NAAHL Special Report

March 2025

The Real Cost of Cuts to HUD, USDA, and Treasury

An overview of the role our federal government plays in meeting the housing needs of American families – and the economic and human impacts of weakening its capabilities.

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Introduction

Cuts to funding and staff for federal agencies that administer housing programs, along with the cancellation of related contracts, would severely reduce affordable housing options and critical community services across America, with far-reaching consequences for our financial markets and the overall economy. Cuts at HUD, USDA, and Treasury would directly harm millions of low-income families, seniors, people with disabilities, and first-time homebuyers who rely on federal housing programs. Efforts to expand our nation's housing supply would be significantly impeded by cuts to financing for new construction and rehabilitation projects, worsening the nationwide affordable housing shortage. Homelessness would likely increase as rental assistance programs are reduced and emergency housing services become more limited. These disruptions would ripple through the broader economy, reducing construction activity, limiting job creation, and potentially destabilizing housing finance markets that depend on the certainty and liquidity provided by federal programs.

Key Impacts of Housing Program Cuts

- **Housing Supply Crisis:** Cuts to federal funding and staffing would severely restrict affordable housing construction and preservation nationwide, worsening the existing shortage of affordable homes in communities of all sizes.
- **Diminished Private Investment:** Federal funding cuts and staff reductions would impair program implementation and create significant uncertainty for housing deals that include private sector investment. This uncertainty would jeopardize the financial viability of affordable housing developments in markets that rely on stable federal programs to attract and maintain crucial private investment partnerships.
- **Homeownership Barriers:** Reduced federal support would limit mortgage access and increase costs, especially for first-time homebuyers, veterans, and moderate-income families seeking to build wealth through homeownership.
- **Rising Homelessness:** Funding cuts and staff reductions in rental assistance and supportive housing programs would push more Americans into housing instability and homelessness, increasing pressure on emergency services and healthcare systems.
- **Vulnerable Population Impact:** Staff and funding cuts would leave seniors, veterans, people with disabilities, and low-income families without critical housing supports and program administration, leading to increased financial strain and potential displacement.
- **Disaster Recovery Challenges:** Communities affected by hurricanes, floods, wildfires, and other natural disasters would face significantly longer rebuilding timelines without adequate federal recovery funding and staffing to coordinate response efforts, potentially forcing permanent population displacement.
- **Economic Damage:** Reduced federal investment and staff capacity would hurt local economies, eliminate construction and housing-related jobs, and delay vital infrastructure and community development projects in struggling communities.

Agencies That Administer Housing Programs

The U.S. Department of Housing and Urban Development

The Department of Housing and Urban Development (HUD) is the primary federal agency responsible for national housing policy, affordable housing initiatives, and community development programs. HUD administers rental assistance programs, promotes homeownership through FHA mortgage insurance, enforces fair housing laws, and provides grants to states and localities for housing development and preservation, as well as infrastructure needs. HUD leads federal efforts to prevent and end homelessness through coordinated housing and service programs. Additionally, HUD plays a crucial role in long-term disaster recovery efforts by providing flexible funding to rebuild housing and infrastructure in communities affected by natural disasters.

The U.S. Department of Agriculture

The US Department of Agriculture supports housing needs in rural America through its Rural Housing Service, which operates a variety of programs to address housing challenges in small towns and farming communities. USDA programs address rural housing supply challenges by supporting new construction, rehabilitation of existing homes, and multifamily housing development in areas where private capital alone is insufficient to meet local housing needs. USDA provides direct loans and loan guarantees to expand homeownership and finance multifamily housing in rural and tribal communities. Additionally, USDA provides critical rental assistance that helps low-income rural residents afford safe housing while supporting the financial viability of USDA-financed rental properties.

The U.S. Department of the Treasury

The US Department of the Treasury drives affordable housing production through tax incentives like the Low-Income Housing Tax Credit, which finances the majority of all new affordable rental housing construction in America. Treasury's New Markets Tax Credits encourage businesses to invest in affordable housing and neighborhood resources like healthcare centers, grocery stores, and childcare facilities in economically disadvantaged areas. Treasury also houses the CDFI Fund, which invests in financial institutions that finance affordable housing development in underserved communities. Additionally, Treasury has implemented critical housing stability programs during economic crises, including the Emergency Rental Assistance Program that prevented evictions and homelessness during the COVID-19 pandemic.

The U.S. Department of Housing and Urban Development

Summaries of HUD Offices

Office of Housing/Federal Housing Administration: Oversees programs making homeownership and rental housing more accessible. Includes the Federal Housing Administration (FHA), which provides single-family and multifamily mortgage insurance that reduces lender risk while generating billions in revenue for the U.S. Treasury through its insurance premiums. Administers affordable rental housing programs that serve over 1.4 million low-income households, healthcare facility financing, manufactured housing regulation, and housing counseling initiatives.

Ginnie Mae: A government corporation within HUD that supports affordable housing by guaranteeing mortgage-backed securities. Creates liquidity in the mortgage market, enabling lenders to provide lower-cost loans to homebuyers and multifamily housing developers while attracting global capital to the U.S. housing market. Operates at no cost to taxpayers and generates revenue for the Treasury.

Office of Public & Indian Housing (PIH): Ensures low-income families and tribal communities have access to safe, affordable housing through programs like public housing, Housing Choice Vouchers, and Indian Housing Block Grants. Serves 3.2 million households including essential workers, veterans, elderly, and people with disabilities across all states and territories.

Office of Community Planning & Development (CPD): Provides funding for affordable housing supply, homelessness reduction, community development and disaster recovery through programs like Community Development Block Grants (CDBG) and HOME Investment Partnerships programs. Supports infrastructure projects, housing development, and community services working through state and local governments, tribes, and nonprofit organizations.

Office of Fair Housing & Equal Opportunity (FHEO): Enforces fair housing laws to protect Americans from discrimination when renting, buying, or financing homes based on protected characteristics such as race, color, national origin, religion, sex, familial status, and disability. Provides regulatory clarity and market stability through consistent enforcement that helps the housing industry serve broader consumer segments while protecting American consumers.

Office of Healthy Homes & Lead Hazard Control (OHHLHC): Works to protect families, especially children, from lead poisoning and housing-related health hazards by funding lead removal in older homes, promoting safer housing conditions, and supporting research on housing health risks.

Office of Policy Development & Research (PD&R): Provides data, analysis, and policy recommendations to ensure effective housing programs. Delivers market intelligence, conducts evaluations, supports innovation, and creates evidence-based foundations for public-private collaboration.

Summaries of HUD Offices

Office of Field Policy & Management (FPM): Maintains HUD's local presence through 64 regional and field offices across ten regions, connecting communities with HUD resources and providing technical expertise. Serves as HUD's on-the-ground representatives, working directly with local communities to deliver critical housing resources and ensure federal programs respond to local needs while coordinating disaster recovery efforts.

Additional HUD Offices: HUD relies on several specialized administrative offices that enable the Department to fulfill its mission. The Office of General Counsel provides legal guidance and ensures regulatory compliance; the Office of the Chief Information Officer manages technology infrastructure and digital services; the Office of the Chief Procurement Officer oversees contracting and vendor relationships; the Office of the Chief Financial Officer manages budget and financial operations; and the Office of Administration handles facilities, human resources, and operational support. These essential offices provide the critical infrastructure, expertise, and accountability systems that strengthen HUD's capacity to deliver effective housing and community development programs to millions of Americans in communities nationwide.

U.S. Department of Housing and Urban Development

Office of Housing / FHA

The Office of Housing at HUD oversees a wide range of programs that make homeownership and rental housing more accessible and affordable across America. As part of the Office of Housing, the Federal Housing Administration (FHA) provides mortgage insurance that reduces risks for lenders—backing more than 15% of all mortgage loans[1]and a significant portion of multifamily development financing nationwide. FHA generates a net profit for the federal government through the insurance premiums it collects, returning billions in revenue to the U.S. Treasury while fulfilling its mission to expand housing opportunities. The Office of Housing also administers multifamily housing programs (which assist over 1.4 million low-income households), healthcare facility financing, manufactured housing regulation, and housing counseling initiatives that collectively serve millions of Americans. Key stakeholders include homebuyers and homeowners, renters, mortgage lenders, loan servicers, real estate developers, property owners, housing counseling agencies, and healthcare facility operators who all rely on the Office of Housing's programs to finance, develop, and maintain housing across the country.

How FHA Serves the American People

- **Encourages Banks & Lenders to Serve More Homebuyers Responsibly**: By insuring mortgages through FHA and providing other risk-sharing tools, the Office of Housing enables lenders to confidently offer financing to first-time homebuyers and moderate-income families in a fiscally sound manner. This approach extends sustainable homeownership opportunities while maintaining responsible underwriting standards that protect both borrowers and taxpayers.
- **Supports Homeowners and Homebuyers Through Housing Counseling:** The Office of Housing supports housing counselors who help potential homebuyers and homeowners navigate homeownership, offering guidance on financial preparation, mortgage literacy, budgeting, and sustainable homeownership. These programs assist first-time buyers, seniors, and families in making informed decisions and preventing foreclosure.
- **Preserves & Expands Rental Housing**: The Office of Housing finances the development, rehabilitation, and preservation of affordable multifamily properties through mortgage insurance, subsidies, and asset management services.
- **Supports Vulnerable Populations**: Through specialized programs like Section 202 for seniors, Section 811 for people with disabilities, and Home Equity Conversion Mortgages (HECMs), the Office of Housing ensures that vulnerable Americans have safe, accessible housing options.

1 | This is based on fourth quarter data from 2024, according to Inside Mortgage Finance. See Zinn, Visalli, and Goodman, "Gutting the FHA Will Decrease Housing Market Efficiency and Hurt Borrowers," Urban Institute (Feb. 26, 2025).

U.S. Department of Housing and Urban Development

Office of Housing / FHA

How FHA Partners with the Private Sector to Boost Affordable Housing Supply

- **Stimulates New Housing Construction Through Homebuyer Financing:** By providing FHA mortgage insurance that makes homeownership accessible to more Americans, the Office of Housing creates consistent demand for new home construction, encouraging builders and developers to increase housing production to meet the needs of these newly qualified buyers.
- **Drives Multifamily Housing Development & Preservation:** Through FHA multifamily insurance, project-based rental assistance contracts, and Section 202/811 financing, the Office of Housing creates viable pathways for private developers to build and renovate affordable rental properties, senior housing, and supportive housing in markets where conventional financing alone couldn't make these projects feasible. These programs often complement Low-Income Housing Tax Credits (LIHTC) to make projects financially feasible in markets where conventional financing alone would be insufficient.
- **Maintains Housing Production During Economic Downturns:** When private markets freeze during downturns, the Office of Housing's consistent presence provides a reliable financing channel, preventing construction from halting, maintaining critical industry jobs, and ensuring housing development continues even when traditional capital sources retreat.

How Cuts to FHA Would Hurt the Economy

- **Reduced Capital for Housing Production & Preservation:** Cuts would decrease the total financing available for developing and maintaining affordable housing, limiting the number of projects that can be funded and worsening the housing shortage.
- **Reduced Homeownership Opportunities:** Without FHA, many first-time buyers and moderate-income families would face significant barriers to qualifying for a mortgage, leading to fewer home sales and decreased economic activity in housing-related industries. This would limit wealth-building opportunities for working families and slow the housing market in communities across the country.
- **Increased Housing Insecurity for Vulnerable Populations:** Without adequate support for senior housing, housing for persons with disabilities, and affordable rental housing programs, more Americans would face housing instability, creating greater costs for healthcare and social services.
- **Reduced Economic Resilience & Construction Activity:** The Office of Housing supports billions in lending activity annually and provides critical market stability during economic downturns. Cuts would not only result in immediate job losses in construction and real estate but would also weaken a key stabilizing force in the housing market, making future recessions more severe with deeper drops in home values, more prolonged construction slowdowns, and longer recovery periods.
- **Processing Delays, Higher Costs, & Lost Housing Opportunities:** Staffing cuts would create backlogs in loan approvals and program administration, forcing developers to pay substantial extra costs while waiting for decisions. These delays would make housing more expensive to build, cause many projects to fall apart completely, and result in fewer homes being built at a time when America already faces a severe housing shortage.

U.S. Department of Housing and Urban Development

Ginnie Mae

Ginnie Mae (the Government National Mortgage Association) plays a crucial role in keeping homeownership and rental housing affordable by guaranteeing the timely payment of mortgage-backed securities. This guarantee ensures that lenders can offer stable, long-term financing at lower interest rates for first-time homebuyers, veterans, rural communities, and affordable rental housing developments. Ginnie Mae securities are the only mortgage-backed securities (MBS) to carry the explicit full faith and credit guarantee of the U.S. government, making housing finance more reliable and accessible and bringing global capital into American housing markets. Ginnie Mae also provides tremendous value to taxpayers, consistently generating revenue that not only covers its operations but provides a negative subsidy to the federal government–returning billions more to the Treasury than its annual appropriations while supporting housing stability nationwide.

How Ginnie Mae Serves the American People

- **Expands Homeownership for First-Time Buyers & Veterans:** Ginnie Mae supports mortgages backed by FHA, VA, and USDA programs, helping millions of Americans—especially veterans, first-time homebuyers, and rural families—achieve homeownership who might otherwise be locked out of the market..
- **Keeps Mortgage Rates Stable & Affordable:** By guaranteeing mortgage-backed securities, Ginnie Mae attracts global investors and maintains liquidity during economic downturns, keeping mortgage rates lower and more accessible for everyday Americans.
- **Supports Affordable Rental Housing:** Ginnie Mae-backed financing supports the development and preservation of apartment buildings nationwide, ensuring stable and affordable rental housing for working families, seniors, and moderate-income households.

How Ginnie Mae Partners with the Private Sector to Boost Affordable Housing Supply

- **Strengthens Lender Confidence & Market Participations:** Ginnie Mae’s guarantees enables banks, credit unions, and mortgage companies to confidently extend credit to qualified but underserved borrowers, significantly expanding lending activity in communities nationwide. This increased access to capital directly stimulates housing development and construction as developers respond to the growing market of qualified buyers. By providing liquidity to lenders serving first-time homebuyers, rural communities, and moderate-income families, Ginnie Mae helps create consistent demand for new housing production, encouraging builders to increase supply in areas that might otherwise be underserved by conventional financing alone.
- **Mobilizes Global Capital for American Housing:** By transforming mortgage loans into secure investment vehicles, Ginnie Mae channels billions in private capital from pension funds, insurance companies, and international investors directly into America's housing markets.
- **Drives Multifamily Housing Development:** Ginnie Mae-backed financing provides developers with reliable, long-term capital for apartment construction and rehabilitation, creating housing supply in markets where it's needed most.

U.S. Department of Housing and Urban Development

Ginnie Mae

How Cuts to Ginnie Mae Would Hurt the Economy

- **Increased Costs for American Homebuyers:** Cuts to Ginnie Mae would raise borrowing costs and down payment requirements, particularly affecting first-time homebuyers, veterans, and moderate-income families trying to build wealth through homeownership.
- **Constrained Rental Housing Development:** A reduced Ginnie Mae presence would shrink financing options for multifamily housing at a time of critical housing shortage, limiting new construction and rehabilitation of affordable rental units when they're most needed.
- **Increased Financial Uncertainty:** Cuts to Ginnie Mae would introduce instability into the $2+ trillion mortgage securities market, potentially triggering broader financial uncertainty, reduced housing starts, and negative impacts on construction, employment, and related industries.

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

The Office of Public & Indian Housing (PIH) at the U.S. Department of Housing and Urban Development (HUD) ensures that low-income families and tribal communities have access to safe, affordable housing. PIH oversees public housing agencies (PHAs) across the country, administers rental assistance programs like Housing Choice Vouchers (Section 8), and supports housing initiatives for Native American communities. Through its programs, PIH serves approximately 3.2 million households nationwide, including essential workers, veterans, elderly residents, and people with disabilities in urban, suburban, and rural communities across all 50 states and territories.

How PIH Serves the American People

- **Keeps Families Stably Housed:** PIH administers the Housing Choice Voucher (Section 8) program, which helps over 2 million families afford rent in the private market.
- **Supports Seniors & People with Disabilities:** PIH administers and provides funding to public housing and rental assistance programs that provide safe, accessible homes for vulnerable populations who might otherwise face homelessness.
- **Promotes Economic Mobility for Assisted Families:** PIH's initiatives include resources that help residents access financial coaching, employment opportunities, and asset-building programs alongside stable housing.
- **Invests in Tribal Communities:** Through programs like the Indian Housing Block Grant, PIH helps Native American communities build and maintain affordable housing and community infrastructure where private investment is often limited.

How PIH Partners with the Private Sector to Boost Affordable Housing Supply

- **Expands Affordable Housing Options through the Private Rental Market:** PIH partners with private landlords by providing rental subsidies, allowing low-income families to live in privately owned housing.
- **Encourages Public-Private Partnerships:** Programs like the Rental Assistance Demonstration (RAD) help rehabilitate aging public housing by leveraging private investment. Developers often leverage rental assistance provided by PIH to attract private capital to invest in the construction or preservation of affordable housing. For example, the Choice Neighborhoods program leverages significant public and private dollars to support locally driven strategies that address struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. These collaborations with banks, credit unions, and community development financial institutions (CDFIs) maximize federal resources, stimulate economic growth, and catalyze the development of innovative financing mechanisms for community development.
- **Supports Workforce Housing Development:** PIH funds mixed-income and mixed-use housing developments that create affordable housing options for essential community workers including police officers, teachers, healthcare staff, and first responders. These strategic investments ensure that vital service providers can live in the communities they serve, addressing housing gaps in high-cost markets while supporting workforce retention and neighborhood stability.

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

How Cuts to PIH Would Hurt the Economy

- **Weakened Support for Working Families:** The majority of non-elderly, non-disabled households in PIH programs are working families striving for self-sufficiency—cuts would undermine their ability to maintain employment and progress toward economic independence.
- **Significant Increase in Housing Insecurity:** Reducing funding for Housing Choice Vouchers and public housing would force many low-income families, seniors, and veterans into precarious housing situations, increasing homelessness rates and placing greater demands on emergency services.
- **Substantial Economic Impact on Multiple Industries:** Public housing maintenance, renovation, and development projects sustain thousands of direct and indirect jobs in construction, property management, and supporting industries—cuts to PIH would reduce this economic activity and affect local businesses that depend on these workers.
- **Unsustainable Pressure on State & Local Resources:** Without adequate federal support for public housing agencies, cities, states, and tribal governments would face mounting costs addressing housing shortages, resulting in higher emergency shelter expenses, increased healthcare costs from housing instability, and strained social service systems already operating at capacity.

U.S. Department of Housing and Urban Development

Office of Community Planning and Development

The Office of Community Planning & Development (CPD) at HUD provides critical funding to help communities build affordable housing, reduce homelessness, and recover from disasters. CPD administers key housing supply and community infrastructure programs, like the Community Development Block Grant (CDBG) and HOME Investment Partnerships programs, comprehensive homeless assistance initiatives, and disaster recovery grants, which support cities, rural areas, and tribal communities in addressing urgent local needs. The primary grantees for these programs are states, counties, cities, towns, urban counties, metropolitan cities, and federally recognized tribal governments. These local and state governments then work with nonprofit organizations, community development corporations, public housing authorities, and private developers to implement projects that address urgent housing and infrastructure needs in their communities.

How CPD Serves the American People

- **Expands Housing Supply for Working Families:** The HOME program—the federal government's primary block grant program for creating affordable housing—enables communities to build and rehabilitate housing for low-income and working-class families. HOME funding frequently combines with Low Income Housing Tax Credits (LIHTC), making otherwise financially unfeasible developments possible and significantly boosting the nation's affordable housing supply. This housing provides the foundation for family stability, improved health outcomes, and increased workforce participation that strengthens local economies.
- **Supports First-Time Homebuyers:** The HOME program also provides critical financial assistance to help first-time and low-income homebuyers overcome barriers to homeownership. Through down payment assistance, low-interest loans, and grants, HOME helps eligible families reduce upfront costs and create pathways to homeownership for those who might otherwise be unable to buy a home.
- **Invests in Local Infrastructure & Services:** Through the CDBG program,[2] CPD injects vital capital into local economies, funding critical infrastructure projects that repair deteriorating roads, modernize outdated water systems, and convert blighted properties into community assets—while simultaneously supporting essential social services like Meals on Wheels for homebound seniors, after-school programs for at-risk youth, job training initiatives, and community health clinics. This comprehensive approach creates immediate jobs, strengthens social safety nets, and attracts additional private investment that multiplies the economic and social impact in both urban centers and rural communities.
- **Provides Primary Long-Term Disaster Recovery Funding:** Through the CDBG-Disaster Recovery program—the largest and most comprehensive initiative specifically funded by Congress to address long-term rebuilding needs—CPD delivers crucial flexible funding communities need to fully recover from disasters. This essential program enables local governments to rebuild homes, restore businesses, and repair critical infrastructure based on locally-determined priorities after hurricanes, floods, and wildfires. CDBG-DR funding accelerates economic recovery, prevents permanent population displacement, and helps affected regions rebuild stronger and more resilient than before.
- **Prevents & Reduces Homelessness:** CPD's flexible funding enables communities to develop and implement locally-tailored approaches to homelessness that respond to specific regional needs and challenges. CPD funds emergency shelters, rental assistance, and permanent supportive housing to help people experiencing homelessness regain stability.

2 | This includes Community Project Funding Grants that are specifically requested by Members of Congress (earmarks). For a list of FY24 funded projects and which lawmakers requested them, click here.

U.S. Department of Housing and Urban Development

Office of Community Planning and Development

How CPD Partners with the Private Sector to Boost Affordable Housing Supply

- **Catalyzes Private Partnerships & Investments for Affordable Housing:** Every dollar CPD provides to communities through HOME and CDBG mobilizes substantial private capital—triggering investment that would otherwise never flow into underserved neighborhoods. These federal dollars unlock private financing from banks, investors, and developers to create rental housing developments and homeownership opportunities at a scale far beyond what government funding alone could achieve. These partnerships combine public resources with private sector expertise to finance and implement affordable housing, infrastructure, and economic development projects with greater efficiency and sustainability.
- **Supports Local Businesses & Job Growth:** CDBG investments provide critical growth capital that enables small businesses to rebuild after disasters, expand operations in underserved markets, and create quality local jobs. These targeted investments revitalize commercial corridors, diversify local economies, and generate employment opportunities in areas often overlooked by traditional lending institutions.
- **Expands Specialized Housing Supply for Vulnerable Populations:** CPD funding enables communities to develop permanent supportive housing that combines affordable units with integrated services for people with disabilities, chronic health conditions, and those experiencing long-term homelessness. These critical investments increase the overall housing supply while creating specialized housing options that would otherwise be financially unfeasible to develop

How Cuts to CPD Would Hurt the Economy

- **Less Investment in Economically Distressed Communities:** Cuts to CDBG and HOME funding would delay critical infrastructure improvements, limit business development resources, and reduce affordable housing production in economically distressed communities—leading to deteriorating conditions, fewer opportunities for growth, and postponed revitalization in areas already facing economic challenges.
- **Weaker Disaster Recovery & More Displacement:** Cuts to CPD would paralyze rebuilding efforts after natural disasters, leaving thousands of families and businesses without recovery resources and forcing permanent relocation—destroying local economies, tax bases, and community networks while creating long-term regional economic decline in vulnerable areas.
- **Increased Homelessness & Housing Insecurity:** CPD programs provide critical funding for shelters, rental assistance, and supportive services—cuts would mean more families and veterans losing their homes. This would strain emergency services and create lasting negative impacts on community well-being and local economies.
- **Job Losses in Construction & Local Businesses:** CPD funds drive economic activity by supporting construction projects and small businesses; without them, communities would experience postponed job creation, deferred economic activity, and fewer opportunities for workforce development and business expansion in communities that need them most.

U.S. Department of Housing and Urban Development

Office of Fair Housing and Equal Opportunity

The Office of Fair Housing & Equal Opportunity (FHEO) at the U.S. Department of Housing and Urban Development (HUD) provides regulatory clarity and market stability through consistent enforcement of fair housing laws that protect Americans from discrimination when renting, buying, or financing a home. FHEO ensures that housing providers follow the Fair Housing Act and works to eliminate barriers that prevent people from accessing safe, affordable housing. By creating a level playing field for property owners, developers, and lenders, FHEO helps the housing industry serve broader consumer segments, increase transaction volume, and enhance property values through neighborhood stability.

How FHEO Serves the American People

- **Expands Market Access While Protecting American Consumers:** FHEO's enforcement of non-discrimination standards ensures all Americans have fair housing opportunities while creating a stable marketplace where financial institutions can confidently serve diverse customer segments.
- **Develops Housing Solutions for Seniors & People with Disabilities:** FHEO's accessibility standards help financial institutions respond to the growing needs of seniors and people with disabilities—enabling more Americans to live independently while creating investment opportunities in specialized housing that meets the demands of these significant and growing demographics.
- **Strengthens Housing Opportunities in America's Rural Communities:** FHEO's partnerships with local governments and nonprofits extend fair housing protections to smaller communities—allowing financial institutions to responsibly enter underserved markets and provide crucial lending services to American families in rural areas who have historically had limited access to housing finance options.

How FHEO Partners with the Private Sector to Boost Affordable Housing Supply

- **Expands Housing Opportunities for More Qualified Homebuyers:** FHEO's fair lending standards enable financial institutions to confidently serve a broader range of customers—allowing them to increase loan originations to qualified first-time homebuyers who represent significant untapped market potential while simultaneously reducing regulatory uncertainty and legal exposure.
- **Creates New Development Opportunities:** FHEO's enforcement framework gives developers and investors clear parameters for creating profitable mixed-income and accessible housing projects—helping them to respond to growing market demand for these properties while accessing specialized financing incentives and fulfilling their commitments to community investment.

U.S. Department of Housing and Urban Development

Office of Fair Housing and Equal Opportunity

How Cuts to FHEO Would Hurt the Economy

- **Reduced Mortgage Market Volume & Consumer Confidence:** Weakening fair lending enforcement would create regulatory uncertainty for financial institutions, potentially exposing lenders to increased liability while preventing qualified borrowers from accessing mortgages—shrinking the overall market size and reducing transaction volume in housing-related sectors.
- **Increased Housing Instability:** Weakening fair housing protections would allow more evictions and rental denials based on race, disability, or family status, pushing more people toward homelessness.
- **Weakened Protections Against Discrimination, including for Homeowners:** Staff cuts would make it impossible to help people suffering from housing discrimination. From January 2021 to January 2025, HUD FHEO obtained over $60 million in relief for over 16,000 people through its fair housing enforcement efforts. HUD FHEO also investigated appraisal bias cases to protect homeowners.

U.S. Department of Housing and Urban Development

Office of Healthy Housing and Lead Hazard Control

The Office of Healthy Homes & Lead Hazard Control (OHHLHC) at HUD works to protect families—especially young children—from lead poisoning and other housing-related health hazards. By funding lead removal in older homes, promoting safer housing conditions, and supporting research on housing-related health risks, OHHLHC helps ensure that homes are not just affordable but also safe to live in..

How OHHLHC Serves the American People

- **Protects Family Health While Preserving Property Values:** OHHLHC programs remediate lead hazards that threaten children's development while simultaneously maintaining and increasing property values in aging housing stock.
- **Reduces Health Risks & Financial Liability:** OHHLHC funding addresses dangerous lead and mold conditions that cause childhood illness while helping property owners and lenders manage financial and legal risks associated with these hazards.
- **Supports Low-Income & Rural Communities:** Many older homes in low-income neighborhoods and rural areas contain hazardous materials—OHHLHC funding enables essential safety repairs that protect resident health while preserving affordable housing.

How OHHLHC Partners with the Private Sector to Boost Affordable Housing Supply

- **Leverages Public-Private Investment in Safer Housing:** OHHLHC grants combined with private financing create opportunities to rehabilitate affordable housing while protecting vulnerable residents from health hazards.
- **Encourages Healthier Building Practices for Sustainable Value:** OHHLHC partners with builders and property managers to incorporate safer materials and improved building systems that enhance both resident health and long-term property performance.
- **Drives Economic Growth Through Housing Safety Investment:** OHHLHC's lead and hazard remediation funding creates thousands of skilled jobs for contractors, inspectors, and construction workers, generating economic activity that ripples through communities while making our nation's housing stock safer and more valuable.

How Cuts to OHHLHC Would Hurt the Economy

- **Devastating Health & Economic Impacts on Children and Communities:** Without OHHLHC remediation support, more children would suffer lifelong cognitive damage and health problems from lead exposure, dramatically increasing healthcare costs and reducing lifetime earning potential.
- **Accelerated Housing Market Deterioration & Investment Instability:** Properties with unaddressed health hazards face faster devaluation, increased liability exposure, and higher foreclosure risks, threatening both neighborhood stability and financial institution portfolios in affected markets.
- **Job Losses in Construction & Home Rehabilitation:** Cutting OHHLHC programs would diminish job opportunities for contractors, inspectors, and workers specialized in lead abatement and home safety improvements, impacting both workforce development and housing rehabilitation capacity.

U.S. Department of Housing and Urban Development

Office of Policy Development & Research

The Office of Policy Development & Research (PD&R) at the U.S. Department of Housing and Urban Development (HUD) provides critical data, analysis, and policy recommendations to ensure federal housing programs are effective, efficient, and responsive to the needs of communities across the country. PD&R helps policymakers, housing providers, and local governments make informed decisions that expand access to safe, affordable housing. For industry stakeholders, PD&R delivers invaluable market intelligence and housing trend analyses that inform investment decisions, reduces uncertainty through rigorous program evaluations, supports innovation in housing finance and technology, and creates an evidence-based platform for productive public-private collaboration.

How PD&R Serves the American People

- **Sets Fair Rules for Housing Help:** PD&R creates clear guidelines that determine who qualifies for housing assistance programs.
- **Helps Communities Build More Homes:** PD&R provides expert advice to local and tribal governments working to increase their housing supply.
- **Makes Housing Programs Work Better:** PD&R studies what's working and what's not in housing programs to improve results for families.
- **Tests New Housing Solutions:** PD&R runs pilot programs to try innovative approaches before implementing them nationwide.
- **Ensures Smart Housing Regulations:** PD&R carefully weighs the costs and benefits of new housing rules.
- **Tracks Housing Trends:** PD&R conducts surveys that reveal what's happening in America's housing markets.
- **Keeps Families in Their Homes:** PD&R develops and administers programs to help households at risk of eviction.
- **Ensures Fair Distribution of Housing Resources:** PD&R designs and maintains the complex funding formulas that determine how billions of dollars in housing assistance are distributed across communities, ensuring resources reach the areas and people who need them most.

How PD&R Partners with the Private Sector to Boost Affordable Housing Supply

- **Supports Innovative Housing Solutions:** By pioneering research into advanced construction methods–including factory-built modular and manufactured housing–PD&R equips the private sector with valuable data and insights that drive innovation, substantially reduce building costs, accelerate production timelines, and significantly expand the affordable housing supply. This critical research helps builders, developers, and manufacturers overcome market barriers, adopt efficient technologies, and scale solutions that address America’s housing shortage.
- **Identifies Barriers to Development:** PD&R rigorous analysis of regulatory barriers pinpoints how zoning restrictions, permitting processes, and other regulations drive up housing costs and delay construction. These evidence-based insights help communities streamline approval processes, reform outdated regulations, and remove unnecessary obstacles–enabling developers to build more housing faster while reducing costs that get passed on to homebuyers and renters.

U.S. Department of Housing and Urban Development

Office of Policy Development & Research

How Cuts to PD&R Would Hurt the Economy

- **Impaired Policy Effectiveness:** Cutting PD&R would severely limit HUD's capacity to administer evidence-based policy as PD&R is the hub for the agency's capacity to analyze, evaluate, and improve its programs using evidence and data. Without this office's crucial work in determining which housing programs deliver the best outcomes and value for taxpayer dollars, HUD would face less efficient program administration, potential misallocation of resources, elimination of evidence-based guidance, and significant difficulty adapting programs to changing housing market conditions, ultimately leading to less effective policies and wasted resources.
- **Lost Innovation in Affordable Housing Solutions:** PD&R researches and tests new approaches to housing challenges. Eliminating this work would slow the development of innovative, cost-effective housing solutions at a time when affordable housing shortages are constraining economic growth.
- **Reduced Private Sector Investment Confidence:** Developers and financial institutions rely on PD&R data to assess risks and opportunities. Cutting this research would increase uncertainty in where and how investments should be made.

U.S. Department of Housing and Urban Development

Office of Field Policy and Management

The Office of Field Policy & Management (FPM) serves as HUD's local presence across the country, ensuring that federal housing and community development programs are effectively implemented. Through its nationwide network of 64 Regional and Field Offices across ten[3] geographic regions, FPM provides strategic leadership and operational guidance that balances consistent program implementation with responsiveness to local needs. FPM connects state, local, and tribal elected officials and governments, nonprofits, housing providers, and financial institutions with HUD resources, ensuring that communities—especially rural and underserved areas—receive the support they need to address their housing challenges.

How FPM Serves the American People

- **Delivers Critical HUD Resources to Local Communities:** FPM ensures that housing assistance, disaster recovery funds, and community development grants reach the people who need them most by maintaining an active presence in rural communities, tribal areas, and economically distressed neighborhoods that might otherwise be overlooked by federal programs..
- **Strengthens Local Implementation Capacity:** FPM provides essential technical expertise to cities, counties, financial institutions, and nonprofits navigating HUD programs–offering hand-on guidance that helps communities overcome administrative barriers, leverage additional resources, and maximize the impact of every federal dollar invested in housing and community development.
- **Coordinates HUD's Disaster Response Efforts:** FPM serves as HUD's primary liaison during disaster recovery, connecting impacted communities with essential housing resources. When disasters strike, FPM staff work alongside FEMA, state emergency management agencies, and local officials to identify housing needs and coordinate HUD's response. They help local governments and residents navigate available HUD assistance programs, facilitate communication between federal and local partners, and ensure that communities understand how to access disaster recovery funding and resources to rebuild homes and restore neighborhoods.

3 | As of January 2025

U.S. Department of Housing and Urban Development

Office of Field Policy and Management

How FPM Partners with the Private Sector to Boost Affordable Housing Supply

- **Connects Developers & Lenders to HUD Programs:** FPM helps private-sector partners access financing tools like FHA loans, CDBG grants, and tax credits to build more affordable housing. FPM staff work directly with lenders and mortgage institutions to facilitate program participation, provide regulatory guidance, and identify opportunities for expanded lending in underserved markets. This local expertise helps financial institutions navigate HUD requirements, access special lending programs, and develop profitable partnerships that extend their reach while addressing community housing needs.
- **Encourages Public-Private Partnerships:** FPM helps forge collaborations between cities, nonprofits, and developers to expand affordable housing and create job opportunities. By bringing together diverse stakeholders with complementary resources, FPM helps communities leverage public funding to attract private investment in affordable housing, community facilities, and economic development projects. These partnerships enable lenders and developers to participate in projects that might be challenging to finance through conventional means alone, while helping communities maximize the impact of limited public resources and create sustainable solutions that generate both economic returns and community benefits.

How Cuts to FPM Would Hurt the Economy

- **Fewer Affordable Housing Projects in Underserved Areas:** Without local HUD offices providing guidance and technical assistance, many towns and rural areas would face substantial challenges accessing federal funding—resulting in fewer affordable housing projects and infrastructure improvements in communities that need them most.
- **Extended Disaster Recovery Timelines:** Cutting FPM would diminish HUD's capacity to respond effectively to hurricanes, wildfires, and floods—leaving affected families and businesses waiting longer for recovery resources and delaying the rebuilding of homes and community infrastructure.
- **Increased Administrative Barriers to Housing & Community Development:** Without FPM's on-the-ground support, cities and housing providers would encounter more complex processes and delays in securing HUD funding—slowing the pace of affordable housing construction and community revitalization efforts while reducing the effectiveness of federal investments.

U.S. Department of Housing and Urban Development

HUD Field Offices: The Local Hub to Program Offices

HUD's Field Offices serve as local hubs where specialists from across HUD's program offices work together, including the Office of Housing and FHA, Community Planning and Development (CPD), Public and Indian Housing (PIH), and Fair Housing and Equal Opportunity (FHEO). This integrated approach ensures communities receive coordinated assistance across HUD's full range of programs. Field staff work directly with community members, local organizations, and residents to understand neighborhood-specific challenges and develop tailored solutions that break down silos between different funding streams and regulatory frameworks.

ALABAMA
Birmingham – Field Office

ALASKA
Anchorage – Field Office

ARIZONA
Phoenix – Field Office

ARKANSAS
Little Rock – Field Office

CALIFORNIA
San Francisco – Regional Office
Los Angeles – Field Office
Santa Ana – Field Office

COLORADO
Denver – Regional Office

CONNECTICUT
Hartford – Field Office

DELAWARE
Wilmington – Field Office

DISTRICT OF COLUMBIA
Washington, DC – Field Office

FLORIDA
Miami – Field Office
Jacksonville – Field Office

GEORGIA
Atlanta – Regional Office

HAWAII
Honolulu – Field Office

IDAHO
Boise – Field Office

ILLINOIS
Chicago – Regional Office

INDIANA
Indianapolis – Field Office

IOWA
Des Moines – Field Office

KANSAS
Kansas City – Regional Office

KENTUCKY
Louisville – Field Office

LOUISIANA
New Orleans – Field Office

MAINE
Bangor – Field Office

MARYLAND
Baltimore – Field Office

MASSACHUSETTS
Boston – Regional Office

MICHIGAN
Detroit – Field Office

MINNESOTA
Minneapolis – Field Office

MISSISSIPPI
Jackson – Field Office

MISSOURI
St. Louis – Field Office

MONTANA
Helena – Field Office

NEBRASKA
Omaha – Field Office

NEVADA
Las Vegas – Field Office

NEW HAMPSHIRE
Manchester – Field Office

NEW JERSEY
Newark – Field Office

NEW MEXICO
Albuquerque – Field Office

NEW YORK
New York City – Regional Office
Albany – Field Office
Buffalo – Field Office

NORTH CAROLINA
Greensboro – Field Office

NORTH DAKOTA
Fargo – Field Office

OHIO
Cleveland – Field Office
Columbus – Field Office

OKLAHOMA
Oklahoma City – Field Office
Tulsa – Field Office

OREGON
Portland – Field Office

PENNSYLVANIA
Philadelphia – Regional Office
Pittsburgh – Field Office

PUERTO RICO
San Juan – Field Office

RHODE ISLAND
Providence – Field Office

SOUTH CAROLINA
Columbia – Field Office

SOUTH DAKOTA
Sioux Falls – Field Office

TENNESSEE
Nashville – Field Office
Knoxville – Field Office
Memphis – Field Office

TEXAS
Fort Worth – Regional Office / Field Office
Houston – Field Office
San Antonio – Field Office

UTAH
Salt Lake City – Field Office

VERMONT
Burlington – Field Office

VIRGINIA
Richmond – Field Office

WASHINGTON
Seattle – Regional Office

WEST VIRGINIA
Charleston – Field Office

WISCONSIN
Milwaukee – Field Office

WYOMING
Casper – Field Office

The U.S. Department of Agriculture

U.S. Department of Agriculture

Rural Housing Service

The USDA Rural Housing Service (RHS) provides essential financing in rural and tribal communities facing America's highest poverty rates, ensuring that families, seniors, and vulnerable populations have access to safe, affordable housing. Through targeted home loans, rental assistance, and infrastructure grants, RHS addresses the unique housing challenges of regions where persistent poverty, limited banking services, and aging housing stock create significant barriers to economic stability.

How RHS Serves the American People

- **Expands Homeownership for Rural Families:** The Single-Family Housing Direct and Guaranteed Loan Programs help low- and moderate-income families buy homes with no down payment, making homeownership attainable in rural areas.
- **Supports Seniors & Low-Income Renters:** The Rental Assistance Program keeps housing affordable for families and seniors in counties where poverty rates frequently exceed 20% and rental options are severely limited, preventing displacement from communities where they've lived for generations.
- **Supports Farm Labor Housing:** RHS funds the development and improvement of affordable housing for farm workers, addressing critical workforce housing needs for agricultural workers in rural communities.
- **Prevents Rural Homelessness:** Through targeted housing assistance programs, RHS helps prevent homelessness in rural areas where social services and emergency shelters are often scarce or nonexistent.

U.S. Department of Agriculture

Rural Housing Service

How RHS Partners with the Private Sector to Boost Affordable Housing Supply

- **Revitalizes Rural Housing Stock:** RHS provides direct loans and grants through its Housing Preservation Grant program and Section 504 Home Repair program to help very low-income homeowners repair and upgrade their homes, addressing critical health and safety hazards and preserving essential housing in communities with limited new construction.
- **Encourages Banks & Lenders to Invest in Rural Homeownership:** RHS loan guarantees reduce risk for private lenders, enabling financial institutions to confidently extend mortgages in underserved communities where conventional financing is unavailable, opening entirely new customer bases while expanding homeownership opportunities.
- **Makes Rural Rental Development Financially Viable:** The Multi-Family Housing Loan Program provides the critical financing and long-term subsidy commitments that make affordable apartment development and preservation possible in rural markets where conventional financing alone typically cannot support housing development. More than 80% of U.S. counties are home to a USDA multifamily property.
- **Mobilizes Private Capital for Rural Housing Needs:** RHS programs strategically leverage federal dollars to attract significant private capital, particularly through loan guarantees and partnerships with private lenders, creating investment opportunities that expand housing supply in rural communities with demonstrated housing demand but limited access to traditional financing channels.
- **Enables Self-Help Housing Initiatives:** RHS's Mutual Self-Help Housing program empowers low-income families to work together to build their own homes, reducing construction costs while building both housing and community connections.

How Cuts to RHS Would Hurt the Economy

- **Fewer Homeownership Opportunities in Rural America:** Without USDA-backed loans, many rural families would be locked out of homeownership entirely, particularly in communities where conventional mortgage financing is scarce or unavailable. This would prevent a primary pathway to wealth creation and exacerbate economic decline in already struggling regions.
- **Increased Housing Instability for Low-Income Renters & Seniors:** Cuts to RHS rental assistance would force vulnerable seniors and families to choose between housing, food, and medicine in areas with few social services and limited transportation options.
- **Decline in Rural Economic Growth & Job Losses:** Reduced RHS funding would accelerate population loss in rural communities, further shrinking local tax bases, forcing business closures, and making these regions even less attractive to employers and workers.

The U.S. Department of the Treasury

U.S. Department of the Treasury
CDFI Fund

The CDFI Fund, housed within the U.S. Department of the Treasury, provides critical financial support to Community Development Financial Institutions (CDFIs)—mission-driven lenders that expand economic opportunity in low-income, rural, and underserved communities. CDFIs finance small businesses, affordable housing, and community facilities in challenging markets, generating jobs, building wealth, and revitalizing neighborhoods that face significant economic barriers.

How CDFI Fund Serves the American People

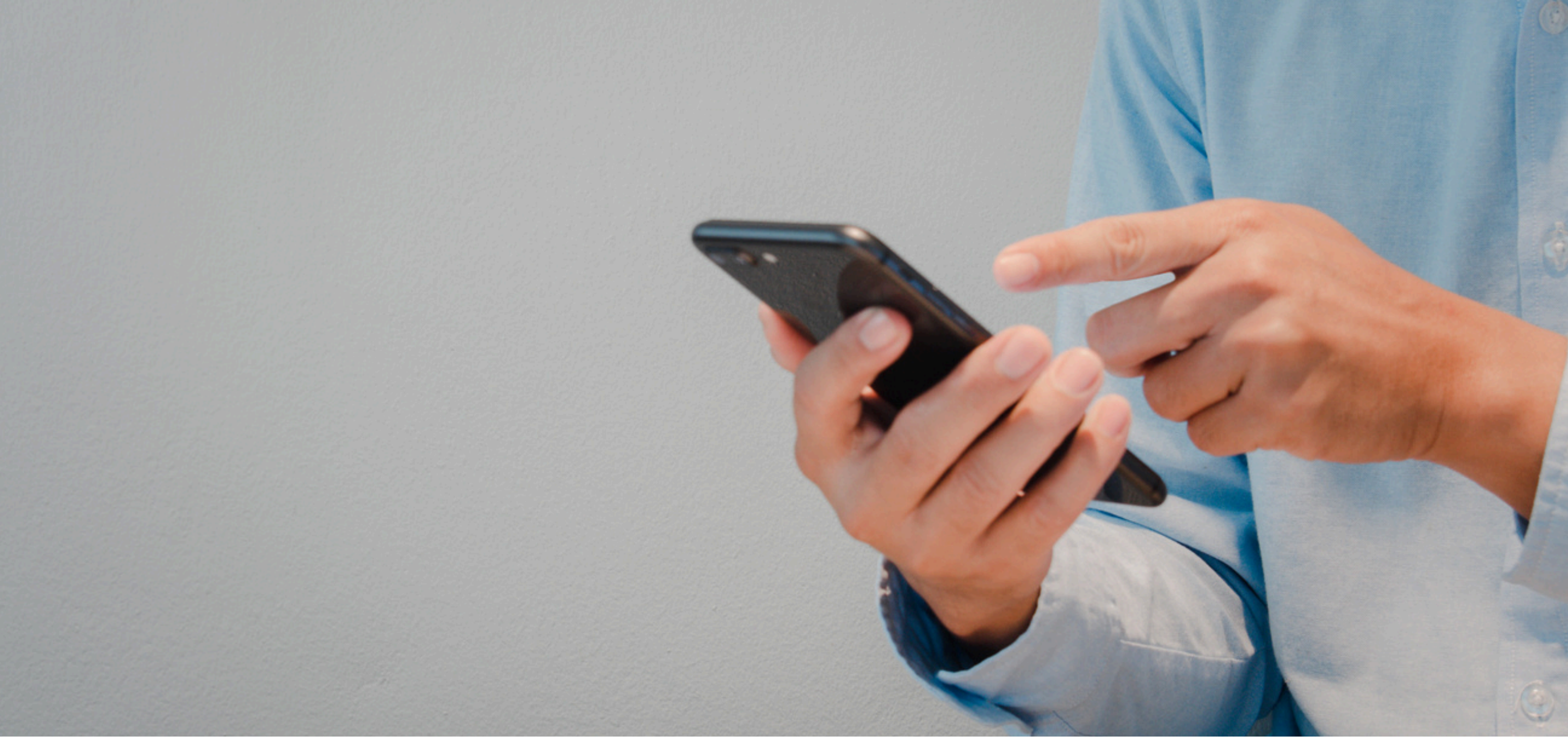
- **Extends Financial Services to Underserved Markets:** CDFIs provide vital financing and banking services in communities with limited financial infrastructure, reaching borrowers who face challenges accessing conventional credit and helping integrate them into the broader financial system.
- **Drives Significant Affordable Housing Production:** CDFIs finance thousands of affordable housing units annually, providing the critical early-stage and gap financing that makes challenging projects feasible in high-cost and low-resource markets alike.
- **Fuels Small Business Growth & Job Creation:** CDFIs provide vital loans and technical assistance to small business owners who face barriers to conventional financing, enabling these entrepreneurs to create jobs, build assets, and establish financial security for themselves and their employees.

How CDFI Fund Partners with the Private Sector to Boost Affordable Housing Supply

- **Attracts Private Investment into Affordable Housing:** The CDFI Fund's programs, like the New Markets Tax Credit (NMTC) and Capital Magnet Fund (CMF), leverage private sector dollars to finance new housing and community developments.
- **Supports Community Revitalization Projects:** CDFIs work with banks, developers, and nonprofits to fund mixed-use developments that combine housing with retail, healthcare, and other essential services.
- **Provides Flexible Financing for Housing Developers:** CDFIs offer loans with more flexible terms than traditional banks, helping developers build and preserve affordable housing in high-need areas.

How Cuts to the CDFI Fund Would Hurt the Economy

- **Reduced Small Business Growth & Job Creation:** Without CDFI funding, thousands of entrepreneurs in underserved communities would lose an important source of capital, making it harder to start or expand businesses and limiting job creation in areas already facing economic challenges.
- **Disruption of Affordable Housing Production Pipelines:** Cuts to the Capital Magnet Fund and other CDFI programs would eliminate the critical early financing that makes affordable housing development possible, slowing construction and exacerbating housing shortages nationwide.
- **Widening Economic Opportunity Gaps:** CDFIs provide financial services and asset-building opportunities in communities facing significant economic challenges—reducing their capacity would restrict access to capital and limit pathways to economic mobility and prosperity in regions that need them most.



Take Action

Your engagement is crucial to preventing harmful cuts to HUD, USDA and Treasury. This toolkit provides essential information for effectively engaging with elected officials and Administration leaders about the importance of a strong federal government partner.

When meeting with decision-makers, use the information in this toolkit to clearly articulate how housing programs serve their constituents, leverage private investment and align with your business, and generate economic activity in their districts and states. Emphasize both the human impact on vulnerable populations and the far-reaching economic consequences of spending cuts, staffing reductions, and cancelled contracts with service providers. When advocating for strong federal housing programs, you should reach out to:

Congress

Schedule meetings with Congressional leadership and members of key authorizing committees (Senate Banking Committee; House Financial Services Committee; Senate Finance Committee; House Ways and Means Committee) and appropriations committee (Subcommittees on Transportation, Housing and Urban Development) who directly shape housing policy and funding levels.

Administration

Engage with White House officials focused on domestic policy and economic advisors who influence budget priorities (Office of Management and Budget, Domestic Policy Council, National Economic Council, Council of Economic Advisers). Additionally, engage leadership at HUD, USDA, and Treasury who oversee program implementation and will benefit from hearing from a broad range of stakeholders on the operational impacts of proposed funding cuts, staffing reductions, and contract cancellations that would disrupt critical housing services.

State and Local Officials

Governors, county officials, mayors, and other state and local officials have an important voice in elevating how cuts to key federal housing programs will impact their constituents and the housing needs at home in communities across the country.

NAAHL | National Association of **Affordable Housing Lenders**

Founded in 1990, the National Association of Affordable Housing Lenders (NAAHL) is the national alliance of banks, CDFIs, and other lenders and investors in affordable housing and community development.

Contact

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