

# Multifamily Housing Preservation & Revitalization Demonstration

## What does this program do?

**USDA Rural Development preserves and revitalizes the physical and financial health of existing Multifamily Housing Direct and Farm Labor Housing properties. Available restructuring tools include the deferral of current debt, soft second mortgages, zero-interest loans, and grants.**

### Available Restructuring Tools

#### Debt Deferral

Scheduled principal and interest payments on eligible loans may be deferred up to 20 years.

#### Soft Second Loans

A 1 percent interest loan, with accrued interest and principal deferred to a final balloon payment.

#### Zero Interest Loans

Loans underwritten at zero percent interest, with principal repayment only.

#### Grants

Provided to nonprofit entities to address health and safety issues.

### Participant Requirements

- Borrowers must continue to provide affordable rental housing for 20 years, or the remaining term of any USDA loan, whichever is later.
- A Capital Needs Assessment performed by a third-party is required to identify project needs.

### Application Process

- Directions for the application process are included in a Notice of Solicitation Availability (NOSA) published in the *Federal Register*.
- Applications are first screened for eligibility, and applicants are then notified of next steps.

### Who is eligible to apply?

- Current owners of Multifamily Housing Direct or Farm Labor Housing properties.
- Prospective buyers who want to assume ownership of a currently eligible property in accordance with 7 CFR 3560.55 (available at this link: <https://go.usa.gov/xMfCp>), or 7 CFR 3560.555 (available at this link: <https://go.usa.gov/xMfCG>).

### What governs this program?

Title V of the Housing Act of 1949, available at this link: <https://go.usa.gov/xMwFR>

### For More Information

Please contact Multifamily Housing toll-free at 800-292-8293, or visit <https://www.rd.usda.gov/multifamily> and scroll to the bottom of the page to find your processing and review branch, based on the state in which your project is located.

**NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled "What Governs This Program?" You may also contact our [Multifamily Housing staff](#) for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](http://rd.usda.gov). USDA is an equal opportunity provider, employer, and lender.**