



February 21, 2025

The Honorable Scott Turner  
Secretary  
U.S. Department of Housing & Urban Development  
451 7<sup>th</sup> St. SW, Room 10000  
Washington, DC 20410

Dear Mr. Secretary:

I am writing on behalf of the National Leased Housing Association (NLHA) and our affordable housing developer/ owners. In 2020, President Trump recognized the nation's growing housing affordability shortage and created the White House Council on Eliminating Regulatory Barriers to Affordable Housing. NLHA on behalf of our members participated in those discussions to share our developer/ owners' private sector expertise. We are fully supportive of the President and your commitment to identifying and implementing efficiencies in the operation of HUD programs, and at the appropriate time we would look forward to discussing many specific opportunities to reduce regulatory burden and costs with your office.

However, today, I write to respectfully direct your attention to an urgent matter concerning loans and grants awarded by HUD under the Green and Resilient Retrofit Program (GRRP). These loans and grants are an essential component of preservation transactions involving public/private partnerships that are, have been or will shortly be finalized.

Last week we began hearing from a variety of media and other sources that the Department of Government Efficiency (DOGE) has recommended that funds appropriated by Congress and committed in writing to specific owners, typically as part of larger scale preservation transactions for the Green and Resilient Retrofit Program (GRRP) will not be disbursed. Our developer/owner members who have received a written funding commitment from the Department are, as you can imagine, quite concerned about these rumors and have not received any official notification of such an action.

The funds, in the vast majority of cases, are structured as a surplus cash loan (that will be repaid) to HUD's private sector-owner partners and are a key component to hundreds of transactions that have been planned and, in some cases, closed. These preservation transactions were leveraged based on an award, a commitment from HUD. Any change in HUD's commitment at this time will halt or significantly delay rehabilitation and construction when preserving affordable housing supply is a national concern.

The GRRP loans and grants are a powerful catalyst for leveraging private capital from sources such as new mortgages, the Low-Income Housing Tax Credit (LIHTC), private equity, and owner investments that preserve and produce affordable housing as well as reduce costs, fortify HUD's investments, create good paying construction and supply chain jobs, and stimulate local economies.

To provide context, the below chart, put together on short notice, is a representative sample of actual preservation transactions that received commitments and are at risk if the GRRP cuts are effectuated.

Specifically, the list below represents 47 separate transactions affecting over 6,400 affordable apartments in 19 different states from Arizona, to Ohio, South Carolina, Texas and Wyoming. The total GRRP funds awarded to just these preservation transactions exceed \$184 million, but leverages at nearly 10x, other capital that is driving over \$2 Billion of transactions that are now potentially at risk. If we apply the same leverage to the entire GRRP program of \$1 Billion, we can expect that \$10 Billion of affordable housing preservation is at risk.

All of our members listed on the attached have been working as private sector partners with HUD for decades and have relied on HUD to fulfill its documented obligations as they fulfill theirs. We are therefore somewhat confused by the information we are receiving from outside the agency and would greatly appreciate a timely confirmation from your office that the HUD commitments in our award letters will be met and the transactions that are being scheduled to close will include HUD’s funding for those loan commitments.

Thank you for your consideration.

Sincerely,



Denise B. Muha  
COO/Executive Director

Developer		# of Units	City	State	Amount of Award	Grant or Loan?	TDC (Rounded)	Closed?
American Developers	Community	50	Duncan	SC	750,000	Grant	11,000,000	N
American Developers	Community	41	Richmond	VA	750,000	Loan	12,000,000	N
American Developers	Community	50	Pageland	SC	3,000,000	Loan	10,000,000	N
American Developers	Community	77	Toledo	OH	4,620,000	Loan	18,000,000	N
American Developers	Community	100	Toledo	OH	6,000,000	Loan	23,000,000	N
American Developers	Community	60	Fresno	CA	3,600,000	Loan	27,000,000	N
American Developers	Community	325	Pontiac	MI	10,000,000	Grant	67,000,000	N
American Developers	Community	104	Columbia	SC	6,240,000	Loan	29,000,000	N

American Developers	Community	87	Detroit	MI	5,220,000	Grant	60,000,000	N
American Developers	Community	121	Kansas City	KS	7,260,000	Loan	30,000,000	N
American Developers	Community	100	Junction City	KS	750,000	Grant	18,000,000	N
American Developers	Community	147	Kansas City	KS	8,820,000	Grant	39,000,000	N
California Commercial Inv Co		91	Baton Rouge	LA	7,200,000	Loan	34,000,000	N
California Commercial Inv Co		16	Valentine	NE	1,280,000	Loan	1,280,000	N
Essence Development		165	Toledo	OH	750,000	Loan	35,000,000	Yes
Homes for America, Inc.		154	Baltimore	MD	314,268	Grant	36,300,000	Y
ITEX		202	Port Arthur	TX	16,160,000	Loan	19,392,000	No
ITEX		200	Port Arthur	TX	16,000,000	Loan	19,200,000	No
ITEX		256	Port Arthur	TX	20,000,000	Loan	24,000,000	No
Lincoln Avenue Communities		94	Gillette	WY	5,640,000	Loan	37,000,000	N
McCormack Baron Salazar		139	St. Louis	MO	750,000	Loan	40,000,000	N
MCFAH		200	Pontiac	MI	10,000,000	Grant	51,000,000	N
Related		146	Phoenix	AZ	455,500	Loan	53,000,000	No
Related Affordable		165	Waterbury	CT	743,283	Loan	49,000,000	No
Related Affordable		125	Kankakee	IL	552,313	Loan	20,000,000	Yes
Related Affordable		191	Kansas City	MO	573,106	Loan	46,000,000	No
Related Affordable		179	Poughkeepsie	NY	647,700	Loan	140,000,000	
Related Affordable		156	San Francisco	CA	392,599	Loan	140,000,000	No
Related Affordable		145	San Francisco	CA	375,137	Loan	129,000,000	No

Related Affordable	146	San Francisco	CA	303,176	Loan	115,000,000	No
Related Affordable	157	San Francisco	CA	451,352	Loan	145,000,000	No
Standard Communities	180	Norfolk	VA	750,000	Grant	72,650,000	No
Standard Communities	80	Glen Ellyn	IL	750,000	Grant	29,500,000	No
Standard Communities	46	Pittsburgh	PA	647,677	Grant	19,950,000	No
Standard Communities	101	Chesapeake	VA	750,000	Grant	31,750,000	No
Standard Communities	100	Chesapeake	VA	750,000	Grant	32,750,000	No
Vitus	200	Salisbury	MD	10,000,000	Loan	86,000,000	No
Vitus	94	Garden City	GA	368,097	Loan	30,000,000	No
Vitus	155	Vallejo	CA	750,000	Loan	29,000,000	No
Vitus	57	Vallejo	CA	564,739	Grant	19,000,000	No
Vitus	250	Newport News	VA	10,000,000	Loan	75,000,000	No
Vitus	239	Newport News	VA	10,000,000	Loan	85,000,000	No
Vitus	151	Corpus Christi	TX	7,000,000	Loan	54,000,000	No
Vitus	13	Glendale	CA	331,635	Loan	9,000,000	Yes
Vitus	96	Coon Rapids	MN	714,351	Loan	30,000,000	No
WinnCompanies	85	Philadelphia	PA	6,800,000	Loan	43,000,000	No
WinnCompanies	131	Washington	DC	7,860,000	Loan	97,000,000	No