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U.S. House of Representatives Passes National Affordable Housing Trust Fund

Groundbreaking Act to Produce, Preserve and Rehabilitate 1.5 Million Affordable Homes in 10 Years

Washington, DC- In a dramatic victory for homeless and low income people across the nation, the U.S. House of Representatives approved a bill to produce, preserve and rehabilitate 1.5 million affordable homes in 10 years. The House voted Wednesday 264-148 to pass H.R. 2895, the National Affordable Housing Trust Fund Act of 2007.

The Act will allot 75 percent of its federal funding to provide housing for households that are extremely low income, earning less than 30 percent of an area's median income.

Nationwide, there are only 6.2 million homes renting at prices affordable to the 9 million extremely low income renter households -- a shortage of 2.8 million homes. Not a single Congressional district has enough affordable, available rental housing to accommodate extremely low income families. These troubling statistics factor heavily into the nearly 750,000 people sleeping on the street or in shelter on any given night, according to the National Alliance to End Homelessness.

The passage of the Act will have far reaching consequences, helping to prevent and end homelessness by providing affordable housing to the low income families and individuals who are most vulnerable to it. According to Nan Roman, President of the National Alliance to End Homelessness, studies show that increased federal funding for affordable housing has the largest impact on decreasing homelessness permanently.

"This is the most significant act passed in the last decade in the fight against homelessness," Roman said. "I'd like to personally thank Rep. Barney Frank (D- MA), Chairwoman of the House Financial Services Committee, Rep. Maxine Waters (D-CA), Chairman of the Subcommittee on Housing and Community Opportunity, Rep. Jim Ramstad (R-MN), and Rep. Christopher Shays (R-CT) for their combined support in introducing and fighting for this important bill."

Currently, the National Affordable Housing Trust Fund has two sources of funding, which the Congressional Budget Office estimates have a combined value of \$800 to \$1 billion a year. The first source of funding is from the Government Sponsored Enterprises (GSE) Fannie Mae and Freddie Mac. The second stems from expansion of the Federal Housing Administration's (FHA) home equity conversion mortgage (HECM) product.

More information about the NHTF Campaign, including an online toolkit containing a summary of the legislation, frequently asked questions, and fact sheets and data on the need for affordable housing, can be found at www.nhtf.org.