

May 18, 2026

The Honorable Kevin Hassett
Director, National Economic Council
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Director Hassett,

We write to request the Administration advance critical investment in communities by directing the Office of Management and Budget (OMB) and the Department of the Treasury to release more than \$500 million in Capital Magnet Fund (CMF) program resources.

The undersigned organizations represent a broad array of affordable housing finance, development, and advocacy organizations. The case for apportioning CMF dollars is straightforward: it is an easy win that would almost immediately unlock billions of dollars for affordable housing, with no new spending authority or funding required. The CMF program deploys resources to develop, preserve, rehabilitate or purchase affordable housing for Americans with 120% or less of the area median income in communities across the nation. It can be utilized for homeownership or rental housing and has a strong record of rural investment.

The CMF program is especially critical now that the One Big Beautiful Bill Act (OBBBA) permanently expanded the Low Income Housing Tax Credit (LIHTC).¹ LIHTC is the country's primary tool for building and preserving affordable rental housing, but tax credit equity alone rarely covers total project costs. The CMF program provides flexible gap financing that often make LIHTC deals financially feasible. Releasing CMF funds now would directly amplify the impact of the Administration's own LIHTC expansion.

The CMF program has a demonstrated track record of attracting substantial private investment. CMF recipients are required by law to match each grant dollar with at least \$10 in other capital. In practice, the program far exceeds that floor: the FY2024 CMF round distributed \$246.4 million to 48 organizations and is projected to generate more than \$8.85 billion in total public and private investment.² Since the program's inception, CMF grants have produced more than 63,000 affordable homes and attracted nearly \$18.7 billion in leveraged capital.³ Apportioning the over \$500 million in CMF funds now would generate billions of dollars in additional investment in affordable housing supply.

These funds are already available and do not require any new appropriation. The CMF program is financed through a statutory assessment on the new business of Fannie Mae and Freddie Mac—two Government-Sponsored Enterprises. These Congressionally authorized funds have been collected and sit in a dedicated account within the Treasury Department awaiting only an OMB apportionment order to be deployed as awards to qualifying organizations. Affordable housing

¹Peter Lawrence, "Final Reconciliation Bill Permanently Expands LIHTC, NMTC and OZ Incentive," [Novogradac](#), July 3, 2025.

²CDFI Fund, [FY2024 Capital Magnet Fund Award Announcement](#), U.S. Department of the Treasury (Oct. 23, 2024).

³National Low Income Housing Coalition, "Capital Magnet Fund," [2025 Advocates' Guide](#), at 9-2 (citing CDFI Fund data through September 30, 2022).

developers and state housing finance agencies have strong project pipelines ready to absorb capital quickly. In the FY2024 round alone, organizations requested more than \$1.06 billion against \$246.4 million available⁴ — clear evidence of substantial unmet demand.

Apportioning the CMF is a simple administrative action that would result in the deployment of billions of dollars in affordable housing investment, while accelerating the production of homes financed through OBBBA’s LIHTC expansion. We urge the Administration to seize this unique opportunity to urgently release federal resources that would directly address affordability and stand ready to work with you to deploy these funds for maximum impact.

We look forward to working with the Administration in ensuring the CMF resources reach communities and boost supply nationwide. To reach us, please contact Towner French at tfrench@potomacstratdc.com or Sarah Brundage at sbrundage@naahl.org.

Sincerely,

Capital Magnet Fund Coalition
National Association of Affordable Housing Lenders
Borderplex Community Capital
Capital Fund
CBO Financial
CDFI Friendly America
CDFI Friendly Bloomington - Indiana
Central Bank of Kansas City
Charities Housing Development Corporation of Santa Clara County
Chicago Community Loan Fund
Cinnaire Lending
Coastal Enterprises, Inc. (CEI)
Community Development Bankers Association
Community Development Financial Institutions Coalition
Community Development Venture Capital Alliance
Community Housing Capital
CommunityWorks
Corporation for Supportive Housing
Enterprise Community Partners
Evernorth
Five Points Community Capital, LLC
Friedman Associates LLC
Georgia Advancing Communities Together, Inc.
Greater Minnesota Housing Fund
Habitat for Humanity International
Harmony Housing Affordable Development
Home HeadQuarters, Inc.
Homewise

⁴CDFI Fund, [FY2024 Capital Magnet Fund Award Announcement](#), U.S. Department of the Treasury (Oct. 23, 2024); National Low Income Housing Coalition, “Capital Magnet Fund,” [2025 Advocates’ Guide](#), at 9-2 (citing CDFI Fund data through September 30, 2022).

Housing Action Illinois
Housing Advisory Group
Housing Assistance Council
Housing Partnership Network
Housing Trust Silicon Valley
IFF
Inclusiv
Institute of Real Estate Management
Kentucky Highlands Investment Corporation
Laredo-Webb Neighborhood Housing Services, Inc. DBA NeighborWorks Laredo
Legacy Bank & Trust
Local Initiatives Support Corporation / National Equity Fund
Low Income Investment Fund
Mercy Community Capital
Michigan CDFI Coalition
Midwest Housing Development Fund
Minnesota Housing Partnership
National Affordable Housing Management Association
National Apartment Association
National Association of Housing Cooperatives
National Church Residences
National Community Reinvestment Coalition (NCRC)
National Community Stabilization Trust
National CORE
National Council of State Housing Agencies
National Housing Conference
National Housing Trust
National Leased Housing Association
National Low Income Housing Coalition
National Multifamily Housing Council
National Rural Housing Coalition
Neighborhood Lending Partners, Inc.
NeighborWorks Home Partners
New Hampshire Community Loan Fund
NewWest Community Capital
Nonprofit Finance Fund
Northern Maine Development Commission
Novogradac
Opportunity Finance Network
Opportunity Resource Fund
Partners for Rural Transformation
Pathway Lending
Preservation of Affordable Housing, Inc.
Primary Care Development Corporation
RDF
Redbud Financial Alternatives, Inc.

RIHousing
ROC USA
Rural Community Assistance Corporation (RCAC)
Sabre Finance
Stewards of Affordable Housing for the Future
The Leviticus 25:23 Alternative Fund
TruFund Financial Services
United Bank
Up for Growth
Valley Partners
Veenstra Consulting Group
Volunteers of America National Services
Westwater Financial, Inc
Wisconsin Housing Preservation Corp.

CC:
OMB Director Russell Vought
Treasury Secretary Scott Bessent
FHFA Director Bill Pulte
Community Development Finance Caucus