



The National Housing Trust Fund Campaign  
c/o National Low Income Housing Coalition  
727 15th Street NW, 6th Floor  
Washington, DC 20005  
Ph: 202-662-1530 | Fx: 202-393-1973  
[www.nhtf.org](http://www.nhtf.org)

---

A home is the  
*foundation.*

## A NATIONAL HOUSING TRUST FUND BENEFITS BANKS

Banks would benefit from the increase in development capital that the National Housing Trust Fund would provide. Trust Fund units would, in most cases, be part of mixed income developments that depend on conventional financing as well. The influx of available financing for development would start a process of community revitalization and would bring new clients into the area.

**Basics:** Banks should ask Congress to create a **National Housing Trust Fund** to provide a firm foundation for their housing and community investments. The National Housing Trust Fund Campaign proposes federal legislation that would create a dedicated source of funding for the production, preservation and rehabilitation of 1.5 million affordable housing units in 10 years.

- **Trust Fund development would give banks significant new business opportunities.** Fully capitalized Trust Fund units would be mixed with other housing relying on mortgage financing.
- **Including Trust Fund financing would put projects on a firmer financial footing.** This would not only increase the number of viable projects in your community looking for financing but also improve the sustainability of that financing in the long run.
- **Financing dollars count three times.** The financing that banks, as a private lender, put into low income housing would be matched two to one by the Trust Fund. That means financing is worth more to the community and could do more to create better neighborhoods.
- **Financing a project that receives funding from the National Housing Trust Fund would earn a bank points on its Community Reinvestment Act (CRA) exam.** CRA requires banks to serve the credit needs of all communities, including low and moderate income communities. A loan to or investment in a Trust Fund development would qualify as eligible financing on a CRA exam since such financing indicates that a bank is very responsive to housing needs for low income families in its community.
- **Housing is an economic stimulus.** It brings money, jobs and consumers into a neighborhood and contributes to overall neighborhood improvement.
  - The National Association of Home Builders (NAHB) estimates that in a typical U.S. metropolitan area, building 100 single-family units generates \$16 million in local income and 284 local jobs in the first year alone. The corresponding figures for 100

multi-family units are \$7 million and 133 jobs. The portion of this new income that benefits local businesses is 29% and 23% respectively<sup>1</sup>.

**ENDORISING ORGANIZATIONS INCLUDE:**

- National Cooperative Bank Community Development Corporation
- Congress for Community and Economic Development
- National Neighborhood Coalition
- National Credit Union Foundation
- National Community Building Network

*For more information, visit [www.nhtf.org](http://www.nhtf.org) or call 202-662-1530 x229.*

---

<sup>1</sup> National Association of Home Builders. (2005). *The local impact of home building in a typical metropolitan area: income, jobs, and taxes generated*. Washington, D.C.: Author. Retrieved on June 13, 2007 from [http://www.nahb.org/fileUpload\\_details.aspx?contentTypeID=3&contentID=35601&subContentID=28002](http://www.nahb.org/fileUpload_details.aspx?contentTypeID=3&contentID=35601&subContentID=28002).