



## CDFI Appropriations Fact Sheet

### Summary

The Trump Administration has an opportunity to further its economic development and housing production goals by deploying Congressionally approved CDFI Fund awards from FY 2025 and FY 2026. These funds will help CDFIs create over 120,000 new affordable housing units and provide patient flexible capital to hundreds of thousands of businesses.

### Status of FY2025 Awards

Of the \$324 million appropriated to the CDFI Fund under the FY 25 CR, OMB has only allotted \$35 million for CDFI Fund Administration, leaving \$289 million in FY 2025 funds unallocated.

In September, the CDFI Fund published [a supplemental application](#) for pending Financial Assistance applications. The purpose of the supplemental application was to allow CDFIs to bring their applications into compliance with Executive Orders on DEI and Climate-Focused Financing. The application deadline was October 27. Because the deadline fell during the government shutdown, some CDFIs were unable to complete their applications.

The CDFI Fund has yet to publish applications for several programs funded under FY 25 (see below).

Program	Application?	Awards Made?
<b>Native Initiatives</b>	Closed March 2025	No
<b>Financial Assistance</b>	Closed in March 2025 followed by a Supplemental Application Closing October 2025.	No
<b>Housing Financial Assistance</b>	Closed April 2025	No
<b>Technical Assistance</b>	Closed March 2025	No
<b>Bank Enterprise Awards</b>	No	No
<b>Small Dollar Loan Program</b>	No	No
<b>Bond Guarantee Program</b>	Closed February 2025	Yes (partial)
<b>Capital Magnet Fund</b>	No	No

### FY 2026 Appropriations Status

H.R. 7418 the Consolidated Appropriations Act, FY 26, includes the Financial Services General Government Appropriations bill as passed by the House on January 14 and the Senate on January 30, 2026. The bill provides \$324 million for the CDFI Fund, available through September 30, 2027. This is the same amount as FY 25.

## **CMF:**

The Capital Magnet Fund (CMF) program administered by the CDFI Fund spurs investment in affordable housing. Recipients of the award are required to leverage their awards with other private and public investments by at least ten to one guaranteeing that a minimum of \$2.46 billion will be invested into eligible affordable housing projects across the country. The last awards for this program were made in October of 2024, and funds are currently on hold.

## Total Pending Funds for Awards (FY 2025 and FY 2026)

### CDFI Fund Program Impacts

#### **Unlocking CDFI Fund Awards Will Spur Affordable Housing Production**

- The Trump administration has emphasized increasing the production of affordable housing. Based on past performance of award recipients, the pending FY 2025 CDFI Fund funds, along with newly appropriated funding in FY 2026, will generate about 122,000 in affordable homes and rental housing units<sup>1</sup>.

#### **Building Wealth Through Homeowner Assistance**

- Each year, CDFI Fund award recipients help tens of thousands of Americans achieve the goal of homeownership. In FY 2024, CDFI Fund Financial Assistance award recipients made 46,117 loans totaling \$5.3 billion in support of homeownership or improvement.

#### **CDFI Certification Helps Banks and CDFIs Partner to Better Serve Their Customers**

- CDFI Certification provides banks with financial and regulatory certainty when partnering with CDFIs to reach new markets and customers.
- Banks and CDFIs share a core mission of expanding access to capital through different but complementary channels.
- Certified CDFIs extend a bank's reach in communities where traditional underwriting or scale constraints make direct lending difficult.

#### **Affordable, Responsible Consumer Lending**

- CDFI depository institutions support consumer lending by providing responsible, small-dollar loans, mortgages, and credit products to borrowers who are often

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<sup>1</sup> Estimate based on past performance by CDFI Fund Financial Assistance award recipients; analysis of proposed Housing FA applications; and past performance of Capital Magnet Fund recipients. Note: CMF housing units have been deduplicated from expected impact of Financial Assistance award recipients (about 58% of FA recipients also receive CMF).

overlooked by conventional banks, using flexible underwriting and local knowledge to expand access to credit without compromising prudent lending standards. In FY 2024, CDFI Fund award recipients made 819,928 consumer loans totaling \$12.9 billion.

### **Supporting Small Businesses**

- CDFIs serve as a lifeline to American businesses, providing the patient, flexible capital that they need to grow. Each year, CDFI Fund award recipients provide financing to over 110,000 small businesses. In FY 2024, that included 180,126 originations totaling \$2.3 billion to businesses and microenterprises.

### **Facts About CDFIs**

Community Development Financial Institutions, or CDFIs, are mission-driven financial institutions that deliver affordable credit, capital, development services, and financial services to residents and businesses in economically distressed communities. CDFIs emerged to provide financial services in rural areas and in underserved urban and suburban neighborhoods. By leveraging over \$8 in private capital for every \$1 in federal support, CDFIs are filling the deep credit gap in many communities and supporting local borrowers to create jobs, start and grow businesses, build and improve housing and community facilities, and expand economic opportunity.

- 1,383 CDFIs, including 66 Native CDFIs, have been certified to work in low-wealth communities nationwide as of January 2026.
- Certified CDFIs include 573 loan funds, 446 credit unions, 159 depository institution holding companies, 193 banks or thrifts, and 12 venture capital funds in rural, urban, and suburban areas in all 50 states, DC, Puerto Rico, and Guam.

### **About the CDFI Fund**

The Community Development Financial Institutions Fund (CDFI Fund) was established within the U.S. Department of the Treasury in 1994 to promote community development in economically distressed urban and rural areas by investing in and expanding CDFIs nationwide. In addition to overseeing CDFI certification, the CDFI Fund administers a range of innovative programs designed to strengthen the ability of CDFIs to provide financial products and services. The CDFI Fund administers the following core programs, each of which awards funds through an independent, competitive application process.

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