

March 3, 2025

The Honorable Mike Flood  
Chairman  
House Financial Services Committee  
Subcommittee on Housing and Insurance  
343 Cannon House Office Building  
Washington, DC 20515

The Honorable Emmanuel Cleaver  
Ranking Member  
House Financial Services Committee  
Subcommittee on Housing and Insurance  
2217 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Flood, Ranking Member Cleaver, and Members of the Subcommittee:

As our nation continues to grapple with a significant housing shortage, the National Multifamily Housing Council (NMHC)<sup>1</sup> and the National Apartment Association (NAA)<sup>2</sup>. applaud the Subcommittee for having this important hearing entitled: *Building Our Future: Increasing Housing Supply in America*.

It is essential that we build housing at all price points to meet the wide range of demand. While we are at historic levels of apartment completions, this will provide only short-term relief for a long-term problem. According to research conducted by Hoyt Advisory Services and Eigen10 Advisors, LLC, and commissioned by NMHC and NAA, **the U.S. is facing a pressing need to build 4.3 million new apartment homes by 2035.**

Key findings include:

- **Shortage of 600,000 Apartment Homes.** The 4.3 million apartment homes needed includes an existing 600,000 apartment home deficit because of underbuilding after the 2008 financial crisis.
- **Loss of Affordable Units.** The number of affordable units (those with rents less than \$1,000 per month) declined by 4.7 million from 2015 to 2020.
- **Homeownership.** Apartment demand also factors in a projected 3.8 percent increase in the homeownership rate.

Research recently conducted by economists from MetroSight found that overregulation negatively impacts rental housing affordability by increasing operating costs and discouraging new construction, which restricts housing opportunities for individuals and families. Further, regulation imposed by all levels of government accounts for an average of 40.6 percent of multifamily development costs, according to research by the NMHC and the National Association of Home Builders.

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<sup>1</sup> Based in Washington, D.C., NMHC is a national nonprofit association that represents the leadership of the apartment industry. Our members engage in all aspects of the apartment industry, including ownership, development, management, and finance, who help create thriving communities by providing apartment homes for nearly 40 affordable housing million Americans, contributing \$3.4 trillion annually to the economy. NMHC advocates on behalf of rental housing, conducts apartment-related research, encourages the exchange of strategic business information and promotes the desirability of apartment living.

<sup>2</sup> The NAA serves as the leading voice and preeminent resource through advocacy, education, and collaboration on behalf of the rental housing industry. As a federation of 141 state and local affiliates, NAA encompasses over 96,000 members representing more than 12 million apartment homes globally. NAA believes that rental housing is a valuable partner in every community that emphasizes integrity, accountability, collaboration, community responsibility, inclusivity, and innovation.



As our nation continues to grapple with a significant housing shortage, NMHC and NAA would like to share a letter sent to President Trump ([linked here](#)) requesting a thorough review of 32 federal programs, rules and regulations at 10 different agencies with the goal of increasing housing supply, lowering costs and improving housing affordability. Many federal regulations have strayed from their intended purpose and, instead, have stifled innovation and hampered housing production when our nation faces a critical housing supply shortage.

Congress and this Administration have made increasing housing supply and lowering the cost of housing a top priority, and a review of federal regulations on rental housing providers will make it easier to build more housing and lower cost for renters. We look forward to working with you and the Administration towards our shared housing goals. Please call upon us if we can serve as a resource to you in this regard.

Sincerely,

A handwritten signature in black ink, appearing to read "Sharon Wilson Géno".

Sharon Wilson Géno  
President, NMHC

A handwritten signature in black ink, appearing to read "Bob Pinnegar".

Bob Pinnegar  
President & CEO, NAA