



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Department of Housing and Urban Development (HUD) is responsible for creating healthy, safe, sustainable, and inclusive communities and affordable homes. The President's 2025 Budget for HUD: protects and expands rental assistance for low-income families; provides new projects to prevent and reduce homelessness; takes steps to address affordable housing supply shortages; protects vulnerable populations from housing instability and health hazards; and prevents and redresses housing-related discrimination.

The Budget requests \$72.6 billion in discretionary budget authority for 2025, a nearly \$500 million, or 0.7-percent increase from the 2023 level. In recognition of challenges in the housing market, the Budget also includes significant mandatory and tax proposals to prioritize and expand rental assistance, homeownership, and affordable and climate resilient housing supply across the Nation.

The President's 2025 Budget:

- **Expands Access to Affordable Rent through the Housing Choice Voucher (HCV) Program.** The HCV program currently provides 2.3 million low-income families with rental assistance to obtain housing in the private market. The Budget proposes \$32.8 billion in discretionary funding, an increase of \$2.5 billion over the 2023 level, and assumes Public Housing Agencies will draw \$963 million from HCV program reserves to maintain and protect critical services for all currently assisted families. The Budget also reflects the Administration's continued commitment to expand assistance, supporting an additional 20,000 households, particularly those who are experiencing homelessness or fleeing, or attempting to flee, domestic violence or other forms of gender-based violence. To further ensure that more households have access to safe and affordable housing, the Budget includes mandatory funding to support two populations that are particularly vulnerable to homelessness—youth aging out of foster care and extremely low-income (ELI) veterans. The Budget provides \$9 billion to establish a housing voucher program for all 20,000 youth aging out of foster care annually, and provides \$13 billion to incrementally expand rental assistance for 400,000 ELI veteran families, paving a path to guaranteed assistance for all who have served the Nation and are in need. Since the beginning of this Administration, HUD has expanded voucher assistance to over 100,000 additional families, and the Budget continues this progress by expanding voucher access to hundreds of thousands of families.
- **Increases Affordable Housing Supply to Reduce Housing Costs.** Access to safe and affordable housing is a critical foundation of the President's economic vision. The Budget builds on previous investments and actions by the Administration to boost housing supply

and lower housing costs, particularly for lower- and middle-income households. The Budget invests \$1.3 billion in the HOME Investment Partnerships Program (HOME) to construct and rehabilitate affordable rental housing and provide homeownership opportunities. To further address the critical shortage of affordable housing in communities throughout the Nation, the Budget provides \$20 billion in mandatory funding for a new Innovation Fund for Housing Expansion, which would be a competitive grant program for municipalities and other entities that develop concrete plans for expanding housing supply, with additional funding for housing affordability pilots. The Budget also provides \$7.5 billion in mandatory funding for new Project-Based Rental Assistance contracts to incentivize the development of new climate-resilient affordable housing. The Budget expands the existing Low-Income Housing Tax Credit and proposes a new Neighborhood Homes Tax Credit. Together these proposals would expand the supply of safe and affordable housing, bring new units to market, and ultimately help curb cost growth across the broader rental market.

- **Advances Efforts to End Homelessness.** The Budget provides \$4.1 billion, an increase of \$427 million over the 2023 level, for Homeless Assistance Grants to continue supporting approximately 1.2 million people experiencing homelessness each year and to expand assistance to approximately 25,000 additional households, specifically survivors of domestic violence and homeless youth. In addition, the Administration plans to use approximately \$100 million in program recaptures to fund coordinated interventions to support nearly 11,000 additional homeless individuals and families. These new resources support the Administration's commitment to the goals laid out in the *All In: Federal Strategic Plan to Prevent and End Homelessness* and build on efforts that have expanded assistance to roughly 140,000 additional households experiencing homelessness since the President took office. The Budget also provides \$505 million, or \$6 million above the 2023 level, for Housing Opportunities for Persons with AIDS, serving a population with a disproportionately high rate of homelessness and providing a critical link to services. The Budget further reflects the Administration's commitment to make progress toward ending homelessness by providing \$8 billion in mandatory funding for the acquisition, construction, or operation of housing to expand housing options for people experiencing or at-risk of homelessness, as well as \$3 billion in mandatory funding for grants to provide counseling and emergency rental assistance to older adult renters at-risk of homelessness.
- **Supports Economic Development and Removes Barriers to Affordable Housing.** The Budget provides \$2.9 billion for the Community Development Block Grant program to assist communities in modernizing infrastructure, investing in climate resilience and economic development, creating parks and other public amenities, and providing social services. Within this amount, up to \$100 million is provided to expand Pathways to Removing Obstacles to Housing, a competitive program that builds upon ongoing HUD research on land use and affordable housing by rewarding State, local, and regional jurisdictions that make progress in removing barriers to affordable housing developments, such as restrictive zoning. States and localities that embrace efforts to increase their supply of housing would ease cost growth for renters and homebuyers in those areas.
- **Reduces Lead and Other Home Health Hazards for Vulnerable Families.** The Centers for Disease Control and Prevention identifies the risk for lead exposure as greatest for children from racial and ethnic minority groups and children in families living below the poverty level. To help protect families from these health hazards, the Budget provides \$350 million for States, local governments, and nonprofits to reduce lead-based paint and other health hazards, especially in the homes of low-income families with young children, as part of the Administration's Justice40 Initiative. To more efficiently deliver assistance, the Budget transforms how States

and local governments receive funds through a new formula grant program to more effectively fund lead and other home health hazard mitigation efforts for the most vulnerable and at-risk families across the Nation. The Budget targets \$67 million specifically to prevent and mitigate lead-based paint and housing-related health hazards, such as fire safety and mold, in public housing, an increase of \$2 million above the 2023 level.

- **Expands Access to Homeownership and Reduces Down Payments for First-Time and First-Generation Homebuyers.** The Budget proposes a new Mortgage Relief Credit to help increase access to affordable housing. The proposal includes a new tax credit for middle-class homebuyers of up to \$10,000 over two years to ease affordability challenges. In addition, to unlock starter home inventory for first-time homebuyers and help middle-class families who are “locked in” to their current homes because of lower mortgage rates at the time of purchase, the proposal also includes a credit of up to \$10,000 for one year to middle-class families who sell their starter home—a home at or below the area median home price—to another owner-occupant. The Budget also provides \$10 billion in mandatory funding for a new First-Generation Down Payment Assistance program to help address homeownership and wealth gaps. In addition, the Budget preserves the Administration’s progress in expanding access to homeownership for underserved borrowers, including many first-time and minority homebuyers, through Federal Housing Administration (FHA) and Ginnie Mae credit guarantees. In 2023, first-time homebuyers accounted for over 80 percent of FHA-insured home purchase loans. The Budget also includes up to \$50 million for a HOME down payment assistance pilot program that would reduce mortgage down payments for first-generation as well as low wealth first-time homebuyers.
- **Supports Eviction Prevention Efforts.** The Budget provides \$3 billion in mandatory funding for competitive grants to promote and solidify State and local efforts to reform eviction policies by providing access to legal counsel, emergency rental assistance, and other forms of rent relief. The Budget also includes \$10 million for the Eviction Protection Grant Program, which provides legal assistance to low-income tenants at risk of or subject to eviction.
- **Advances Equity by Preventing and Redressing Housing Discrimination and through Other Government-Wide Priorities.** The Budget provides \$86 million, equal to the 2023 level, to support State and local fair housing enforcement organizations and to further education, outreach, and training on rights and responsibilities under Federal fair housing laws. The Budget also preserves robust funding for HUD staffing and technical assistance to affirmatively further fair housing, improve access to affordable housing, address gender-based violence, and combat housing discrimination, including discrimination in tenant and homebuyer screening and advertising in furtherance of Executive Order 14110, “Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence.”
- **Improves the Quality of HUD-Assisted Housing.** The Budget provides \$26.5 billion in funding to support HUD-assisted multifamily properties and Public Housing to serve 2.2 million low-income families. In addition to ongoing efforts to make HUD-assisted multifamily housing more resilient and energy efficient—the Green and Resilient Retrofit Program, the Budget includes \$112 million for preservation and greening of HUD-assisted housing via the Rental Assistance Demonstration. The Budget also centralizes funding for inspections for these properties, which would enhance HUD’s ability to identify and address financial and physical risks and would complement HUD’s modernized National Standards for Physical Inspection of Real Estate building maintenance standards. To further complement these efforts, the Budget provides \$7.5 billion in mandatory funding for comprehensive modernization of targeted Public Housing communities.

- **Invests in Affordable Housing in Tribal Communities.** Native Americans are seven times more likely to live in overcrowded conditions and five times more likely to have inadequate plumbing, kitchen, or heating systems than all U.S. households. The Budget provides \$1.1 billion, a \$33 million increase above the 2023 level, to support tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families. Of this total, \$150 million would prioritize activities that advance resilience and energy efficiency in housing-related projects.