

May XX, 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) to apportion the more than \$500 million in Capital Magnet Fund (CMF) program resources currently awaiting release by the Department of the Treasury.

The undersigned organizations represent the full spectrum of affordable housing finance and development 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).<sup>1</sup> 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.<sup>2</sup> Since the program's inception, CMF grants have produced more than 63,000 affordable homes and attracted nearly \$18.7 billion in leveraged capital.<sup>3</sup> 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

---

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

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

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

apportionment order to be deployed as awards to qualifying organizations. Affordable housing 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 available<sup>4</sup> — 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.

Sincerely,

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

---

<sup>4</sup>CDFI 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).