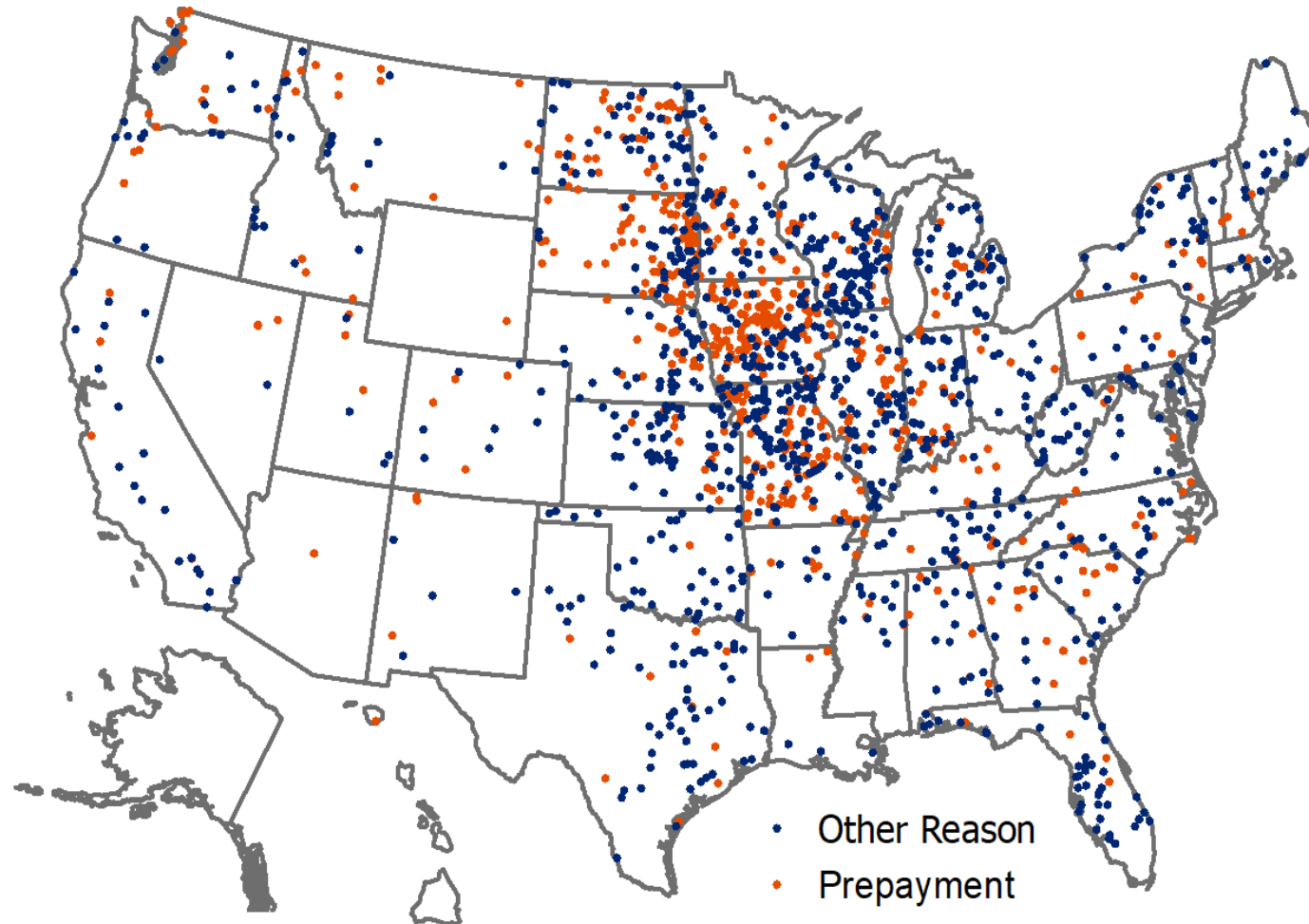
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# Prepayment of Section 515 Loans Remains an Important Consideration

## Section 515 Properties Exited, 2006 - 2016

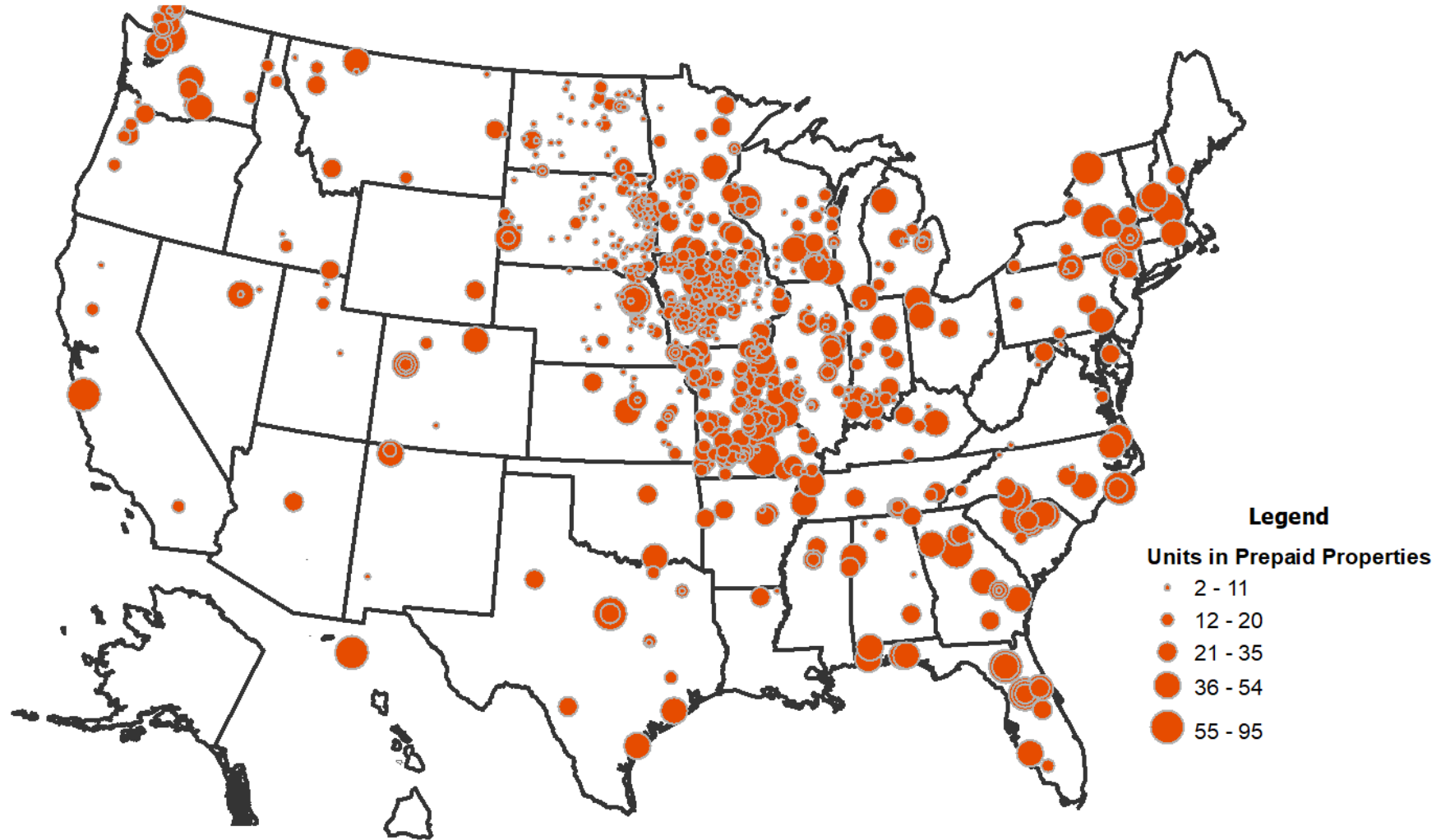


Source: Housing Assistance Council (HAC) Tabulations of USDA Data



# USDA Section 515 Prepayments, 2006-2016

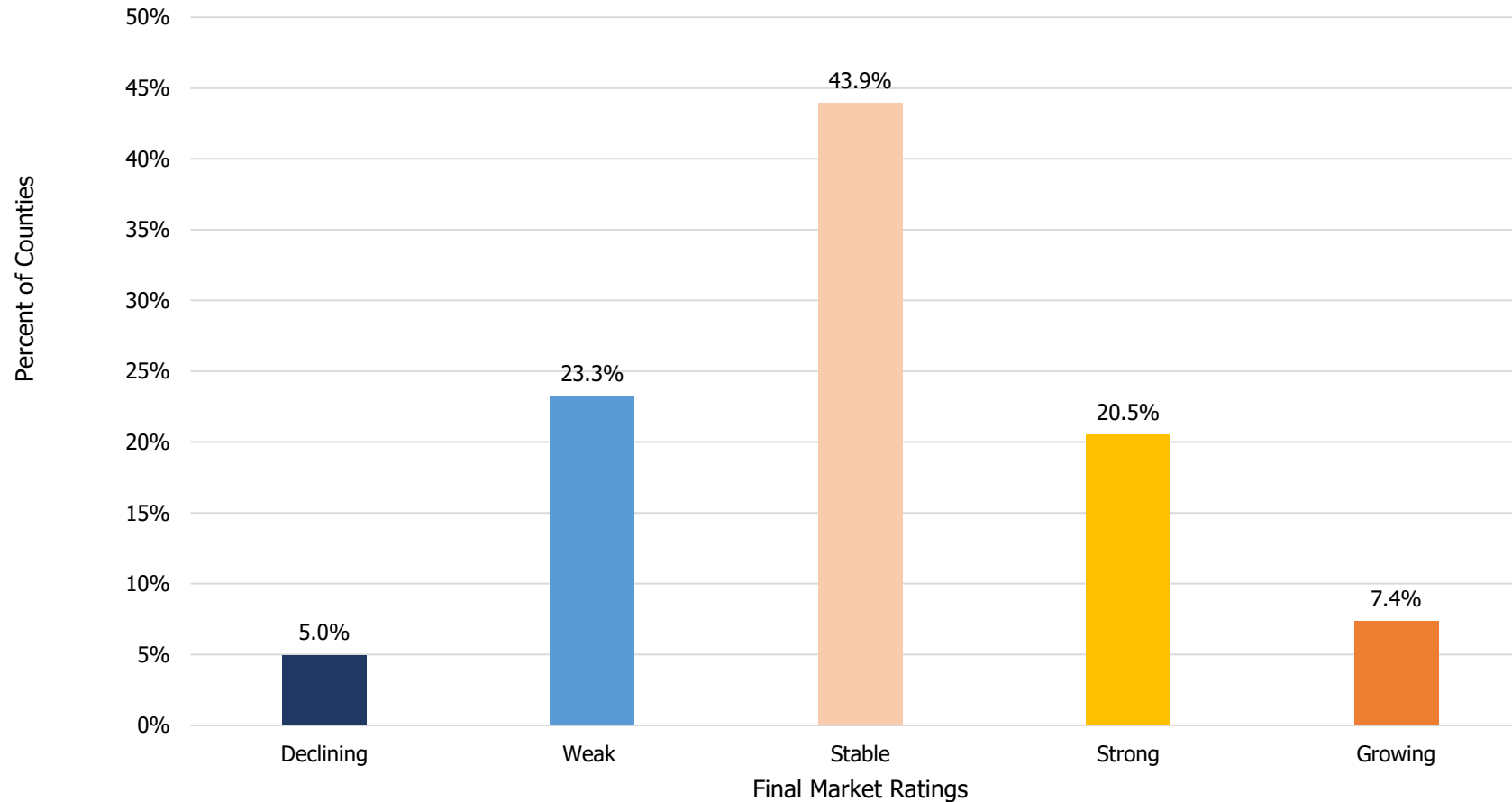
Properties Exited Due to Prepayment of Loans, 2006-2016



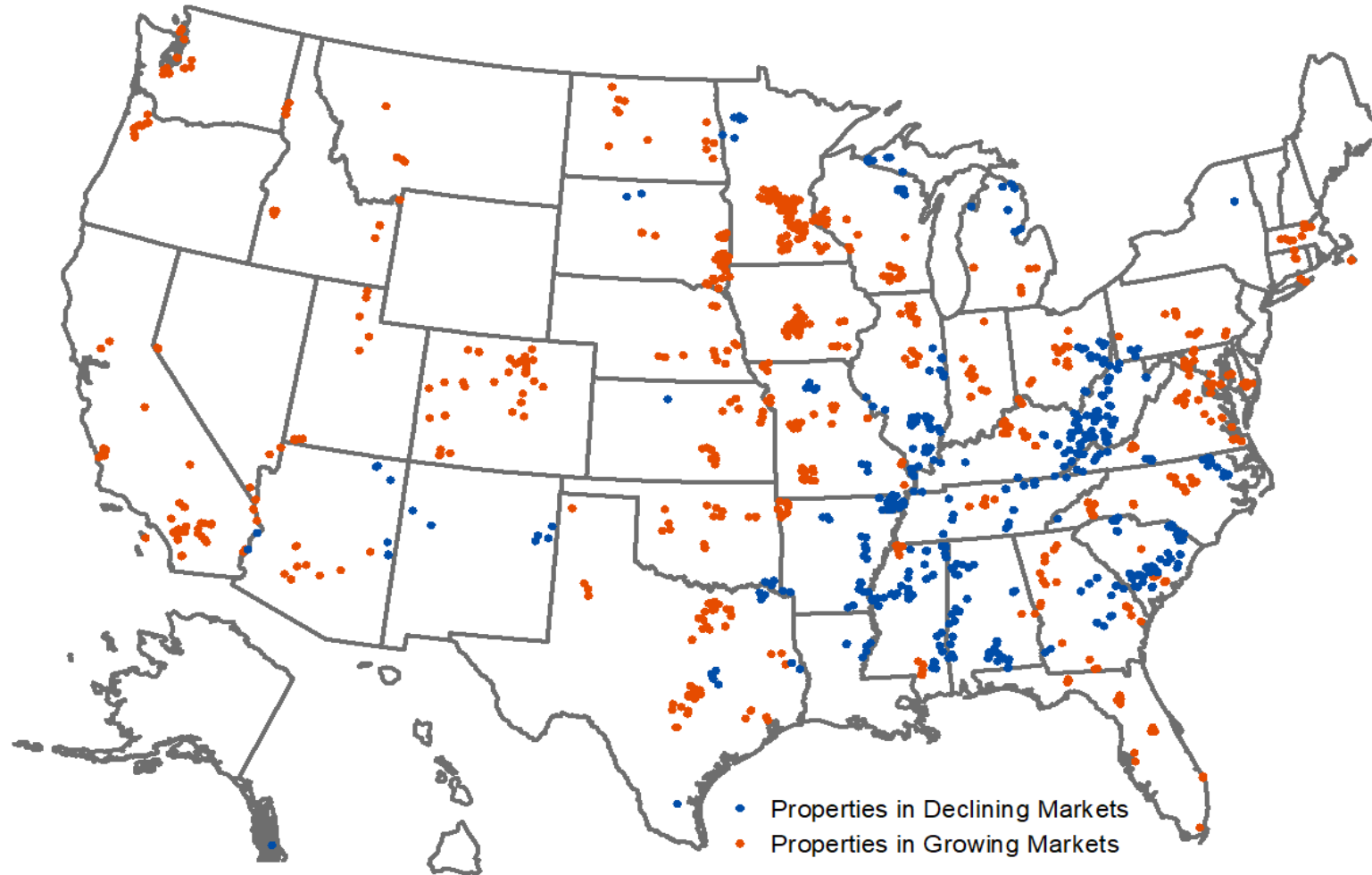
Source: Housing Assistance Council (HAC) Tabulations of USDA Data

# Over 1,600 Properties (48,000 Units) are Located in Declining or Growing “High Risk” Markets

## Counties with USDA Section 515 Property by Market Rating



## Section 515 Properties in Growing and Declining Markets

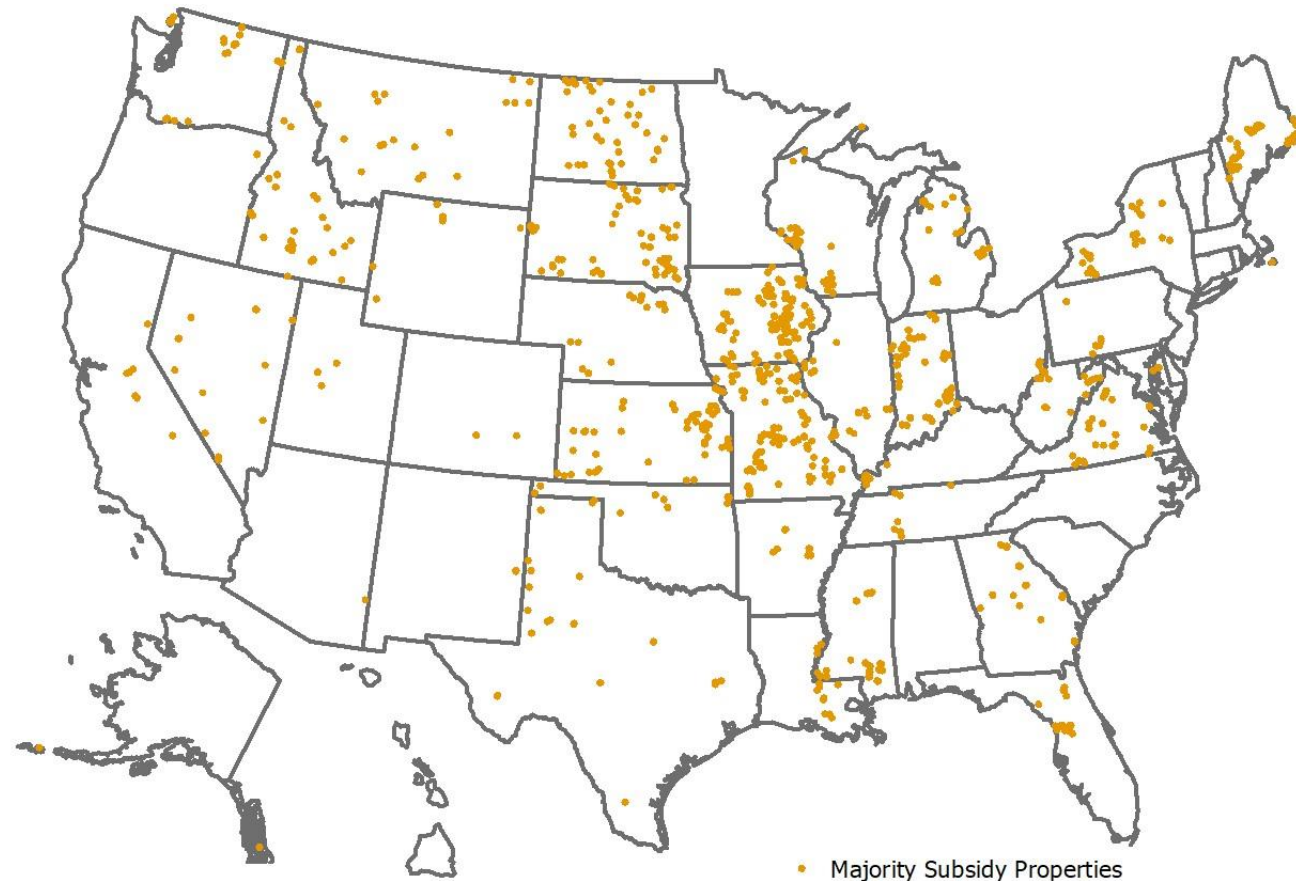


Source: Housing Assistance Council (HAC) Tabulations of USDA and American Community Survey Data

# In Over 300 Markets, Section 515 Properties Make Up the Majority of Place-Based Federally Subsidized Units

## Section 515 Properties Comprising a Majority of Subsidized Units

Properties in markets where Section 515 units comprise a majority of federally subsidized project-based rental homes

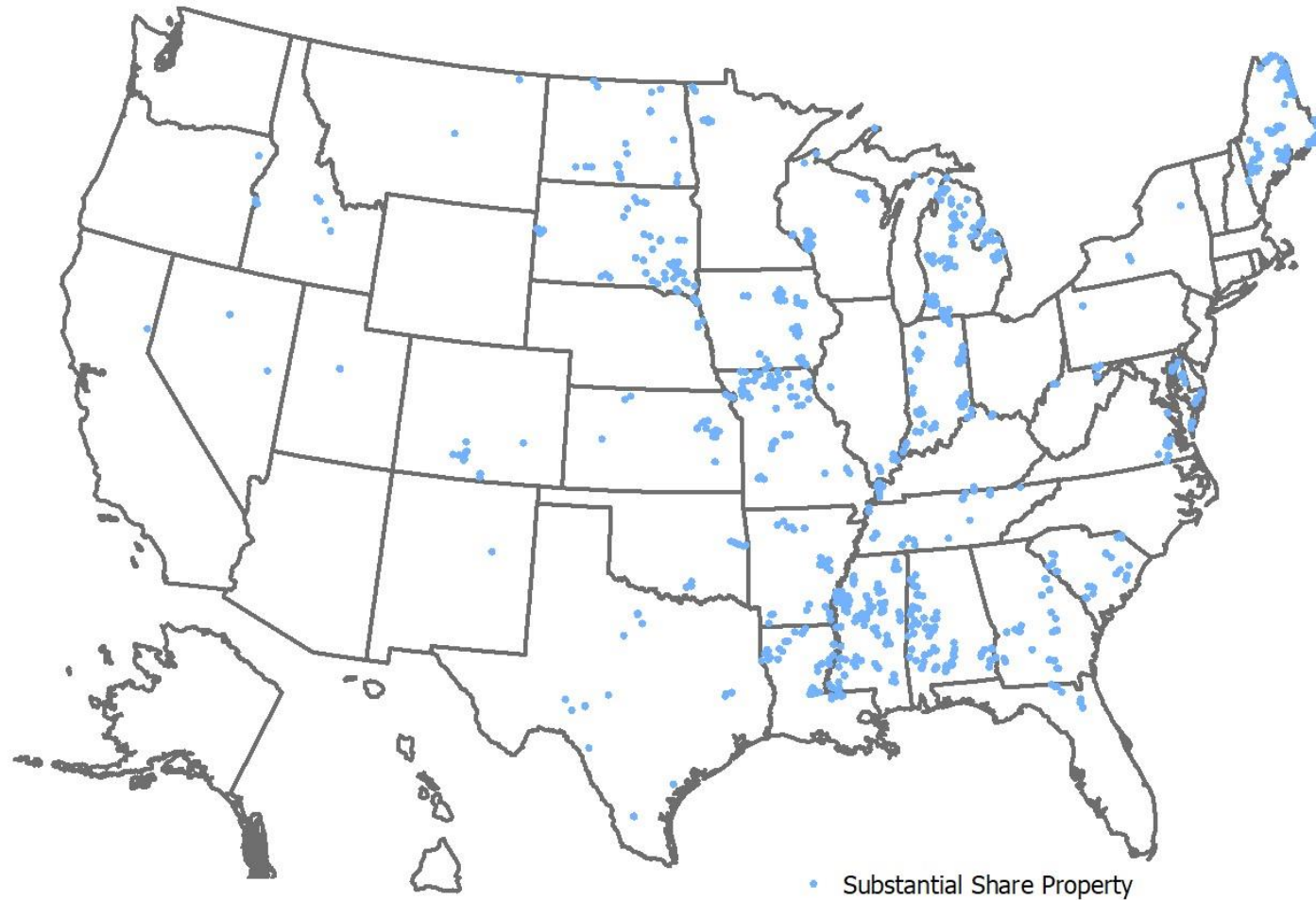


Source: Housing Assistance Council (HAC) Tabulations of USDA and National Preservation Database

# Over 1,600 Section 515 Properties Comprise a Substantial Share of All Rental Homes in Their Markets

## Section 515 Properties Comprising A Substantial Share of All Rental Units

Properties where Section 515 units comprise 10% or more of all rental homes in their market

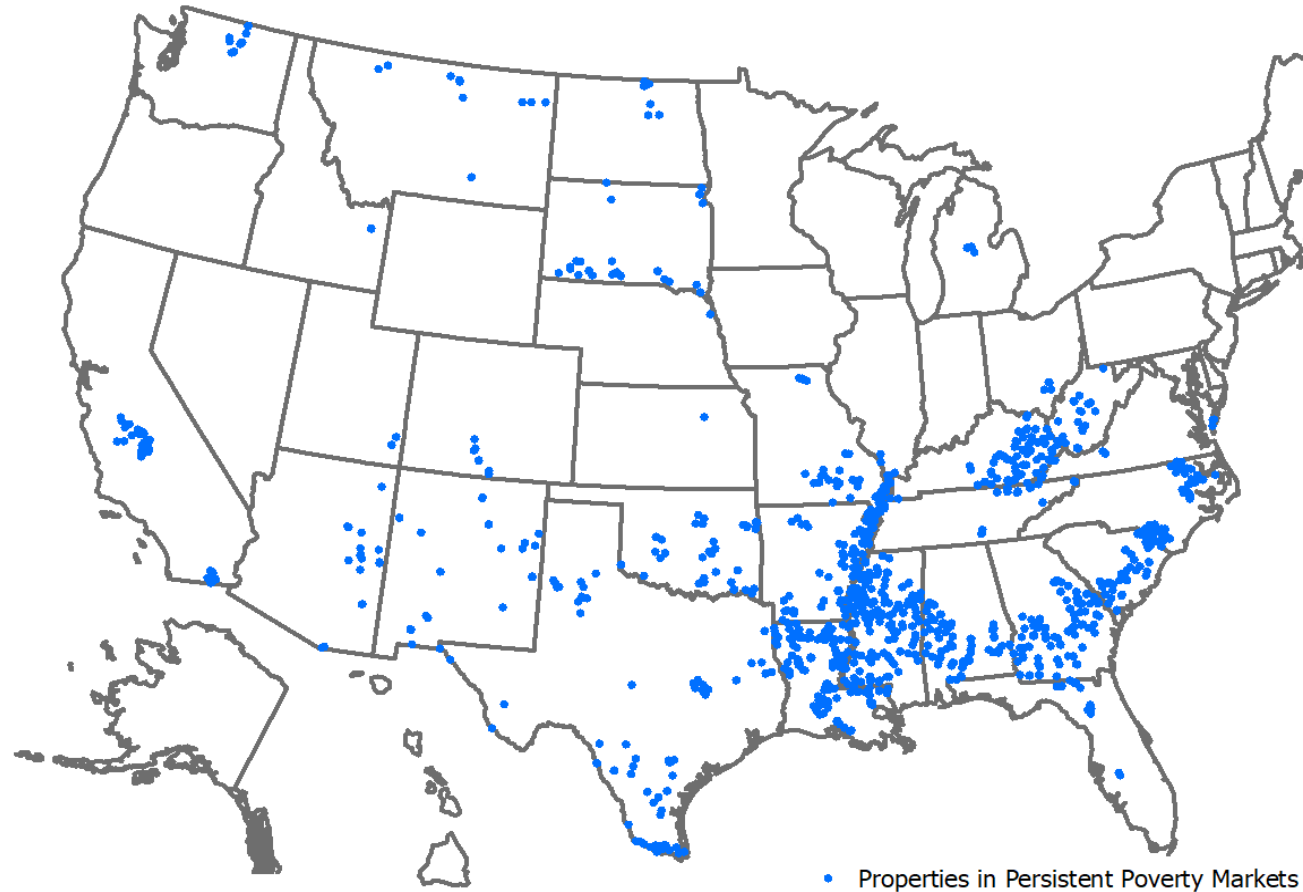




# 90 Percent of Persistent Poverty Counties Have at Least One Section 515 Property

## Section 515 Properties in Persistent Poverty Markets

Properties in counties with 20% or higher poverty rate in 1990, 2000, and 2010

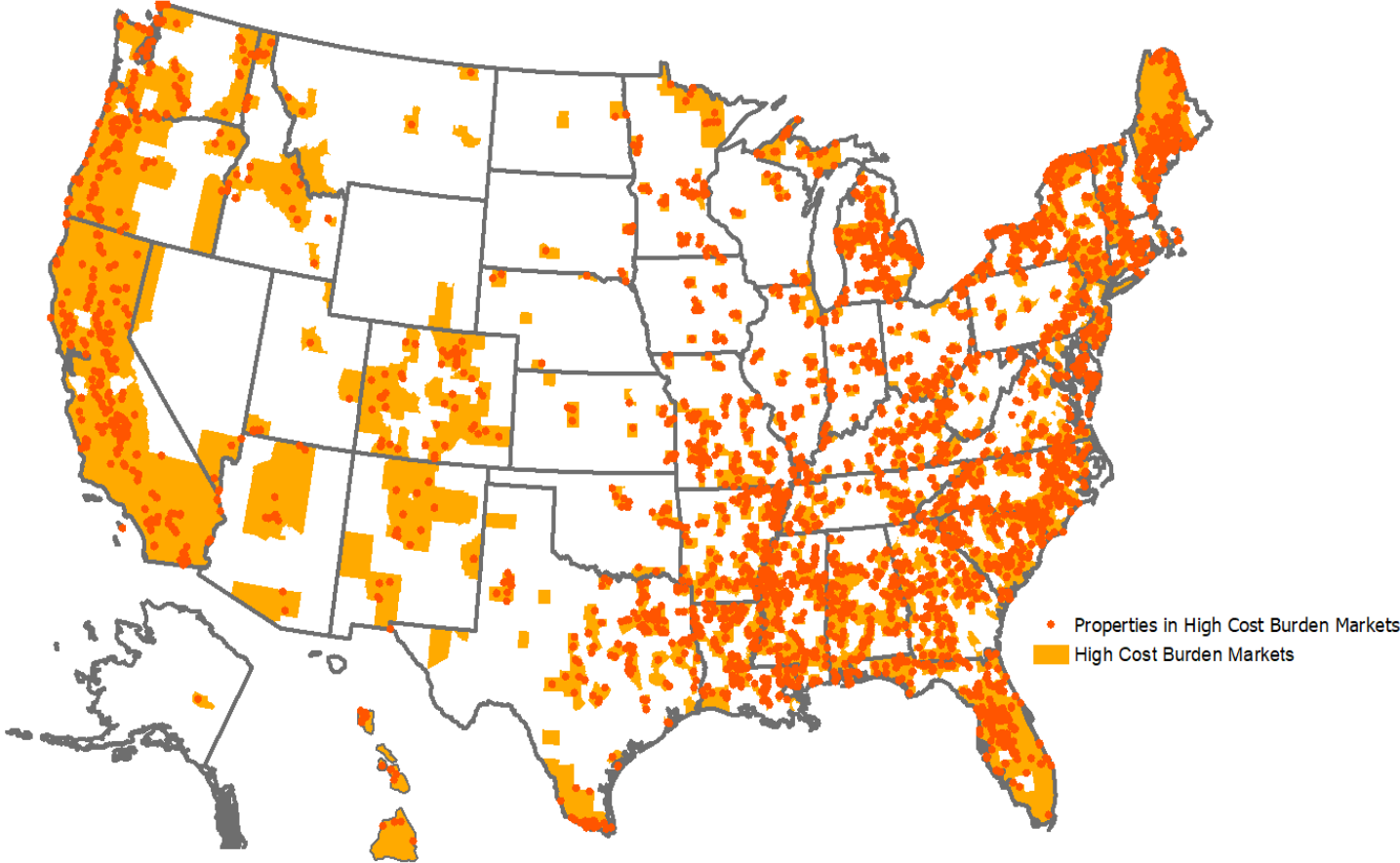


Source: Housing Assistance Council (HAC) Tabulations of USDA and American Community Survey Data

Over 5,400 Section 515 properties are in counties where more than half of all rental households are cost-burdened.

### Section 515 Properties in High Cost Burden Rental Markets

Properties in counties where more than 50% of all renters are cost burdened

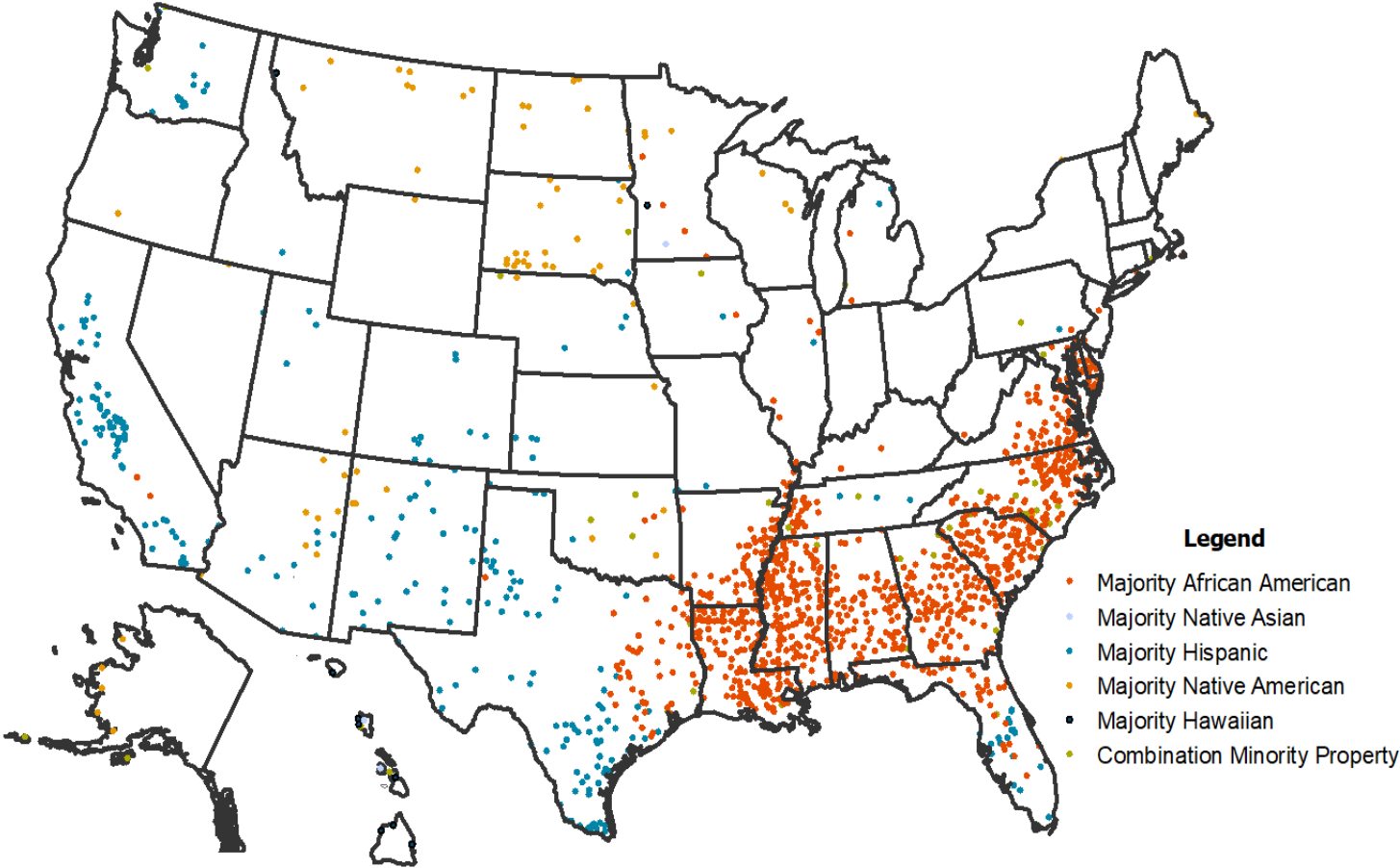


Source: Housing Assistance Council (HAC) Tabulations of USDA and American Community Survey Data

In approximately 2,447 properties (79,406 occupied units) the majority of the property's tenants are racial or ethnic minorities.

### USDA Section 515 Minority Majority Properties

Properties as of June 30, 2017



Source: Housing Assistance Council (HAC) Tabulations of USDA Data

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