

# Multi-Family Housing Direct Loans

## What does this program do?

**This program provides competitive financing for affordable multi-family rental housing for low-income, elderly, or disabled individuals and families in eligible rural areas.**

## Who may apply for this program?

**This program assists qualified applicants that cannot obtain commercial credit on terms that will allow them to charge rents that are affordable to low-income tenants.**

**Qualified applicants include:**

- **Individuals, trusts, associations, partnerships, limited partnerships, nonprofit organizations, for-profit corporations, and consumer cooperatives.**
- **Most state and local governmental entities.**
- **Federally recognized Tribes.**
- **Borrowers must have legal authority needed to construct, operate, and maintain the proposed facilities and the services proposed.**

### **What is an eligible area?**

A list of designated eligible places is available from each [RD State Office](#).

### **How may funds be used?**

Construction, improvement, and purchase of multi-family rental housing for low-income families, the elderly and disabled individuals is the primary objective for this program.

Funding may also be available for related activities including:

- Buying and improving land.
- Providing necessary infrastructure.
- For a complete list see Code of Federal Regulations, [7CFR Part 3560.53](#).

### **Who may live in the rental housing?**

- Very-low-income to moderate-income families or individuals.
- Elderly people aged 62 or older.
- People with disabilities.

### **What kinds of funding are available?**

Direct, competitive loans.

### **What are the loan terms?**

- Up to 30 year payback period.
- Lowest rate at either the time of loan approval or loan closing will be used.
- Contact your [local RD Office](#) for details and current interest rates applicable for your project.

### **How do we get started?**

Applications for this program are accepted on an annual basis. A Notice of Funding Availability (NOFA) is posted in the Federal Register.

### **Who can answer questions?**

Contact your [RD State Office](#) or you can find [Rural Rental Properties](#) here to apply as a tenant.

### **What governs this program?**

- Code of Federal Regulation, [7 CFR 3560](#)
- [HB-1-3560](#)
- [HB-2-3560](#)
- Title V of the Housing Act of 1949

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**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 your local office for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](#). USDA is an equal opportunity provider, employer, and lender.**