

The Honorable Eric Scott Turner
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, SW
Washington, D.C. 20510

The Honorable William J. Pulte
Director
Federal Housing Finance Agency
Constitution Center
400 Seventh Street, SW
Washington, D.C. 20024

May 15, 2025

Dear Secretary Turner and Director Pulte,

On his first day in office, President Trump signed an [Executive Order](#) requiring all federal agencies to focus on policies to help address our nation's housing affordability crisis. In your public comments, you both recognized our nation's dire housing shortage and committed to use your public offices to help [spur more housing construction](#) and [lower housing costs](#). We agree with the Administration's recognition of the serious harm being caused by this crisis and the need for comprehensive federal action. In addition, we recognize that the nation faces a fair housing crisis: We are seeing the largest number of fair housing complaints ever, over half of which are [based on disability](#), with the second largest complaint category based on race. We write today to express our concern that recent actions taken by the U.S. Department of Housing and Urban Development (HUD) and the Federal Housing Finance Agency (FHFA) are worsening the nation's fair and affordable housing crisis.

Specifically, expansive staffing dismissals and reductions, combined with the elimination of impactful housing programs at both agencies, are decreasing access to fair and affordable housing for working families in America. [Half of all renters are "cost-burdened,"](#) spending more than 30 percent of their income on housing, while of the 10.9 million extremely low-income renters in the U.S., [87 percent](#) are cost-burdened. In 2024, the [income needed to purchase a median-priced home](#) surged to \$117,000 in 2024 – an all-time high and well above the income of most families.

At HUD, we are troubled by Secretary Turner's enacted and planned staffing cuts and decisions to reduce or eliminate programs that have supported fair and affordable housing for working

families and for first-time homebuyers in particular. [Upwards of 80 percent](#) of all mortgages insured by the Federal Housing Administration (FHA) go to first-time homebuyers. Staffing cuts are already impacting multifamily FHA originations, which is creating uncertainty for builders and lenders, and undermining efforts to build more housing. Moreover, deep staffing cuts to the long-standing [Community Development Block Grant Disaster Relief \(CDBG-DR\) program](#) will make it much harder for homeowners who are disaster survivors to rebuild and for renters to find a place to live in disaster-hit areas. Given the [historical role](#) of this program, rural communities will be disproportionately impacted and will see worsening housing shortages in the wake of natural disasters.

Moreover, despite stating [in the confirmation hearing](#) that he would “commit to upholding fair housing laws,” Secretary Turner has eviscerated the long-established protections of the Fair Housing Act. Among other things, under Secretary Turner’s leadership, HUD has [rescinded long standing grants under the Fair Housing Initiatives Program](#) that help local fair housing organizations provide legal and other aid to the people in their communities, [rescinded the Affirmatively Furthering Fair Housing rule](#), announced that the agency will [no longer enforce the Equal Access Rule](#), shut down the [website for the Property Appraisal and Valuation Equity \(PAVE\) Task Force](#), restricted the [FHA’s appraisal appeal policy](#) for consumers facing discrimination, and proposed to reduce staffing at HUD’s Office of Fair Housing and Equal Opportunity [by up to 75 percent](#). Housing discrimination makes it even harder for millions of families - particularly people with disabilities and people of color - to find housing and worsens our housing crisis. Secretary Turner has taken all of these actions without any public explanation as to how HUD proposes to address their negative impact on our nation’s fair and affordable housing crisis. And now HUD has been instructed to further undermine people’s fair housing rights by [eliminating the use of the longstanding theory of disparate impact liability](#), even though this theory was [upheld by the Supreme Court in 2015](#).

At FHFA, Director Pulte has announced a series of [personnel](#) and [programmatic](#) changes that likewise threaten to undermine lenders’ ability to originate fair and affordable mortgages for working families. As government-sponsored enterprises (GSEs), Fannie Mae and Freddie Mac each have [a statutory obligation](#) to make mortgage finance broadly available in all communities. But the Director [ended the GSEs’ Special Purpose Credit Programs \(SPCPs\)](#), a profitable program for lenders that expanded access to homeownership in underserved communities by providing down payment assistance and more flexible underwriting guidelines. SPCPs have also supported community development initiatives such as affordable housing construction, to expand housing supply in underserved areas. Moreover, the [waiver of requirements](#) to implement data-driven Equitable Housing Finance Plans further weakens the GSEs’ duty to drive housing finance innovation in ways that safely and soundly expand homeownership opportunities for working families. Finally, in moves that will limit access to GSE mortgages, Director Pulte placed FHFA’s fair lending and consumer protection teams [on administrative leave and fired](#)

most of the staff in the Office of Minority and Women Inclusion at Fannie Mae and Freddie Mac.

The rapid, unpredictable changes instituted by Director Pulte have led to [confusion and upheaval in the markets](#) and are undermining trust in Fannie Mae and Freddie Mac. Investors' trust has been critical for the Enterprises to function as the infrastructure that connects American mortgages to global capital, and to keep mortgage costs low for working families.

These recent actions at HUD and FHFA are worsening the fair and affordable housing crisis, including by making it even harder for people to buy their first home. Shifting market and consumer sentiments also indicate their unpopularity. [Stock prices for single-family and multifamily homebuilders](#) have decreased by double-digits in recent months. Homeownership affordability is worsening and mortgage rates have increased in the last few weeks. Consumers are expressing [increasingly negative sentiments](#) about housing affordability. These responses do not suggest confidence in the actions recently taken by either HUD or FHFA.

Make no mistake. Without significant course correction, the recent policies adopted by HUD and FHFA will make it harder for people to fairly access and afford a place to call home. This result is inconsistent with the law and goes directly against the President's and your stated commitment to address our housing crisis. As many of our nation's most prominent housing advocacy organizations, we welcome a meeting to discuss housing solutions that will truly address our nation's escalating fair and affordable housing crisis.

Sincerely,

National Organizations:

Americans for Financial Reform Education Fund

Center for Responsible Lending

Coalition for Home Repair

Community Opportunity Alliance

Consumer Action

Consumer Federation of America

Grounded Solutions Network

JustLeadershipUSA

JustUS Coordinating Council

Lincoln Institute

NAACP Legal Defense and Educational Fund, Inc.

National Community Reinvestment Coalition (NCRC)

National Consumer Law Center (on behalf of its low-income clients)

National Fair Housing Alliance

National Housing Law Project
National Low Income Housing Coalition
National Women's Law Center
Poverty & Race Research Action Council
Revolving Door Project
The National Coalition for Asian Pacific American Community Development (National CAPACD)
Woodstock Institute

State/Local Organizations:

Advocates for Basic Legal Equality, Inc.
Community Legal Services of Philadelphia
Long Island Housing Services, Inc.
North Carolina Justice Center
Public Counsel
Rise Economy
The Center for NYC Neighborhoods
Vermont Legal Aid

CC: Secretary Scott Bessent