

Rural Rental Housing (Section 515 and Restricted Use Covenant) Preservation



Interested in preserving affordable housing in the rural U.S.?

We can help.

For over 30 years, [Fannie Mae Multifamily](#) has been a reliable source of mortgage capital for the secondary mortgage market. We provide liquidity, stability, and affordability to the multifamily market while maintaining our credit standards and minimizing losses. Our Delegated Underwriting and Servicing (DUS®) model is the premier financing platform in the multifamily market. Delegation, risk-sharing, and life-of-loan servicing are the pillars that support our platform, and because of them, we are able to make affordable and workforce rental housing possible in every market, every day.

About our program

As part of our [Duty to Serve](#) efforts in rural markets, we purchase loans secured by U.S. Department of Agriculture (USDA) Section 515 properties and those with a Restricted Use Covenant (RUC) in place. RUC transactions are those where the Section 515 loan has been paid off, but the property is still subject to a use requirement to house program-eligible tenants.

Our goal is to preserve the affordability of Section 515 units by developing innovative financing solutions in collaboration with industry leaders and the USDA.

Benefits of Section 515 and RUC loans

- Close partnership with USDA Rural Development's Office of Multifamily Housing supports the preservation of Section 515-assisted properties.
- Single-asset security allows for customized mortgage loan structures.
- Delegated risk-sharing model provides certainty of execution, faster decisions, and quicker loan closings.
- Access to experts who know the business and understand complex transactions.
- Life-of-loan servicing means seamless post-closing activities.

Contact your DUS lender or the Fannie Mae Duty to Serve team (MF_DutytoServe@fanniemae.com) for more information.