A Brief History of Federal Housing Legislation

Colorado NAHRO

May 13, 2015
The Beginning

National Housing Act of 1934

Federal Housing Administration created
The Beginning

National Housing Act of 1934

FHA Insurance Programs created
Section 203 – Single Family
Section 207 - Multifamily
Next

U.S. Housing Act of 1937

Created the U.S. Public Housing Authority - loans to PHAs for building public housing
And Then Came...

Housing and Urban Development Act of 1965

Created HUD as a Cabinet Level Agency
And Then...

Housing and Urban Development Act of 1968
Divided FNMA - private corporation and public entity; Government National Mortgage Association “Ginnie Mae”
Moving Right Along...

Housing and Community Development Act of 1974
Amended Housing Act of 1937
Created Section 8 program
Community Reinvestment Act of 1977

Requires banks to make more loans in low and moderate income neighborhoods
Then came...

**Tax Reform Act of 1986**

Created Low Income Housing Tax Credit and Private Activity Bond Programs – “9%” & “4%” LIHTC
Today

- LIHTC
- Private Activity Bonds
- HUD/FHA Mortgage Insurance & HFA Risk Share
Today

- Freddie Mac
- Fannie Mae
- Banks
Today – A Project

- Mountain City Housing Authority
- Free Land for development of a 50 unit senior housing facility.
Today

- The project will be 80% 1 BR and 20% 2 BR.
- The land value is $500,000
- Units will cost $150,000 each to build.
Today

- Rents for 1 BR units at 50% AMI are $700; 2 BR rents are $800.
- Operating expenses will be $4,000 per unit/annum
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