U.S. Department of Housing and Urban Development

FY 2027
ANNUAL PERFORMANCE PLAN

FY 2025
ANNUAL PERFORMANCE REPORT



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Message from Secretary Turner



I am proud to present the U.S. Department of Housing and Urban Development's (HUD) Annual Performance Plan (APP) for FY 2027 and the Department's successes in HUD's Annual Performance Report (APR) for FY 2025.

FY 2025 was a transformative year. HUD took bold action to address our nation's supply of housing. We remain focused on restoring a more affordable American Dream to attain. Our efforts to take inventory of Departmental programs, policies, and operations revealed opportunities to reduce barriers to affordable housing. Throughout our efforts, we remained committed to empowering Americans to achieve independence by propelling them towards greater self-sufficiency. In so doing, our decisive actions in FY 2025 reinforced the original intent of public housing programs, as temporary support systems. We will continue our successes in restoring accountability to our programs as we continue to drive the Golden Age of HUD into FY 2027.

Our workforce is committed to expanding access to safe and healthy housing while cultivating opportunities for economic independence. Major reforms to our rental assistance programs, combined with swift elimination of policies that restrict housing supply, will encourage upward financial mobility that enables residents to build brighter futures. As we work to enhance the nation's housing supply, the health and safety of our residents is a top priority. We aim to remove lead-safety hazards from an additional 29,500 units by FY 2027. In addition to securing high-quality, physical conditions of public housing, HUD will also continue to employ our advanced research tools to develop data-driven solutions to transform communities. HUD's work to implement Opportunity Zones will foster economic and community growth conducive to supporting individuals and families to thrive beyond their immediate housing needs. Our nation's most vulnerable populations, including individuals living on the streets, can receive important wraparound services through our extensive collaboration with local partners, so that no American is left behind.

As public servants, we are entrusted with valuable taxpayer funds that must be safeguarded against harmful fraud, waste, and abuse. We will prioritize gaining more comprehensive insight into how grantees and Public Housing Agencies spend grant funding. Modernized tools, such as a new recipient and sub-recipient reporting portal, will ensure the proper oversight and enforceability of our policies. These robust internal controls will help HUD ensure the integrity of its investments in the success of the American people.

Our service delivery to the American people is dependent on our ability to optimize operations and empower our workforce. Leveraging forward-thinking technology, such as Super Intelligence and Robotics Process Automation, will remove time-consuming, manual processes. Upgrading our procedures, including our procurement of products and services, will further enable HUD to eliminate waste and optimize every dollar spent.

The Golden Age of Housing is well underway. As HUD looks forward to FY 2027, we will continue to employ effective strategies to reduce barriers to affordable housing, protect taxpayer funds, and streamline business processes.

Sincerely,



E. Scott Turner
Secretary
U.S. Department of Housing and Urban Development

About This Plan

The Fiscal Year (FY) 2027 Annual Performance Plan (APP) and FY 2025 Annual Performance Report (APR) for the U.S. Department of Housing and Urban Development (hereinafter, "HUD," or "the Department") contains the Department's FY26-27 performance targets and FY25 performance information. This plan allows readers to identify HUD's FY 2026-2030 priorities and stewardship of public resources. This plan consists of several sections:

Agency Organization and Performance Reporting

The Agency Organization and Performance Reporting section establishes the context for the HUD enterprise in terms of HUD's organizational structure, scope of responsibilities, and management agenda.

Strategic Objectives, Performance Indicators, and Cross-Agency Priority Goals

The second section is the heart of the Plan and is organized by strategic objective. Strategic objectives are intended to reflect the outcome or management impact the Department is trying to achieve. HUD will track each objective annually through a specific set of performance indicators.

For each strategic objective that HUD will monitor, HUD has included associated strategies and performance metrics to track progress. Performance indicators will be given targets and detail how HUD will track its progress. For some performance indicators, HUD will gather data to establish baselines and prepare to set targets in future years.

Additional Information

This final section of the document includes required supporting information, including a description of HUD's data-driven management review process, a summary of both completed and upcoming evaluations and research to inform progress on HUD's strategic goals, and a section that provides a summary of changes of performance measures that have been added or dropped compared to the FY 2026 APP.

Section One: Agency Organization and Performance Reporting

HUD's Mission

HUD's mission is to foster strong communities by supporting access to quality, affordable housing, expanding the housing supply, and unlocking homeownership opportunities for the American people. The Department is committed to furthering the promise of self-sufficiency in every American while promoting economic development to revitalize rural, Tribal, and urban communities across the country.



Introduction

This Fiscal Year (FY) 2027 Annual Performance Plan (APP) and FY 2025 Annual Performance Report (APR) for HUD contains the Department's FY 2026-2027 performance targets and FY 2025 performance information. This combined APP and APR allows readers to identify HUD's FY 2026-2030 priorities and stewardship of public resources.

HUD's mission is to foster strong communities by supporting access to quality, affordable housing, expanding the housing supply, and unlocking homeownership opportunities for the American people. The Department is committed to furthering the promise of self-sufficiency in every American while promoting economic development to revitalize rural, Tribal, and urban communities across the country.

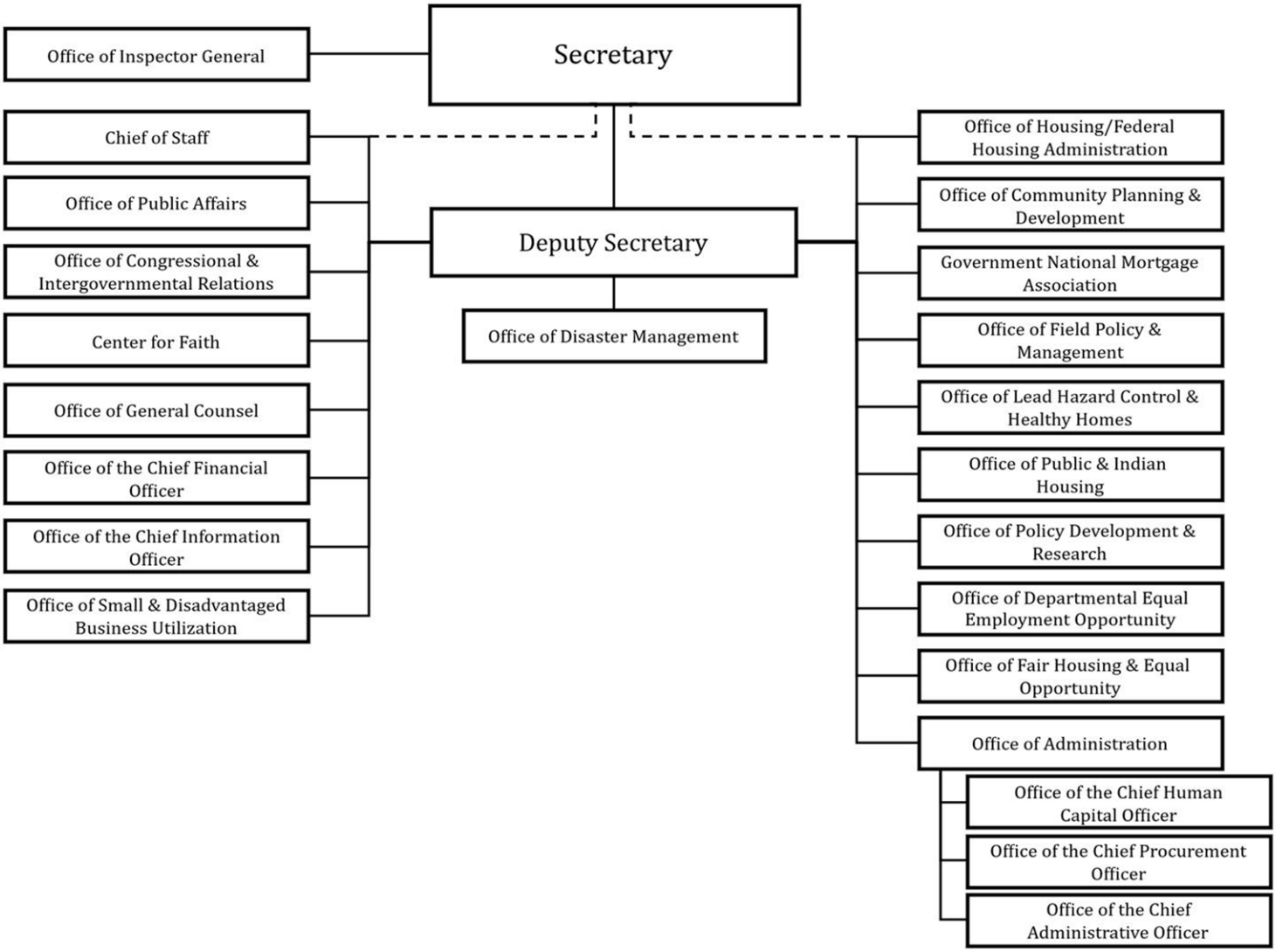
Development of the Annual Performance Plan

Stakeholder Engagement: The Department is reengaging its customers and partners to ensure our services meet their needs. These engagements are integral to HUD's pursuit of effective strategies that enable our services to be informed by and tailored to our customers.

Enterprise and Fraud Risk Management: Effective enterprise and fraud risk management requires the use of strong internal controls that are tracked at the strategic, programmatic, and operational levels. HUD risk officers, stakeholders, and business owners will continue to work together to integrate and align performance, budget, and risk management activities to improve leadership decision-making.

Building the Evidence Base: The Department is committed to using evidence-based policymaking to implement cost-effective solutions that support our mission. To guide HUD policy in a changing environment, it is essential that research adhere to Gold Standard Science under Executive Order 14154 and be strategic, systematic, and well-structured. HUD's long-term strategic framework will continue to evolve based on the evidence base provided by Departmental research activities.

Departmental Structure



HUD, a Cabinet-level Department created in 1965, is responsible for national policy and programs that address America's housing needs, improve, and develop the Nation's communities, and enforce fair housing laws. It accomplishes its mission through component organizations and offices that administer programs carried out through a network of regional and field offices and partnerships with other Federal agencies, state and local grantees, and for-profit, philanthropic, and non-profit organizations of the private sector.

- Learn more about HUD's major organizational units and program offices.
- Learn more about HUD's regions and field offices.

FY 2026-2030 HUD Strategic Framework

HUD's Mission

Foster strong communities by supporting access to quality, affordable housing, expanding the housing supply, and unlocking homeownership opportunities for the American people. The Department is committed to furthering the promise of self-sufficiency in every American while promoting economic development to revitalize rural, Tribal, and urban communities across the country.

Strategic Goal 1: Reduce Barriers to Affordable Housing.

Remove barriers that inhibit the development and utilization of affordable housing.

1.1: Support Responsible Homeownership.

Support responsible, sustainable homeownership opportunities for creditworthy first-time homebuyers, while ensuring access to affordable housing.

1.2: Create Paths to Economic Independence.

Create paths to economic independence for American citizens by providing access to quality, affordable rental housing.

✪ Agency Priority Goal: Increase the Supply of Healthy Homes. ✪

1.3: Reduce Unsheltered Homelessness.

Reduce the unsheltered homelessness crisis through recovery and self-sufficiency.

1.4: Address Drivers of the Housing Affordability Crisis.

Address and mitigate against drivers of the housing affordability crisis.

Strategic Goal 2: Protect Taxpayer Funds.

Increase HUD's efficiency and effectiveness in executing its mission by eliminating fraud, waste, and abuse in Federal spending.

* 2.1: Safeguard the Integrity of HUD's Payments. *

Tackle fraud, waste, and abuse by strengthening HUD's internal controls.

✪ Agency Priority Goal: Strengthen Funding Recipient Accountability. ✪

Strategic Goal 3: Streamline Business Processes.

Radically streamline and simplify HUD operations to meet 21st Century demands.

* 3.1: Establish a Culture of Accountability and Efficiency. *

Improve policies, processes, and Departmental efficiency to achieve a positive culture change across HUD.

* 3.2: Transform HUD through Modern Technology. *

Empower HUD with security, agility, Super Intelligence, data, and efficient operations to deliver government-proven solutions.

* These objectives reflect FY 2026-2030 HUD management objectives.

FY 2026-2027 Agency Priority Goals

Agency Priority Goals (APGs) reflect the Department's key priorities for the next two years. Through public goal setting, quarterly leadership discussions, and regular public updates, HUD has made significant progress to advance the selected mission outcomes of APGs. For FY 2026-2027, HUD will track progress on these APGs:

Strategic Objective 1.2: Create Paths to Economic Independence.

✪ Agency Priority Goal for FY 2026-2027: By September 30, 2027, HUD will increase the supply of healthy homes by making an additional 29,500 units of at-risk housing units healthy and lead-safe. ✪

Strategic Objective 2.1: Safeguard the Integrity of HUD's payments.

✪ Agency Priority Goal for FY 2026-2027: By September 30, 2027, HUD will onboard 80% of grant programs to the HUD Unified Grants System (HUGS) Recipient Reporting Portal for submitting evidence for fraud, waste, and abuse monitoring, by using SI and machine learning technologies. ✪

Section Two: Strategic Goals and Objectives

Strategic Goal 1: Reduce Barriers to Affordable Housing.

Remove barriers that inhibit the development and utilization of affordable housing.
LEADING THIS GOAL
Office of Policy Development and Research Office of Field Policy and Management

GOAL

Every American deserves access to safe, affordable, and sustainable housing. HUD is taking direct action to support responsible homeownership and create clear paths to independence for individuals and families, fostering self-sufficiency, and economic growth. A top priority will be assisting one of our Nation's most vulnerable populations—individuals who are living on the streets—by investing in a variety of housing interventions and providing essential supportive services to maintain stability. HUD will also enhance its rental assistance programs by increasing accountability, improving efficiency, and greater partnership with local communities. HUD will administer high-quality, streamlined, and modern housing programs that support resident self-sufficiency and long-term financial stability.

HUD will engage Federal, state, Tribal, and local partners to identify and eliminate barriers to affordable housing and increase the national housing supply. The Department will leverage existing and new research and community feedback to eliminate burdensome rules, streamline processes, and encourage innovative, locally-driven housing strategies. Regulatory reform and informed local decision-making will increase affordable housing opportunities and put homeownership within reach for more Americans. Additionally, the Department will continue to leverage Opportunity Zones to revitalize neighborhoods – attracting new businesses, spurring housing development, and generating economic and community advancement.

These combined efforts will empower families, strengthen communities, and ultimately improve housing for all Americans.

This goal consists of four objectives and one agency priority goal:

1.1: Support Responsible Homeownership.

1.2 Create Paths to Economic Independence.

Agency Priority Goal: Increase the Supply of Healthy Homes.

1.3: Reduce Unsheltered Homelessness.

1.4: Address Drivers of the Housing Affordability Crisis.

Strategic Objective 1.1: Support Responsible Homeownership.

Support responsible, sustainable homeownership opportunities for creditworthy first-time homebuyers.

LEADING THIS OBJECTIVE

Office of Housing / Federal Housing Administration

Government National Mortgage Association

OBJECTIVE

HUD is dedicated to supporting responsible, sustainable homeownership opportunities for creditworthy first-time homebuyers. HUD will ensure prudent underwriting, servicing, and securitization standards to foster homeownership opportunities and expand access to the American Dream. In alignment with Executive Order 14393, "Promote Access to Mortgage Credit," HUD will reduce regulatory burdens to ensure that creditworthy borrowers can access the capital required to purchase a home.

HUD will continue to fulfill its responsibility to insure single family home mortgages, including those of first-time homebuyers. The Department is committed to identifying and acting on ways to help eligible homeowners avoid foreclosures while protecting taxpayers and mitigating financing risks. Improvements to HUD's efforts will be supported by the facilitation of investments and stakeholder outreach, along with the modernization of the Government National Mortgage Association (Ginnie Mae) and the Federal Housing Administration (FHA). HUD will play an active role in shaping the future of the housing finance system by collaborating with other Federal partners. Together, the Department will ensure the housing finance system operates more cohesively and effectively for American citizens. Expanding access to affordable housing on a national scale is a complex challenge that can only be achieved by maximizing private investment and empowering state, local, and Tribal governments to implement solutions.

2025 APR PROGRESS UPDATE

In FY 2025, HUD took bold steps to increase access to the American Dream of homeownership by lowering costs, eliminating bureaucratic hurdles, and promoting responsible stewardship of taxpayer dollars.

In March 2025, HUD published ML 2025-08, *Rescinding Multiple Appraisal Policy Related Mortgagee Letters*. This terminated multiple overly detailed and rigid appraisal policies and eliminated unnecessary regulatory hurdles imposed on lenders, appraisers, and other program participants.[1] In June 2025, the Department rescinded more than a dozen sub-regulatory policies under its single-family mortgage insurance program to lower transaction costs. These changes are also expected to reduce delays, increase lender flexibility and capacity, support new construction and development, facilitate housing recovery post-disaster, and remove barriers for first-time and lower-income homebuyers. HUD also leveraged key policy reforms to strengthen its programs and further protect taxpayer dollars. The Department added additional guardrails to its FHA loss mitigation waterfall to

[1] ML 2025-08 officially rescinded ML 2024-07, Appraisal Review and Reconsideration of Value, ML 2024-16, Extension to the Effective Date of Appraisal Review and Reconsideration of Value (ROV) Updates, and ML 2021-27, Appraisal Fair Housing Compliance and Updated General Appraiser Requirements.

combat surging redefault rates and unsuccessful loss mitigation interventions. These guardrails doubled projected loss mitigation reform savings to over $2 billion.[2]

In FY 2025, HUD worked to ensure that its Ginnie Mae securitization platform remained responsive to evolving market conditions. The goal was to deepen market liquidity and sharpen the Department's response to potential market risks. These efforts were not only operational but also strategic. They reflected a forward-looking approach to risk management, technology adoption, and stakeholder engagement. Ginnie Mae's priorities guided HUD's work through changing dynamics in the housing market and evolving conditions in the investor community. As a result, HUD continued to demonstrate its stabilizing influence in the housing market. Ginnie Mae's efforts further enabled HUD to fulfill its mission of attracting capital from around the globe into the domestic market to fund mortgages for low- and moderate-income Americans, Veterans, and rural and Tribal communities.

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Ensure prudent and sustainable underwriting, servicing, and securitization standards across FHA programs.	**1/31/2026**: Publish Claims Without Conveyance of Title (CWCOT) Mortgagee Letter (ML) that would make CWCOT participation optional.[3] – *Achieved as of 1/29/2026* **9/30/2026**: Complete an assessment of HUD's Single-Family insured mortgage portfolio following changes to the loss mitigation waterfall.[4] **9/30/2027**: Issue a proposed rule to streamline and revise HUD's partial claim program.[5] **9/30/2027**: Complete an assessment of re-defaults.[6]
Ensure prudent and sustainable underwriting, servicing, and securitization standards across Ginnie Mae programs.	**3/31/2026**: Expand existing Platinum pooling eligibility to include additional Single Family pool types.[7] – *Achieved as of 1/10/2026* **9/30/2026**: Improve Liquidation Event Reporting to strengthen business resiliency and data disclosure.[8]

[2] More information about HUD's new FHA loss mitigation guardrails and savings can be found here: https://www.hud.gov/sites/default/files/Housing/documents/2025FHAAnnualReportMMIFund.pdf.
[3] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-2. https://www.hud.gov/stat/cfo/cj-fy27.
[4] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-1. https://www.hud.gov/stat/cfo/cj-fy27.
[5] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-2. https://www.hud.gov/stat/cfo/cj-fy27.
[6] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-6. https://www.hud.gov/stat/cfo/cj-fy27.
[7] Achievement of this milestone is aligned to the Congressional Justification for Ginnie Mae Mortgage-Backed Securities Program in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.
[8] Achievement of this milestone is aligned to the Congressional Justification for Government National Mortgage Association in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.

	9/30/2027: Deliver a Loan Level initiative update on Ginnie Mae's ability to support this key effort.[9]
Improve policies, processes, and programs to increase homeownership.	**2/28/2026**: Extend the temporary partial waiver for drainage and flood hazard exposure. – *Achieved as of 2/20/2026*[10] **12/31/2026**: Finalize capital adequacy modeling framework and design.[11] **12/31/2026**: Develop an evaluation framework to mitigate the risk of high impact events on Ginnie Mae's programs.[12] **9/30/2027**: Complete application enhancements to the digital collateral program.[13] **9/30/2027**: Reimagine the Document Custody process and introduce process efficiencies for Document Custodians.[14]

KEY PERFORMANCE INDICATORS

To help achieve this objective, HUD has established the following performance indicators:

- **Percentage of new FHA-insured purchase mortgages approved for first-time home buyers.**[15]

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
83.52%[16]	82.1%	82.64%	83.03%	80%	>80%	>80%	↑ Increase
Description:		This metric computes the share of all single-family purchase loans insured or guaranteed by FHA, the Department of Veterans Affairs (VA), Rural Housing					

[9] Achievement of the milestones under this strategy is aligned to the Congressional Justification for Ginnie Mae Mortgage-Backed Securities Program in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.
[10] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-1. https://www.hud.gov/stat/cfo/cj-fy27.
[11] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-1. https://www.hud.gov/stat/cfo/cj-fy27.
[12] Achievement of the milestones under this strategy is aligned to the Congressional Justification for Ginnie Mae Mortgage-Backed Securities Program in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.
[13] Application enhancements will improve efficiency, reconciliations, and customer experience.
[14] Achievement of the milestones under this strategy is aligned to the Congressional Justification for Ginnie Mae Mortgage-Backed Securities Program in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.
[15] Achievement of this metric is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-1. https://www.hud.gov/stat/cfo/cj-fy27.
[16] In FY 2022, FHA endorsed 692,846 forward mortgages, 578,675 (83.52 percent) of which were issued to first-time homebuyers: https://www.hud.gov/sites/dfiles/Housing/documents/2022FHAAnnualRptMMIFund.pdf, pg. 89.

	Service (RHS), or Office of Public and Indian Housing (PIH) that are pooled in Mortgage-Backed Securities guaranteed by Ginnie Mae for which the borrower is a first-time homebuyer.
Data Source:	Single-Family Data Warehouse and American Housing Survey.
Dimension & Unit of Measurement:	Percentage: Share of FHA endorsements that belong to first-time homebuyers.
Calculation Method:	Percentage of FHA endorsements made to first-time homebuyers.
Frequency:	Monthly
Data Quality:	The data originates from the Computerized Homes Underwriting Management System (CHUMS) and is sent to the FHA Single Family Housing Enterprise Data Warehouse. The data are readily accessible and usable for reporting.
Validation and Verification:	No data limitations are known to affect this indicator. The mortgagees enter the FHA data, and FHA monitors the data entry.

- **Re-Default Rate after loss mitigation actions.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
24.1%[17]	42.2%[18]	51.9%	TBD[19]	<30%	<30%	<30%	↓ Decrease

Description:	This measure tracks the re-default rate, defined as a serious delinquency (SDQ), occurring within a year of a loss mitigation action taking place. Four quarter re-default rates (90+ days) are for loans that have cured through loss mitigation (partial claim, loan mod, combination of both, payment supplement).
Data Source:	Single Family Housing Enterprise Data Warehouse.
Dimension & Unit of Measurement:	Rate of re-default.
Calculation Method:	Four quarter re-defaults / total annual cures through loss mitigation.
Frequency:	Quarterly

[17] The FY22 Actual has been updated from what was previously published to more accurately capture FHA re-defaults based on the definition of the metric.
[18] The FY23 Actual has been updated from what was previously published to more accurately capture FHA re-defaults based on the definition of the metric.
[19] Re-Defaults are tracked by the fiscal year of the initial loss mitigation action. Defaults that occur within four quarters of a loss mitigation action will be reported the following fiscal year. Data will be available after 9/30/2026.

Data Quality:	The data originates from the Single Family Default Monitoring Systems and the Single Family Insurance System's Claims Subsystem. The data is aggregated in FHA's Single Family Housing Enterprise Data Warehouse.
Validation and Verification:	No data limitations are known to affect this indicator. The mortgagees enter the FHA data, and the FHA monitors the data entry.

- **Number of eMortgages securitized and new eIssuers in Ginnie Mae mortgage-backed securities.[20]**

Sub-Metrics	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Total number of eMortgages securitized[21]	53,909	110,917	167,779	310,760	170,000	441,078	583,460	↑ Increase
Number of new eIssuers per fiscal year[22]	12	13	13	18	10	10	10	↑ Increase

Sub-Metric: Total Number of eMortgages Securitized	
Description:	This metric will track the total cumulative number of eNotes securitized in Ginnie Mae's new Digital Collateral program.
Data Source:	Actual count of eNotes securitized in FY 2021. Projections derive from compiling current volume and adding similar average volume for anticipated new participants. Future actuals will come from Ginnie Mae electronic vault (eVault) data. New participants are averaged by comparing eligible Ginnie Mae issuers with those entities that have also successfully completed Mortgage Electronic Registration System integration and gained qualified experience through other registered eNote transactions in the industry.
Dimension & Unit of Measurement:	Count
Calculation Method:	Count
Frequency:	Monthly
Data Quality:	Limitations include cost of technological improvements required for eligible participants, as well as external validation checks that participants must secure to achieve recognized industry standardization before securing Ginnie Mae eligibility.

[20] Achievement of this metric is aligned to the Congressional Justification for Mortgage-Backed Securities Program in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.
[21] The number of eMortgages securitized is cumulate, representing the entire program to date.
[22] The targe and actual numbers of new eIssuers represents only the number of new issuers using eNotes within that fiscal year.

Validation and Verification:	Data is validated monthly through comparisons of data received from active participants and eNotes collected in Ginnie Mae's eVault.
Sub-Metric: Number of New eIssuers Per Fiscal Year	
Description:	This metric will track the number of new issuers using eNotes within each fiscal year.
Data Source:	Actual count of eNotes securitized in FY 2021. Projections derive from compiling current volume and adding similar average volume for anticipated new participants. Future actuals will come from Ginnie Mae electronic vault (eVault) data. New participants are averaged by comparing eligible Ginnie Mae issuers with those entities that have also successfully completed Mortgage Electronic Registration System integration and gained qualified experience through other registered eNote transactions in the industry.
Dimension & Unit of Measurement:	Count
Calculation Method:	Count
Frequency:	Monthly
Data Quality:	Limitations include cost of technological improvements required for eligible participants, as well as external validation checks that participants must secure to achieve recognized industry standardization before securing Ginnie Mae eligibility.
Validation and Verification:	Data is validated monthly through comparisons of data received from active participants and eNotes collected in Ginnie Mae's eVault.

OTHER INDICATORS

- **Mutual Mortgage Insurance (MMI) Fund Capital Reserve Ratio.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
11.11%	10.51%	11.47%	11.47%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:		The capital reserve ratio compares the "economic net worth" of the Mutual Mortgage Insurance (MMI) Fund to the dollar balance of active, insured loans, at a point in time. Economic net worth is defined as a net asset position, where the present value of expected future revenues and net claim expenses is added to current balance sheet positions. The capital reserve ratio computation is part of an annual valuation of the outstanding portfolio of insured loans at the end of each fiscal year.					

Data Source:	FHA Single Family Data Warehouse Meta Tables.
Dimension & Unit of Measurement:	Comparative between net asset position to balance of loans.
Calculation Method:	The Net Present Value of future cash flows plus capital resources divided by insurance-in-force.
Frequency:	Annually
Data Quality:	The capital resources data come from FHA's accountants who follow standard government accounting practices required by law, as well as the Federal Credit Reform Act. The net present value of cash flows are forecast by FHA modelers, including expert economists and actuaries. The insurance-in-force data originates from Single Family data systems, including the Single-Family Insurance System (SFIS), is aggregated together in the FHA Single Family Housing Enterprise Data Warehouse. The data is readily accessible and usable for a variety of reporting and modeling functions.
Validation and Verification:	No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry. FHA's models are subject to multiple layers of oversight including an independent verification and validation, OIG financial statement audit, Office of Management and Budget (OMB) examiner and credit crew, and FHA's model risk governance board. FHA's accounting practices, outputs, and data systems are all subject to OIG's annual financial statement audit.

- **Percentage of loans in Ginnie Mae Mortgage-Backed Securities (MBS) issuances.[23]**

Sub-Metrics	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
First-time Homebuyers	68.5%	67.77%	70.5%	72.7%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Veteran Homebuyers	802,635	424,061	425,412	535,833	Tracking Only	Tracking Only	Tracking Only	Tracking Only

Sub-Metric: First-time Homebuyers	
Description:	This metric indicates the percentage of loans in Ginnie Mae MBS with borrowers who are first-time homebuyers and Veteran homebuyers.
Data Source:	Ginnie Mae Issuer-submitted pool and loan data.

[23] Achievement of this metric is aligned to the Congressional Justification for the Mortgage-Backed Securities Program in the FY 2027 President's Budget for HUD. See page 26-1. https://www.hud.gov/stat/cfo/cj-fy27.

Dimension & Unit of Measurement:	Percentage of total Ginnie Mae issuance for the Fiscal Year.
Calculation Method:	Percentage
Frequency:	Annually
Data Quality:	Ginnie Mae collects Issuer-submitted single-family pool and loan data through its Single-Family Pool Delivery Module (SFPDM), a subset of which is used to calculate this metric. It relies on Issuers to certify the accuracy and completeness of the data. Rigorous data quality and integrity checks are applied to key data elements to ensure compliance with Ginnie Mae MBS policies during the pool and loan submission process. In accordance with Ginnie Mae's MBS Guide, Issuers' document custodians must verify these critical data elements against underlying loan documentation. Collectively, these controls and validation procedures ensure the data's auditability, validity, completeness, and accuracy, and the calculation of this metric inherits these same controls.
Validation and Verification:	Data is validated by Ginnie Mae's data certification process.
Sub-Metric: Veteran Homebuyers	
Description:	This metric indicates the percentage of loans in Ginnie Mae MBS with borrowers who are first-time homebuyers and Veteran homebuyers.
Data Source:	Ginnie Mae Issuer-submitted pool and loan data.
Dimension & Unit of Measurement:	Percentage of total Ginnie Mae issuance for the Fiscal Year.
Calculation Method:	Percentage
Frequency:	Annually
Data Quality:	Ginnie Mae collects Issuer-submitted single-family pool and loan data through its Single-Family Pool Delivery Module (SFPDM), a subset of which is used to calculate this metric. It relies on Issuers to certify the accuracy and completeness of the data. Rigorous data quality and integrity checks are applied to key data elements to ensure compliance with Ginnie Mae MBS policies during the pool and loan submission process. In accordance with Ginnie Mae's MBS Guide, Issuers' document custodians must verify these critical data elements against underlying loan documentation. Collectively, these controls and validation procedures ensure the data's auditability, validity, completeness, and accuracy, and the calculation of this metric inherits these same controls.
Validation and Verification:	Data is validated by Ginnie Mae's data certification process.

EVIDENCE

Every month, HUD publishes key risk metrics and key performance indicators across a series of areas including origination, loan performance, asset management, and property disposition.[24] Additionally, FHA is statutorily required to produce quarterly and annual reports on portfolio performance, model performance, and the financial position of the Mutual Mortgage Insurance Fund (MMIF).[25] Much of FHA's public-facing risk and performance metrics are available in the Annual Report to Congress Regarding the Financial Status of the Mutual Mortgage Insurance Fund, which provides an important window for Congress and the American taxpayer into the financial performance of FHA.

HUD also produces quarterly reports on U.S. Housing Market Conditions and monthly National Housing Indicators report to document the status of housing markets.[26] HUD also sponsors the American Housing Survey, the most comprehensive national housing survey in the U.S., providing current information on the size, composition, and quality of the nation's housing and measuring changes in housing stock as it ages.[27]

HUD regularly produces research, collects data, and conducts program evaluations related to homeownership and housing finance. Two recent reports are illustrative examples of the ways in which HUD helps build evidence, both related to FHA in particular and the housing market writ large. The first, "Importance of Mortgage Downpayment as a Deterrent to Delinquency and Default" used Black Knight (LPS/McDash) Financial Services loan-level mortgage origination and performance data of major mortgage servicers across a wide range of mortgage markets to examine the impact of mortgage down payment on mortgage outcomes.[28] In 2020, HUD's academic journal Cityscape published a collection of independent research on homeownership, including: a comparative study of wealth building outcomes of FHA and a state subsidized mortgage program, geographic concentrations of Department of Veterans Affairs (VA) lending, and an exploration of lending to single family condo projects.[29]

[24] For more information about ORM's reports and metrics: https://www.hud.gov/hud-partners/fha-production-report; https://www.hud.gov/hud-partners/single-family-loan-performance; https://www.hud.gov/hud-partners/single-family-housing-sforgtr; https://www.hud.gov/hud-partners/single-family-mortgage-market-share; https://www.hud.gov/hud-partners/hecmsf-snapshot; https://www.hud.gov/stat/sfh/fha-sf-portfolio-snapshot.
[25] Information about FHA's quarterly and annual reports are available here: https://www.hud.gov/stat/sfh/mortgage-insurance-fund.
[26] For more information: https://www.huduser.gov/portal/ushmc/home.html.
[27] For more information: https://www.census.gov/programs-surveys/ahs/about.html.
[28] For more information: https://www.huduser.gov/portal/publications/Downpayment-FinalReport.html.
[29] For more information: https://www.huduser.gov/portal/periodicals/cityscpe/vol22num1/index.html.

Strategic Objective 1.2: Create Paths to Economic Independence.

Create paths to economic independence for American citizens by providing access to quality, affordable rental housing.

LEADING THIS OBJECTIVE

Office of Public and Indian Housing

Office of Housing / Federal Housing Administration

OBJECTIVE

The Nation's housing affordability crisis highlights the importance of maximizing the reach and impact of HUD's rental assistance programs. HUD is committed to continuously working with our local partners to identify and reduce regulatory and administrative barriers, strengthen program performance, and ensure efficient use of resources. The Department will also encourage public housing agencies (PHAs) to secure private, state, and local resources to leverage Federal funding to preserve and recapitalize Federal investments in affordable housing.

To better serve HUD residents and stakeholders, HUD has developed comprehensive strategies for addressing the future needs of American citizens. These enhancements will strengthen the accountability measures for stakeholders and improve the living conditions of American citizens participating in HUD rental assistance programs. HUD will continue to collaborate with stakeholders to ensure reforms to rental assistance programs benefit eligible American households while encouraging financial sustainability for the future. HUD will further its programs to make affordable rental housing healthy and lead-safe through rental assistance agreements and through grants for (assisted and unassisted) affordable housing. The Department's efforts will focus on simplifying program administration and enhancing the quality of housing while supporting residents on a pathway to self-sufficiency.

Through modernization, process improvements, and strengthened oversight, HUD will deliver housing programs that are more efficient, accountable, and responsive to the evolving needs of American citizens. HUD is determined to create opportunities for financial independence that improve the lives of American citizens in HUD-assisted housing.

2025 APR PROGRESS UPDATE[30]

In FY 2025, HUD delivered on its promise to promote economic independence by advancing regulatory opportunities for American citizens. HUD employed several strategies to reinforce the eligibility requirements for housing assistance, support work incentive programs, and hold PHAs accountable for their role in supporting HUD's mission.

HUD drafted, updated, and published rules and regulations to support the economic self-sufficiency of program participants. HUD revised all PIH grant agreements to be consistent with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Department continued its rollout of the Direct Rental Assistance (DRA) program, which expanded opportunities for Moving to Work (MTW) PHAs to pursue unique strategies on administering rental assistance. On August 13, 2025, HUD published Federal Register Notice FR-6515-N-01:

[30] "Objective 1.2: Create paths to Economic Independence" has replaced "Priority 1: Reduce Barriers to Affordable Housing" from the FY 2026 Annual Performance Plan. Progress updates have been incorporated in this APR section.

Waivers and Alternative Requirements for the Jobs Plus Initiative Program to waive Sections 3 and 6 of the United States Housing Act of 1937.[31] This notice will establish the new Jobs Plus Deduction (JPD) rent incentive structure in accordance with changes required by the Housing Opportunity Through Modernization Act of 2016 (HOTMA) for FY 2025 and future Jobs Plus grants.[32]

The Department took substantive action to re-position Public Housing and execute thorough inspections of Public Housing and Multifamily Units. In FY 2025, HUD exceeded its annual inspection goal of 11,000 inspections and conducted over 12,500 inspections on Public Housing and Multifamily Units. Additionally, HUD approved the removal, through demolition or disposition, of 19,457 public housing units that failed to meet the Department's standards. Under the Choice Neighborhoods program, HUD facilitated the development of more than 2,900 units to expand the affordable housing supply nationwide. Of the 2,900, 1,470 units were public housing Replacement Units, comprised of 1,463 repositioned Project Based Voucher (PBV) units and 7 public housing units. The remaining 1,430 units were other affordable and workforce housing, as well as unrestricted market rate housing.

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Prioritize HUD assistance for American citizens.	**3/1/2026**: Publish proposed regulations that support assistance to American citizens. – *Achieved as of 2/20/2026* **9/30/2027**: Publish final regulations that support assistance to American citizens.
Promote work and economic self-sufficiency.	**3/1/2026**: Publish proposed regulations that support work and economic self-sufficiency. – *Achieved as of 3/2/2026* **9/30/2027**: Publish final regulations that support work and economic self-sufficiency.
Advance the repositioning of Public Housing.[33]	**6/30/2026**: Submit proposed regulations for demolition/disposition and mandatory conversion to HUD Office of General Counsel (OGC). – *Achieved as of 6/16/2026* **9/30/2026**: Publish a PIH Notice to simplify the repositioning of public housing units to the Section 8 platform. **9/30/2027**: Publish a proposed rule for demolition/disposition and mandatory conversion.

[31] https://www.federalregister.gov/documents/2025/08/13/2025-15376/waivers-and-alternative-requirements-for-the-jobs-plus-initiative-program.
[32] The Housing Opportunity Through Modernization Act of 2016 was signed into law on July 29, 2016. https://www.hud.gov/hud-partners/multifamily-hotma.
[33] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Office of Public and Indian Housing – Tenant-Based Rental Assistance in the FY 2027 President's Budget for HUD. See page 3-1. https://www.hud.gov/stat/cfo/cj-fy26

Strengthen oversight and accountability of Public Housing Agencies.[34]	**5/30/2026**: Submit proposed regulations to better implement Federal financial management requirements within the Public Housing Operating Fund program to HUD OGC.[35] – *Achieved as of 5/18/2026* **6/30/2026**: Submit proposed regulations revising the Section 8 Management Assessment Program to HUD OGC.[36] – *Achieved as of 6/4/2026* **8/31/2026**: Submit proposed regulations revising the Public Housing Assessment System to HUD OGC.[37] **9/30/2027**: Publish proposed regulations that revise the Public Housing Assessment System. **9/30/2027**: Publish proposed regulations that revise the Section 8 Management Assessment Program.

KEY PERFORMANCE INDICATORS

To help achieve this objective, HUD has established the following performance indicators:

- **Number of Public Housing units transitioned off the public housing (Section 9) platform.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
25,259	18,926	15,710	17,708	16,000	23,000	23,000	↑ Increase
Description:		This measure will track the number of Public Housing units converted from Section 9 public housing assistance to another housing program through the Rental Assistance Demonstration (RAD), Voluntary Conversions, Section 18 Demolitions and Dispositions, and other tools.					
Data Source:		Inventory Management System/ Public and Indian Housing Information Center (IMS/PIC)					

[34] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Office of Public and Indian Housing – Public Housing Fund in the FY 2027 President's Budget for HUD. See page 4-1. See page 3-1. https://www.hud.gov/stat/cfo/cj-fy26
[35] The proposed regulations would clarify the applicability of 2 CFR Part 200 to the Operating Fund grant program and stipulate financial management requirements for the program.
[36] The Section 8 Management Assessment Program (SEMAP) assesses the success of the Section 8 tenant-based assistance programs to help families afford decent rental units at the correct subsidy cost. More information on the SEMAP can be found here: https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-985.
[37] The Public Housing Assessment System (PHAS) is a reporting tool that enables HUD to collect information about and evaluate Public Housing Agencies' delivery of services. More information about the PHAS can be found here: https://www.hud.gov/reac/nass-phas

Dimension & Unit of Measurement:	Count: Number of Public Housing units
Calculation Method:	The difference between the Public Housing Annual Contributions Contract (ACC) unit count as recorded in the IMS/PIC system, at the beginning and end of each Federal fiscal year.
Frequency:	Annually
Data Quality:	All transactions should be recorded in IMS/PIC within seven (7) days of closing. PHAs certify the accuracy of IMS/PIC data annually and PIH conducts quality control reviews as part of the Capital Fund Formula calculation. This method does not count any ACC units "as removed", which are added to and then immediately removed from the inventory. Furthermore, this method ensures that removals with effective dates occurring outside of the period, such as those removed through quality control exercises, are counted during the period in which the removal is recorded in IMS/PIC.
Validation and Verification:	The IMS/PIC system records the current status of all public housing inventory removals. PIH's IMS/PIC system records the number of Public Housing units at the beginning and at the end of each Federal fiscal year. Both the Office of Public and Indian Housing and the Office of Housing's Office of Recapitalization have program systems which can be used to periodically validate and verify the PIC data when necessary.

- **Number of Public Housing and Multifamily property inspections conducted.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
17,196	13,840[38]	10,237	12,502	11,335	13,000	Tracking Only	↑ Increase

Description:	This measure will track the number of public housing and multifamily inspections conducted by HUD on an annual basis.
Data Source:	Physical Assessment Sub-system and National Standards for the Physical Inspection of Real Estate (NSPIRE) system (under development)
Dimension & Unit of Measurement:	Count: Number of unit inspections
Calculation Method:	Count of the number of Public Housing and Multifamily Properties inspected
Frequency:	Quarterly
Data Quality:	The data is maintained daily in the NSPIRE System. Properties that score less than 60, out of 100, have future inspection dates in the system dated one year from the anniversary of their last inspection, but the actual inspection can occur at least 3 months before or after that inspection date. The data quality can be impacted by

[38] FY23 actual data represents the transition from the legacy UPCS Inspection Protocol to the NSPIRE program protocol.

	changes that occur at a property level that are not promptly reported to the system. Some examples include a change in subsidy type, a decision to demolish or dispose of the property, or a decision by an owner to opt-out of HUD rental assistance programs. The NSPIRE system will need to be synched with the program office system of record on at least a monthly basis.
Validation and Verification:	Real Estate Assessment Center (REAC) reviews those properties scheduled for an inspection and the relevant program office validates the list of properties scheduled. REAC uses a system dashboard to monitor inspection progress and report progress weekly. REAC works with program offices to validate the data reported and compare numbers to program systems.

- **Number of Public Housing Agencies in troubled status.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
48	117	107	78	86	78	TBD[39]	↓ Decrease
Description:		This measure will track the number of agencies receiving a troubled designation based on the Public Housing Assessment System (PHAS) administered by HUD.					
Data Source:		The Public Housing Agency Recovery and Sustainability (PHARS) Tool, Integrated Assessment Sub-System (NASS)					
Dimension & Unit of Measurement:		Count: Number of PHAs in troubled status					
Calculation Method:		The number of PHAs for which the latest overall PHAS score of record is reported as having a “Troubled” status at the end of HUD’s fiscal year.					
Frequency:		Annually					
Data Quality:		This metric reflects both PHA performance and the timeliness of HUD’s scoring system. Due to PHAS score release timelines, there will always be a discrepancy between the PHA’s assessed performance period and the date a PHA officially enters or recovers from Troubled status. • Example 1: A PHA receives a failing inspection score for an inspection conducted during its FY24. Due to HUD’s financial submission deadlines (i.e., 9 months after the end of a PHA's FY) and the administration of score issuance, the FY24 Troubled PHAS score could be issued during FY26. As a result, the PHA would not be included in this metric until FY26 even though the troubled performance occurred during FY24. • Example 2: A Troubled PHA improves its program performance during FY25 and the PHAS score that reflects the improvement could be released during					

[39] Data from FY 2026 will inform the target for FY 2027 when it becomes available.

	FY27. As a result, the PHA would not be removed from this metric until FY27. The performance period for PHAS is the PHA's fiscal year, which may differ from HUD's fiscal year. PHAS is used to assess PHAs with Section 9 public housing programs. PHAs not receiving Section 9 assistance (e.g., Section 8 assistance programs) are assessed under other systems (e.g., Section Eight Management Assessment Program (SEMAP)) and are not included here.
Validation and Verification:	HUD will provide active oversight of troubled PHAs. The data in the PHARS Tool and NASS is maintained regularly. At the end of each Federal fiscal year, HUD collects, reviews, and analyzes the data to produce the Annual Troubled PHA Report for Congress. Any spikes and delays in troubled score releases can be attributed to operational challenges experienced by PHAs during the COVID-19 pandemic, the REAC backlog caused by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) waiver,—which suspended PHAS assessments that expired in 2022—NSPIRE delays, and REAC technical issues. HUD is working to improve its IT systems to increase or improve the quality of data, as PHAs continue to recover from pandemic-related challenges.

OTHER INDICATORS

- **Average "length of stay" of non-elderly/non-disabled families living in Public Housing, Housing Choice Voucher (HCV), or Project Based Rental Assistance (PBRA) housing.[40]**

Sub-Metric	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Housing Choice Voucher (HCV)	10.72	10.33	10.59	11.03	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Public Housing (PH)	9.08	9.32	9.56	9.97	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Multifamily Housing (MF)	5.76	5.81	5.84	5.89	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:	This measure will track the average number of years a non-elderly or non-disabled family has lived in Public Housing or lives in HCV or PBRA housing.							
Data Source:	Data is based on the Inventory Management System/ Public and Indian Housing Information Center (IMS/PIC) and the Tenant Rental Assistance Certification System (TRACS). Each December, quarterly reports are extracted to determine annual							

[40] Execution of this metric is contingent on the implementation of the proposed rule: "Establishing Flexibility for Implementation of Work Requirements and Term Limits."

	amounts as found in Office of Policy Development and Research longitudinal files (for member-level and household-level data).
Dimension & Unit of Measurement:	Average number of years a household has stayed in HUD assisted housing.
Calculation Method:	Calculate the mean difference between admission date and date effective at the most recent active transaction for each household. HCV program category includes the following programs: Section 8 Vouchers (including special purpose vouchers), Section 8 Certificates, Homeownership Vouchers, MTW Tenant Based Voucher, and MTW Project Based Voucher. The MF program category only includes non-elderly/non-disabled household status was defined using head of household indicators. Active and exiting households were included in calculations.
Frequency:	Annually
Data Quality:	Due to the nature of the data source (administrative data), missing information is possible (inconsistent values, outliers, etc.). PHAs self-report inventory and occupancy data in HUD's IMS/PIC.
Validation and Verification:	The PIC Error and Voucher Management System (EVMS) Discrepancy Dashboards and the Picture of Subsidized Households dataset are both public datasets with differing units of analysis that can be used to validate estimates.

- **Percentage of work-able households exiting public housing and Housing Choice Voucher assistance with low rental subsidy needs.[41]**

Sub-Metric	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Housing Choice Voucher (HCV)	37.7%	38.9%	38.9%	38.0%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Public Housing (PH)	13.1%	13.3%	13.4%	3.5%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:	This measure will track the percentage of current residents exiting the Housing Choice Voucher (HCV) and Public Housing (PH) programs due to a decreased need for rental subsidy assistance.							
Data Source:	HUD's Inventory Management System and the Public and Indian Housing Information Center (IMS/PIC)							
Dimension & Unit of Measurement:	Percentage of work-able households exiting the HCV and PH program in the calendar year with subsidy at or near zero.							

[41] Execution of this metric is contingent on the implementation of the proposed rule: "Establishing Flexibility for Implementation of Work Requirements and Term Limits.

Calculation Method:	For the HCV program, percentages are computed by using the percentage of households leaving the program whose Housing Assistance Payment (HAP) is either (a) zero or (b) at or below 5 percent of gross rent. For the Public Housing program, exiters were considered to no longer require rental assistance, if 30% of their monthly income was more than the local area's Fair Market Rent (FMR).
Frequency:	Annually
Data Quality:	HUD housing assistance payment (HAP) data is considered reliable because it is collected via mandatory administrative records that are used for legally binding transactions and Federal oversight. Due to limited data, proxy data (described above) is used to determine low rental subsidy needs in public housing.
Validation and Verification:	Since HAP is not a concept easily extrapolated using PH data, the comparability between HCV and PH metrics should be further explored.

- **Percentage of work-able Public Housing, HCV, and PBRA households with increased earned wage income during the prior year.[42]**

Sub-Metric	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Housing Choice Voucher (HCV)	21.2%	21.7%	20.4%	20.8%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Public Housing (PH)	20.6%	20.2%	19.6%	14.6%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Multifamily Housing (MF)	16.4%	15.5%	14.9%	19.3%	Tracking Only	Tracking Only	Tracking Only	Tracking Only

Description:	This measure will track the percentage of work-able households who experience any increase in wage income since the last recertification period.
Data Source:	Data is collected during the Public Housing and Section 8 recertification processes in the IMS/PIC and TRACS systems, respectively. Each December, quarterly reports are extracted to determine annual amounts as found in Office of Policy Development and Research longitudinal files (for member-level and household-level data).
Dimension & Unit of Measurement:	Percentage of Assisted-Households
Calculation Method:	Household wage income was compared for recertification transactions against prior year extract active transaction codes.

[42] Execution of this metric is contingent on the implementation of the proposed rule: "Establishing Flexibility for Implementation of Work Requirements and Term Limits."

	HCV program category includes the following programs: Section 8 Vouchers (including special purpose vouchers), Section 8 Certificates, Homeownership Vouchers, MTW Tenant Based Voucher, and MTW Project Based Voucher. MF program category includes Section 8 subsidies. Increases were defined as any wage increase greater than $1. Work-able households are defined as households without any members ages 62 or older and/or any members living with a disability. Single woman households with 1 or more children aged 0-5 were also excluded from analyses.
Frequency:	Annually
Data Quality:	A wage income increase greater than $0 might not be a sufficient cut point and should be further analyzed. Analysts may want to consider geographic variance and/or how wages have correlated with inflation over time.
Validation and Verification:	Users should be aware of The PIC Error and VMS Discrepancy Dashboards and the Picture of Subsidized Households dataset, which can both be used to validate estimates.

- **Number of individuals ineligible for rental assistance, based on citizenship status, living in Public Housing, HCV, PBRA, Housing for the Elderly, and Housing for Persons with Disabilities.** [43]

Sub-Metric	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Housing Choice Voucher (HCV)	13,439	13,752	13,244	12,477	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Public Housing (PH)	7,930	7,471	6,856	6,192	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Multifamily (MF)	3,974	4,066	4,152	3,928	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:	This measure will track the number of individuals living in public and assisted housing who do not meet resident requirements related to citizenship. Programs include Public Housing, Housing Choice Voucher (HCV), Project-based Rental Assistance (PBRA), Housing for the Elderly, and Housing for Persons with Disabilities.							
Data Source:	Data is based on the Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) and Tenant Rental Assistance Certification System							

[43] Execution of this metric is contingent on the implementation of the proposed rule: "Housing and Community Development Act of 1980: Verification of Eligible Status.

	(TRACS) December quarterly extract for each respective year as found in PD&R longitudinal files (for member-level and household-level).
Dimension & Unit of Measurement:	Count: HUD-assisted Tenants
Calculation Method:	The sum count of tenants with individual member citizenship codes that are reported as ineligible non-citizen (IN). HCV program category includes the following programs: Section 8 Vouchers, Section 8 Certificates, Homeownership Vouchers, MTW Tenant Based Voucher, and MTW Project Based Voucher. MF program category includes the following subsidy types: Section 8, 811 PRA Demo, Section 202/PRAC, Section 811 PRAC, and Section 202/162 PAC.
Frequency:	Annually
Data Quality:	A limitation of the data is missing values for the citizenship variable (n~160,000).
Validation and Verification:	Analysts should consider reviewing American Community Survey-HUD linked data to verify self-reported citizenship status against HUD estimates obtained from administrative data.

► **Work-able households with income from wages.**[44]

Sub-Metric	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
All	Any Wages (%) 53.8 Zero Income (%) 9.3	Any Wages (%) 54.6 Zero Income (%) 9.4	Any Wages (%) 54.1 Zero Income (%) 9.9	Tracking Only	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Public Housing	Any Wages (%) 56.2 Zero Income (%) 6.0	Any Wages (%) 57.0 Zero Income (%) 5.9	Any Wages (%) 56.5 Zero Income (%) 6.4	Tracking Only	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Housing Choice Voucher	Any Wages (%) 56.0 Zero Income (%) 9.7	Any Wages (%) 56.9 Zero Income (%) 10.0	Any Wages (%) 56.6 Zero Income (%) 10.5	Tracking Only	Tracking Only	Tracking Only	Tracking Only	Tracking Only

[44] The indicator, *Income from wages in work-able households*, has been discontinued and will no longer be tracked as part of HUD's Annual Performance Plans. HUD will shift its focus to indicators that more closely align with its current priorities.

Assisted Multifamily	Any Wages (%) 45.8 Zero Income (%) 10.9	Any Wages (%) 46.1 Zero Income (%) 10.9	Any Wages (%) 45.6 Zero Income (%) 11.3	Tracking Only	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:	This metric measures the percentage of work-able households that reported any wage income during the prior 18-month period.							
Data Source:	Data is based on the Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) and Tenant Rental Assistance Certification System (TRACS) December quarterly extract for each respective year as found in PD&R longitudinal files (for member-level and household-level).							
Dimension & Unit of Measurement:	Household							
Calculation Method:	Analyzed household-level total annual income and income sources and amount data. HCV program category includes the following programs: Section 8 Vouchers (including special purpose vouchers), Section 8 Certificates, Homeownership Vouchers, MTW Tenant Based Voucher, and MTW Project Based Voucher. MF program category includes the following subsidy types: Section 8, 811 PRA Demo, Section 202/PRAC, Section 811 PRAC, and Section 202/162 PAC. Non-elderly/non-disabled household status was defined using head of household indicators.							
Frequency:	Annually							
Data Quality:	This is data reported by grantees (PHAs or owners). In general the data is high quality, though there are possible errors on occasion. Given that this is measured at a programmatic level, these errors would likely not have an overall impact on the percentage reported.							
Validation and Verification:	HUD's systems have edit checks that prevent significant outlier information, however, HUD does not validate the data provided through these systems beyond samples reviewed during routine monitoring.							

EVIDENCE

HUD regularly uses research, data collection, and program evaluations to inform the implementation and design of its programs to ensure rental assistance is a pathway to self-sufficiency. The Department is in the process of evaluating the expansion of the Moving to Work (MTW) Demonstration, which added 100 PHAs to the program starting in 2016.[45] MTW designation allows PHAs to design and test innovative, locally designed housing and self-sufficiency strategies for low-income families to improve the cost-effectiveness of the program, promote employment, and increase housing choices. PD&R has completed a study on the impact of MTW flexibility on small sized PHAs; has ongoing research testing different rent structures, landlord incentives, and asset building initiatives; and will begin a new evaluation investigating administrative efficiencies in small PHAs.

PD&R recently completed two long-term, rigorous evaluations of the two primary programs to remove work disincentives and improve self-sufficiency among assisted tenants: Family Self-Sufficiency (FSS) and Jobs Plus

[45] For more information: https://www.huduser.gov/portal/mtw/expansion.html.

Initiative (Jobs Plus).[46] The FSS evaluation found that the program moderately increased use of self-sufficiency services and enabled some participants to accrue savings but did not result in statistically significant differences in employment or income among participants when compared to a control group. HUD's FSS program has since changed several key program requirements with respect to FSS graduation and escrow disbursement, and further research may be necessary to understand the impact of those changes. The Jobs-Plus model that was first designed and implemented 20 years ago has shown promising long-term effects on resident earnings, however, evaluation of more recent large-scale replications found no impact on earnings and employment.[47] Further research is needed to better understand the role of implementation in the effectiveness of the model and identify potential areas of improvement, especially because these findings contrast so sharply with the findings from the original program. Additionally, more recent grantee-reported data indicates that, like the findings of the original program, PHAs that fully implement the program show positive outcome indicators.

[46] For more information on FSS: https://www.huduser.gov/portal/FSS-evaluation.html; For more information on Jobs Plus: https://www.huduser.gov/portal/Jobs-Plus-Evaluation.html.

[47] Miller, Cynthia, Nina Castells, Nandita Verma, Joshua Vermette, and Henry Kanengiser. 2023. *HUD Jobs Plus Outcomes Evaluation - Long-Term Effects from the Original Jobs Plus Demonstration: Employment and Earnings for Public Housing Residents after 20 Years*. Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research. https://www.huduser.gov/portal/publications/Jobs-Plus-Long-Term-Effects.html.

Agency Priority Goal: Increase the Supply of Healthy Homes.

Make at-risk housing units healthy and lead-safe.

LEADING THIS PRIORITY GOAL

Office of Lead Hazard Control and Healthy Homes

✪ Agency Priority Goal for FY 2026-2027: By September 30, 2027, HUD will increase the supply of healthy homes by making an additional 29,500 units of at-risk housing units healthy and lead-safe. ✪

The Agency Priority Goal will further the execution of Objective 1.2: *Create Paths to Economic Independence*.

PRIORITY GOAL

HUD has been a champion of the Federal government's goal to address lead-based paint and other health and safety hazards in housing for families and children. Young children are especially at risk of the harmful effects of lead, from which even low-level exposure can increase the likelihood of behavioral problems and learning disabilities. At high levels, seizures, and in extreme cases, death can occur. Exposure to other environmental hazards, such as mold, radon, and pests, are linked to chronic health conditions like asthma and cancer. The removal and prevention of lead-based paint hazards and other housing-related health and safety hazards will contribute to a significant decline in blood-lead levels, diseases, and injuries among US children.

A coordinated, whole-of-government approach to protect families and children from lead-based paint and other housing related health and safety hazards will be advanced. The Department will seek and implement collaborations with Federal, state, Tribal, local, and private sector partners to drive transformational changes that will improve the lives of the people it serves. To further efforts, HUD will streamline lead safety regulations and provide funds to communities to make affordable homes lead-safe and healthy. Through this work, HUD will achieve its goal to increase the supply of healthy homes.

2025 APR PROGRESS UPDATE

HUD prioritized the health and safety of residents through its lead hazard reduction efforts. In FY 2025, HUD made 11,069 housing units healthy, physically safe, and lead-safe, through its lead hazard control and healthy homes grants and Lead Safe Housing Rule compliance activities. The Department also assisted communities to control lead-based hazards in privately owned rental and owner-occupied housing. In FY 2025, HUD awarded over $365 million in Lead Hazard Reduction grants and Lead Hazard Reduction Capacity Building grants to assist in lead and other housing hazard reduction efforts. Furthermore, HUD bolstered its efforts to address lead hazards by implementing its Lead Regulatory Enforcement Memorandum of Understanding (MOU) with the Environmental Protection Agency (EPA). The MOU outlines coordination between the agencies for inspections, investigations, and enforcement of judicial and administrative enforcement cases.

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Provide funds to communities to make affordable homes lead-safe and healthy.	**7/31/2026**: Publish the FY 2026 Lead Hazard Reduction and Healthy Homes Production NOFOs. – *Achieved as of 7/17/2026* **9/30/2026**: Award the FY 2025 and 2026 Housing-Related Hazards and Lead-Based Paint Capital Fund Program grants. **9/30/2026**: Award the FY 2026 Lead Hazard Reduction and Healthy Homes Production grants. **6/30/2027**: Publish the FY 2027 Lead Hazard Reduction NOFO.
Update and streamline lead safety regulatory implementation.	**9/30/2026**: Publish guidance on implementing current lead-based paint hazard regulations. **12/31/2026**: Publish a notice of proposed rulemaking on updating and streamlining Lead Safe Housing Rule and Lead Disclosure Rule. **9/30/2027**: Publish a notice of final rulemaking on updating and streamlining Lead Safe Housing Rule and Lead Disclosure Rule.

KEY PERFORMANCE INDICATORS

To track our progress toward this objective, HUD will use these performance indicators:

✪ **Number of at-risk housing units made healthy, physically safe, and lead-safe each year.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
9,855	12,452	13,290	11,069	14,000	14,500	15,000	↑ Increase
Description:		Number of housing units and HUD-assisted (e.g., Tenant Based Rental Assistance, Assisted Rehabilitation) and unassisted properties made healthy and lead-safe through HUD's Lead Hazard Control Grants, Healthy Homes Grants, HUD's Lead Safe Housing Rule, and HUD's Lead Disclosure Rule Enforcement.					

Data Source:	Lead Hazard Control and Healthy Homes Grants: Grantee reports to the Healthy Homes Grant Management System (HHGMS). Lead Safe Housing Rule Implementation: HOME Investment Partnership Programs (HOME) and Community Development Block Grants (CDBG): Reporting by funding recipients as tracked by the Integrated Disbursement and Information System (IDIS).
Dimension & Unit of Measurement:	Count of Housing Units
Calculation Method:	The total of units from each grantee, owner/manager, and funding recipient is calculated then de-duplicated.
Frequency:	Quarterly
Data Quality:	Lead Hazard Control and Healthy Homes Grants: Units are counted only after payment has been made, after lead hazard control work has completed, and the units have been cleared for re-occupancy. Grantees have a fiduciary responsibility to report accurately. Some grantees may be required to report on a single unit more than once, as they make partial and then final payments, so some units appear under more than one grant. HUD de-duplicates these entries to not overcount the production of healthy and/or lead-safe units. Lead Hazard Enforcement: Units are counted only after the owners/managers have documented, completed work and the units have been tested to confirm low lead levels that would allow re-occupancy. Owners/managers face economic and/or court sanctions for not reporting accurately; but limitations on HUD staffing and travel funding preclude on-site quality control checking. Lead Safe Housing Rule Implementation: HOME and Community Development Block Grants (CDBG): Units are counted only after payment has been made for completing work and allowing re-occupancy Recipients have a fiduciary responsibility to report accurately. Routine on-site quality control is checked for lead results by HUD lead program enforcement and/or its lead enforcement partners.
Validation and Verification:	Lead hazard control work is validated by consistency checks on records from owners and managers. They are then verified by Environmental Protection Agency (EPA)- or State-certified lead risk assessors. The measure could be improved with routine on-site quality control checking by HUD lead program enforcement and/or its lead enforcement partners. Lead Safe Housing Rule Implementation reports are validated against financial payments (Line of Credit Control System (LOCCS) reporting) and verified by remote and on-site monitoring by Office of Community Planning and Development (CPD) representatives. The measure would be improved by routine on-site quality control checking for lead results by HUD lead program enforcement and/or its lead enforcement partners. Performance numbers are strongly correlated with funding levels in the various award years. Annual totals are also affected by extensions provided to grantees that have difficulty spending funds within initially agreed upon timelines (notably for

	OLHCHH grants, many of which are to health departments). Reduced productivity has also been driven by long-term COVID-19 pandemic-related business disruptions and health department grantees' refocusing on issues other than those covered by this agency priority goal.

EVIDENCE

Exposure to lead in housing is a major health issue and one for which HUD has developed a significant evidence base. There is no safe level of blood lead and, despite long-term success in reducing mean blood lead levels, the prevalence of elevated blood lead at or above the Centers for Disease Control's (CDC) blood lead reference value persists at significant levels among children under age six.[48] Elevated blood lead is associated with, among other effects: cardiovascular mortality in adults; and harmful outcomes for children related to education, behavior, and criminal justice involvement that are mitigated by early intervention.[49] CDC-HUD analysis of tenant data linked with health surveys shows that children ages 0–5 who lived in HUD-assisted housing in 2005–2012 had lower blood lead levels than expected given their demographic, socioeconomic, and family characteristics.[50] Evaluations of HUD's Lead Hazard Control Grant Program showed significant reductions in concentrations of dust lead, the major pathway for U.S. children's lead exposure, for multi-year periods after intervention.[51] A 2015 survey of the practices and capabilities for achieving dust-lead clearance showed the feasibility of further strengthening the current dust-lead risk assessment and clearance standards, informing EPA rulemaking in 2019 and 2020.[52] A variety of research grants and partnerships continue to improve the efficacy and cost-effectiveness of methods for evaluation and control of residential lead-based paint, other housing-related health and safety hazards, and site contamination hazards. Mitigating air quality health effects of natural gas indoor appliances is a priority topic for 2023 Healthy Homes Technical Studies grants, as gas stoves account for an estimated 12.7 percent of current childhood asthma.[53] Asthma is a major housing-related public health challenge, as it is triggered by common residential dampness and mold and costs the Nation about $16.8 billion annually.[54] Reducing household allergens that contribute to or trigger asthma and allergies generates a return of $5.30 to $16.50 for every $1 invested in mitigation and prevention.[55]

[48] Ruckart PZ, Jones RL, Courtney JG, et al. 2021. Update of the Blood Lead Reference Value—United States, 2021. MMWR Morbidity and Mortality Weekly Report. 70,43:1509–1512. DOI: http://dx.doi.org/10.15585/mmwr.mm7043a4.; CDC. CDC Response to Advisory Committee on Childhood Lead Poisoning Prevention Recommendations in "Low Level Lead Exposure Harms Children: A Renewed Call of Primary Prevention". June 7, 2012. https://www.cdc.gov/nceh/lead/docs/cdc_response_lead_exposure_recs.pdf.

[49] Brown L, et al. 2020. Developing a Health Impact Model for Adult Lead Exposure and Cardiovascular Disease Mortality. Environmental Health Perspectives, 128(9). https://ehp.niehs.nih.gov/doi/10.1289/EHP655255. Billings SB and Schnepel KT. 2018. Life after Lead: Effects of Early Interventions for Children Exposed to Lead. American Economic Journal: Applied Economics, 10(3): 315–344. https://doi.org/10.1257/app.20160056.

[50] Ahrens KA, Haley BA, Rossen LM, Lloyd PC, and Aoki Y. 2016. Housing assistance and blood lead levels in children in the United States, 2005–2012. American Journal of Public Health, 106(11):2049–2056. http://ajph.aphapublications.org/doi/10.2105/AJH.2016.303432.

[51] National Center for Healthy Housing and University of Cincinnati Department of Environmental Health. 2004. "Evaluation of the HUD Lead-Based Paint Hazard Control Grant Program: Final Report." HUD, Office of Lead Hazard Control and Healthy Homes. https://nchh.org/resource-library/report_evaluation-of-the-hud-lead-based-paint-hazard-control-grant-program_final-report.pdf. Wilson, Jonathan, Tim Pivetz, Peter Ashley, et al. 2006. "Evaluation of HUD-funded lead hazard control treatments at 6 years post-intervention." Environmental Science. https://doi.org/10.1016/j.envres.2006.04.007.

[52] Cox, David and Gary Dewalt. 2015. Lead Hazard Control Clearance Survey: Final Report. HUD, Office of Lead Hazard Control and Healthy Homes. https://www.hud.gov/sites/documents/ClearanceSurvey_24Oct15.pdf., EPA Review of Dust-Lead Post-Abatement Clearance Levels, 85 FR 37810-37819 (June 24, 2020), https://www.FederalregisterFederalregister.gov/d/2020-13582.

[53] Gruenwald T, Seals BA, Knibbs LD, and Hosgood HD III. 2023. Population Attributable Fraction of Gas Stoves and Childhood Asthma in the United States. International Journal of Environmental Research and Public Health. 20,75: 1–4. https://doi.org/10.3390/ijerph20010075.

[54] Mudarri, DH. 2016. Valuing the Economic Costs of Allergic Rhinitis, Acute Bronchitis, and Asthma from Exposure to Indoor Dampness and Mold in the US. Journal of Environmental and Public Health. May 29, 2016. https://doi.org/10.1155/2016/2386596.

[55] Nurmagambetov TA et al. 2011. Economic Value of Home-Based, Multi-Trigger, Multicomponent Interventions with an Environmental Focus for Reducing Asthma Morbidity: A Community Guide Systematic Review. American Journal of Preventive Medicine. 41(2S1): S33–S47. https://www.thecommunityguide.org/sites/default/files/publications/Asthma-AJPM-econ-homebased.pdf or www.ajpmonline.org/article/S0749-3797(11)00314-X/fulltext.

Strategic Objective 1.3: Reduce Unsheltered Homelessness.

Reduce the unsheltered homelessness crisis through recovery and self-sufficiency.
LEADING THIS OBJECTIVE
Office of Community Planning and Development

OBJECTIVE

A critical HUD priority is to address the unsheltered homelessness crisis in the U.S. by facilitating opportunities for recovery, self-sufficiency, and local leadership. On a single night in January 2024, 274,224 individuals experienced unsheltered homelessness across the United States, the highest number ever recorded. People living on the streets and in encampments face high rates of substance use disorders and mental illness. These issues create significant barriers to maintaining housing and independence. To address these challenges, HUD will coordinate with local partners to increase resources for outreach, crisis intervention, treatment, recovery, and supportive services that improve independence and long-term stability.

Since 2007, the number of available beds categorized as transitional housing has declined by more than half. Despite substantial increases in Continuum of Care (CoC) funding for Permanent Supportive Housing (PSH), the crisis of unsheltered homelessness has continued to worsen. While past homelessness assistance emphasized rapid placement and permanency of housing assistance, HUD will shift toward prioritizing high-quality services and self-sufficiency outcomes. Local efforts that reduce unsheltered homelessness, advance independence, and create lasting housing stability will be prioritized. HUD will further local efforts by increasing the number of transitional housing beds available to better meet the needs of individuals and families experiencing unsheltered homelessness. At the same time, the Department will ensure support is paired with robust wraparound services that promote recovery, employment, and independence. This will be achieved by grantees and community stakeholders investing in supportive services and individuals fully-engaged in such services, with HUD's encouragement.

HUD will continue to promote recovery across all populations to reduce homelessness and prevent returns to homelessness. The Department will continue to work with local, state, Tribal, and Federal partners to prevent homelessness among people exiting public systems. Individuals and families will be connected to appropriate emergency shelters, transitional housing, other housing options, and employment opportunities. HUD will strive to help every American access the support they need to become self-sufficient and achieve lasting housing stability.

2025 APR PROGRESS UPDATE[56]

In FY 2025, HUD announced $290 million in Emergency Solutions Grants (ESG) formula allocations. HUD remains dedicated to increasing resources available to address unsheltered homelessness—through street outreach, public safety partnerships, and short- to medium-term assistance—paired with robust wraparound supportive services.

[56] Objective 1.3: *Reduce Unsheltered Homelessness*" has replaced Priority 2: *Reduce Homelessness* from the FY 2026 Annual Performance Plan. Progress updates have been incorporated in this APR section.

HUD remained committed to implementing the President's Executive Order *Ending Crime and Disorder on America's Streets* by making needed reforms to its homelessness programs.[57] HUD made a historic $3.918 billion available in FY 2025 funding for the CoC program. This CoC competition promoted increased investment in supportive service projects including street outreach.. In addition, pursuant to the FY 2025 Housing Opportunities for Persons with AIDS (HOPWA) PSH Notice, HUD renewed $23.8 million in FY 2025 funding for PSH programs to assist individuals with HIV/AIDs and their families. The notice updated application requirements to align with applicable Executive Orders and to streamline the application process.. HUD also delivered $72 million in Youth Homelessness Demonstration Program (YHDP) funding to communities across the nation to advance comprehensive efforts to reduce youth homelessness.

As HUD continued to engage with stakeholders across the country, the need for increased resources to support treatment, recovery, interim shelter, and housing assistance remained clear. HUD continued to work with Federal, state, and local partners to promote investment in critical services--those supporting local leaders as they advance safety, recovery, and self-sufficiency in their communities. The Department also collaborated with various Federal partners to address the nation's substance abuse crisis and increase self-sufficiency.[58] Through these partnerships, HUD created force-magnifying connections between agency programs that furthered Departmental goals to advance recovery and self-sufficiency.

STRATEGIES AND MAJOR MILESTONES [59]

Strategies	Major Milestones
Promote cross-agency substance abuse treatment, recovery, and behavioral health.	**9/30/2026**: Increase program funding towards substance use disorder services and expand use of supportive services agreements. **9/30/2027**: Strengthen program partnerships with the Department of Health and Human Services (HHS) and ONDCP to integrate housing with substance use disorder services. **9/30/2027**: Strengthen program partnerships with HHS, and other Federal agencies, to integrate housing with behavioral health treatment services.
Empower local partners to lead efforts to reduce unsheltered homelessness.[60]	**9/30/2026**: Increase the utilization rate of grant funding dedicated to first-time recipients and new projects. **9/30/2027**:Strengthen capacity-building assistance to target local partners that demonstrate locally-led

[57] On December 23, 2025, the FY 2025 Notice of Funding Opportunity (NOFO) was enjoined pursuant to a preliminary injunction entered in State of Washington, et al. v. HUD, No. 1:25-cv-00626-MSM-AEM (District of Rhode Island), and National Alliance to End Homelessness, et al. v. HUD, No. 1:25-cv-00636-MSM-AEM (District of Rhode Island).
[58] HUD has partnered with the Substance Abuse and Mental Health Services Administration (SAMHSA), the Department of Labor (DOL), the Department of Justice (DOJ), and the Office of National Drug Control Policy (ONDCP).
[59] Achievement of the Strategies and milestones under this Objective are specific to HUD's homelessness assistance programs and aligned to the Congressional Justification for Homeless Assistance – Emergency Solutions Grants in the FY 2027 President's Budget for HUD. See page 17-2 and 17-3: https://www.hud.gov/stat/cfo/cj-fy27.
[60] HUD will empower local partners through the promotion of expanded participation and targeted support, fostering accountability for results.

	strategies to reduce unsheltered homelessness and commit to measurable performance targets.
Increase the supply of transitional housing with wraparound supportive services.	**9/30/2026**: Increase the number of HUD-funded transitional housing projects. **9/30/2027**: Provide technical assistance to help communities scale up transitional housing projects that integrate wraparound supportive services.
Increase employment opportunities and earned income for program participants.	**9/30/2026**: Integrate targeted incentives within HUD's Homeless Assistance Grants programs to encourage increased participant engagement in employment and income-building activities. **9/30/2027**: Increase the number of participants gaining employment or increasing earned-income through HUD's Homeless Assistant Grants programs.

INDICATORS

To help monitor this objective, HUD has established the following indicators:

- **Percentage of program participants who exit to unsubsidized housing.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
36.27%	36.22%	38.45%	38.34%	N/A[61]	Tracking Only	Tracking Only	Tracking Only

Description:	This measure will track the percentage of program participants with an exit destination to unsubsidized housing from HUD homelessness programs.
Data Source:	CoC Annual Performance Reports (APRs).
Dimension & Unit of Measurement:	This measure will track the percentage of participants in HUD-funded homelessness programs that exited to unsubsidized housing according to the most recently submitted APR for each project. This data will exclude Homelessness Management Information System (HMIS), Coordinated Entry, CoC Planning, and United Funding Agency (UFA) Costs projects.
Calculation Method:	HUD will calculate the share of all exits that are to unsubsidized permanent housing destinations for each project's most recently submitted APR. This data will exclude HMIS, Coordinated Entry, CoC Planning, and UFA Costs projects.

[61] The key performance indicator was not tracked prior to FY 2026. As such, a target for FY 2025 is not available.

Frequency:	Annually
Data Quality:	The data quality for this indicator is generally good, except in cases where the program participant leaves a project without notifying the project of their destination.
Validation and Verification:	The APRs undergo automated quality checks.

- **Percentage of program participants staying and exiting the CoC program who have increased their earned income.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
9.2%	9.0%	9.2%	TBD[62]	N/A[63]	Tracking Only	Tracking Only	Tracking Only
Description:		This measure will track the percentage of program participants who increase their earned income categorized by: • Stayers: showing the percentage of adults who have stayed in the program for the full fiscal year (12 months) and are still in the program at the end of the reporting period who have increased their earned income over that fiscal year. • Leavers: showing the percentage of adults who have exited a program during the Federal fiscal year that have increased their earned income between the time they entered and left the program.					
Data Source:		HUD System Performance Measures.					
Dimension & Unit of Measurement:		Percentage Increase					
Calculation Method:		Each CoC is required to collect data and report to HUD annually on specific system performance measures.[64]					
Frequency:		Annually					
Data Quality:		HUD requires each CoC to track null and missing value information as well as other data quality concerns. The rates of data quality issues per each response element that impacts the system performance measures are submitted to HUD at the time that the measures are submitted. HUD reviews these submissions and includes the data quality piece in its larger evaluation of the system performance measures.					

[62] This data will not be available until the summer of 2026.
[63] This key performance indicator was not tracked prior to FY 2026. As such, a target for FY 2025 is not available.
[64] These measures are based on a set of programming specifications HUD provided to communities to ensure consistency: https://www.hudexchange.info/resource/4483/system-performance-measures-tools/.

Validation and Verification:	HUD includes the system performance measures in its annual CoC Program Competition, along with data quality and HMIS bed coverage information. This creates incentives to have accurate data as well as to show improved outcomes. HUD will provide more resources to improve data quality. HUD provided programming specifications to ensure consistency and will provide more resources to help CoCs test the accuracy of their systems to pull the data.

- **Percentage of Transitional Housing Beds funded through the CoC Program.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
3.9%	6.7%	3.9%	TBD[65]	N/A[66]	Tracking Only	Tracking Only	Tracking Only

Description:	This measure will track the percentage of units that are Transitional Housing funded through the CoC Program, including units funded through the Youth Homelessness Demonstration Program (YHDP) and Unsheltered and Rural Special Notice of Funding Opportunity (Special NOFO).
Data Source:	e-snaps CoC Award Data
Dimension & Unit of Measurement:	Percentage of units
Calculation Method:	The calculation will show the percentage of units of Transitional Housing newly funded through the CoC Program, including units funded through the Youth Homelessness Demonstration Program (YHDP) and Unsheltered and Rural Special Notice of Funding Opportunity (Special NOFO).
Frequency:	Annually
Data Quality:	The data will be reported by applicants in their CoC New Project Applications. These will be projections, as the applicants are reporting how many units they expect to fund with their upcoming grant.
Validation and Verification:	The numbers of units in grantee applications are incorporated into grant agreements. HUD monitors and the grants.

[65] This data will be available when FY 2025 CoC grants have finished being awarded by June 1, 2026.
[66] This key performance indicator was not tracked prior to FY 2026. As such, a target for FY 2025 is not available.

- **Number of first-time recipients who receive Continuum of Care (CoC) and Youth Homelessness Demonstration Program (YHDP) grant funding.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
161	103	111	TBD[67]	N/A[68]	Tracking Only	Tracking Only	Tracking Only
Description:		This measure will track the number of new recipients awarded through the CoC, YHDP, and ESG programs.					
Data Source:		Integrated Disbursement and Information System (IDIS) and HUD Electronic COC Program Application and Grants Management System (e-snaps).					
Dimension & Unit of Measurement:		The measure will track the number of first-time recipients that receive CoC and YHDP grant funding.					
Calculation Method:		This calculation will show the number of new recipients receiving an award as recorded in e-snaps and new subrecipients reported in e-snaps and Integrated Disbursement and new subrecipients reported in the Integrated Disbursement and Information System (IDIS).					
Frequency:		Annually					
Data Quality:		Recipient data in e-snaps is accurate and includes a check on Unique Entity Identifier (UEI) and Employer Identification Number (EIN) numbers.					
Validation and Verification:		While collecting information about CoC and YHDP recipients is straightforward through checking UEI and EIN numbers, doing so for ESG subrecipients requires a manual check as ESG subrecipient reporting does not include any unique identifiers.					

[67] CoC data will be available when FY 2025 CoC grants have finished being awarded by June 1, 2026. Full data, which includes FY 2025 YHDP funding, will be available by September 2026.
[68] This key performance indicator was not tracked prior to FY 2026. As such, a target for FY 2025 is not available.

- **Number of people experiencing unsheltered homelessness.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
233,832	256,610	274,224	TBD[69]	238,650	Tracking Only	Tracking Only	Tracking Only

Description:	This measure will count the total number of people experiencing unsheltered homelessness based on a count that occurs on a single night, usually in January.
Data Source:	Point in Time Count data as reported by each CoC into the Homelessness Data Exchange (HDX).
Dimension & Unit of Measurement:	Count: Persons experiencing unsheltered homelessness on a single night, usually in January
Calculation Method:	This figure is a count of persons experiencing unsheltered homelessness on a single night, usually in January. Counts are organized and conducted by CoCs and reported to HUD.
Frequency:	Although many jurisdictions count annually, 24 CFR 578.7(c)(2) only requires that the counts be done "biennially.[70]"
Data Quality:	HUD establishes PIT count guidance annually that states the minimum amount of data that all CoCs must collect and report to HUD. There are additional reporting tools that provide guidance on HUD's reporting requirements and standards.
Validation and Verification:	When CoCs submit their data in the HDX, there are also several validations in HDX itself to ensure consistency in reporting. After the data are submitted, HUD's contractors analyze the data again and call communities if there are any discrepancies that need to be explained or corrected.

- **Percentage of homelessness funding that supports treatment and recovery.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
0.118%	0.539%	0.523%	0.521%	N/A[71]	Tracking Only	Tracking Only	Tracking Only

[69] This data will be available upon publication of the 2025 HUD Annual Homelessness Report.
[70] https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578/subpart-B/section-578.7.
[71] This key performance indicator was not tracked prior to FY 2026. As such, a target for FY 2025 is not available.

Description:	This measure will track the percentage of homelessness funding that supports treatment and recovery which is offered through state, local, and Tribal partners utilizing CPD funding (Recovery Housing Program (RHP), and CoC, or ESG funds).
Data Source:	Integrated Disbursement and Information System (IDIS), Homeless Management Information System (HMIS), Continuum of Care (CoC) Annual Performance Reports (APRs).
Dimension & Unit of Measurement:	Percentage of funding
Calculation Method:	This calculation will show the percentage of total funding provided through CPD that supports treatment and recovery.
Frequency:	Annually
Data Quality:	This data, which will be pulled from CoC APRs, will track what CoCs report and allocate for Mental Health Services and Substance Abuse Treatment Services. However, not all grantees are required to report on these services, so the entire amounts CoCs spend may not be captured here. Recipients often use leveraged or matched resources for substance abuse treatment, and those funding amounts will not be captured in these figures. Also, some CoCs may not clearly distinguish between what is spent on these services and other supportive services.
Validation and Verification:	CoCs are entrusted to accurately report on the amount of funding they have allocated for mental health and substance abuse treatment.

EVIDENCE

The collection of robust data is a critical part of HUD's response to homelessness in the United States. HUD regularly publishes two foundational reports, the Annual Homelessness Assessment Report (AHAR) to Congress Parts 1 and 2.[72] The AHAR Part 1 outlines the key findings of the Point-In-Time (PIT) count and Housing Inventory Count (HIC) conducted in late January of each year.[73] Specifically, this report provides 2024 national, state, and Continuum of Care-level estimates of sheltered and unsheltered homelessness, as well as estimates of chronically homeless persons, homeless veterans, and homeless children and youth. The AHAR Part 1 is the only comprehensive national picture of unsheltered homelessness that exists currently.

[72] https://www.huduser.gov/portal/datasets/ahar.html.
[73] Regulations require CoCs to conduct PIT counts at least biennially, however most CoCs conduct a PIT count annually.

Strategic Objective 1.4: Address Drivers of the Housing Affordability Crisis.

Address and mitigate against drivers of the housing affordability crisis.

LEADING THIS OBJECTIVE

Office of Policy Development and Research

Office of Field Policy and Management

Office of Housing / Federal Housing Administration

OBJECTIVE

HUD will operationalize a field-based, data-driven approach to address the housing affordability crisis. Leaders in the field will translate national policy, research, and program tools into actionable strategies at the State and local levels. Field leadership will empower communities to provide solutions that increase housing supply, better understand current challenges, reduce barriers to development, and improve housing affordability outcomes through HUD's nationwide infrastructure. The Department will support Executive Order 14394, "Removing Regulatory Barriers to Affordable Home Construction," by taking steps to revise HUD regulations. The Department will also offer guidance, technical assistance, and best practices to State, local, and Tribal governments to promote housing construction and affordability.

HUD's field offices will leverage direct engagement with state and local partners—including public housing agencies (PHAs), local governments, developers, and community-based organizations—to identify place-based challenges and deploy targeted technical assistance and resources. This approach will ensure strategies reflect local market conditions, support community-driven solutions, and advance pathways to housing stability and self-sufficiency. The Department will maintain a critical feedback loop between the Field and Headquarters, elevating regulatory, operational, and market barriers that impact housing production, preservation, and access. Field staff will also engage the public on how to reduce state and local barriers to affordable housing; ensuring HUD efforts reflect the needs and insights of the communities we serve.

The Department will leverage its robust research tools to better understand the causes and identify solutions to the affordable housing crisis. Data-informed insights, including program data, field reporting, and partner feedback, will help identify trends and inform decision-making. HUD will also identify new research opportunities to uncover underutilized strategies that will encourage Americans towards sustainable self-sufficiency. This includes capturing resident perspectives to improve the preservation and development of affordable housing.

HUD will further empower the American people by eliminating burdensome regulations in the development, provision, and maintenance of housing. In alignment with Executive Order 14192, "Unleashing Prosperity Through Deregulation" HUD will conduct a thorough review of all its current policies to identify and eliminate rules and regulations that hinder housing growth. New rulemaking efforts will increase access to affordable housing options such as manufactured housing. Stakeholder feedback collected in the field will also be used to streamline processes and remove redundancies that stall innovative housing solutions.

HUD aims to develop new methods of supporting affordable housing for homeowners and renters. The Department is also committed to creating new methods of attracting lenders to participate in FHA-insured programs and helping them deploy capital in support of Federal housing finance programs.

Additionally, place-based implementation of housing strategies will build from HUD's renewed commitment to field-based, data-driven cross-agency coordination. Field leadership will continue to support locally-driven initiatives, including Opportunity Zones, to reinvigorate neighborhoods. Expanding access to affordable housing options such as manufactured housing will further increase homeownership. Coordinated integration with partners will also ensure the alignment of HUD policies, funding, and execution. Together with communities nationwide, HUD will increase the flexibility of housing programs, reduce burdens, and eliminate unnecessary regulations to effectively reduce barriers to affordable housing.

2025 APR PROGRESS UPDATE

In FY 2025, HUD furthered efforts to address the housing affordability crisis. HUD Field Offices hosted 866 outreach events to strengthen nationwide efforts to reduce barriers to the development of affordable housing. HUD provided over $1.2 million in Community Compass Technical Assistance (CCTA) to provide outreach support, product development, and education on Opportunity Zones designed to address development challenges.[74] HUD outreach events secured over $12 million to support 35,000 housing units; advanced innovative housing solutions; and deepened Federal, state, Tribal, and local collaboration to expand housing access nationwide. HUD also designed the Opportunity Zones Implementation Plan that included stakeholder engagements with over 50 outreach events across the country.

HUD expanded its outreach through partnerships in the field and the delivery of targeted training to employees executing Departmental programs within communities. The Department launched a Section 3 neighborhood mapping tool that improved the targeting of economic opportunities to residents participating in HUD programs. This tool was then used to implement a nationwide strategy to streamline Davis-Bacon compliance across multifamily housing projects.[75] HUD also updated Section 3 project thresholds for Tribes by using national construction cost indices and direct engagement with Tribal leadership to increase housing program flexibilities while reducing burdensome reporting costs.[76] Combined, these initiatives increased awareness of and compliance with Section 3 requirements and expanded access to local contract employment opportunities.

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Develop and disseminate field-informed National Housing Affordability strategies.[77]	**9/30/2026**: Complete an evaluation to streamline processing of Multifamily insurance endorsements.[78] **9/30/2026**: Conduct structured stakeholder engagement sessions across all 10 regions to gather place-based input on housing affordability challenges and solutions.

[74] https://www.huduser.gov/portal/ota/community-compass.html.
[75] https://www.hudexchange.info/programs/davis-bacon-and-labor-standards.
[76] https://www.federalregister.gov/documents/2026/02/13/2026-03002/section-3-project-threshold-updates-for-creating-economic-opportunities-for-low--and-very-low-income?utm_source=chatgpt.com.
[77] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[78] Achievement of this milestone is aligned to the Congressional Justification for FHA – Mutual Mortgage Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-1. https://www.hud.gov/stat/cfo/cj-fy27.

	6/30/2027: Submit a memorandum summarizing stakeholder input, regional trends, and recommended actions to the Secretary of HUD.
Deploy place-based tools and resources to i**ncrease public awareness** of effective strategies for addressing drivers of housing unaffordability.[79]	**9/30/2026**: Publish studies and reports on the housing affordability crisis. **9/30/2026**: Develop and publish a Field Policy and Management Housing Affordability Toolkit.[80] **9/30/2026**: Launch targeted, place-based technical assistance engagements in communities designated as priorities by the Administration.[81] **9/30/2027**: Track and report outcomes of FY26-27 technical assistance and/or field engagements.[82]
Deploy a field-driven regulatory and operational feedback loop.[83]	**3/31/2026**: Conduct a senior executive roundtable to engage FHA multifamily stakeholders. – *Achieved as of 3/31/2026* **9/30/2026**: Develop and deploy a standardized mechanism to capture regulatory and administrative barriers identified by field offices and stakeholders. **3/31/2027**: Provide initial quarterly summaries of identified barriers and recommended actions to HUD leadership and relevant program offices. **9/30/2027**: Publish an initial annual summary of field-identified barriers and actions to be taken by local communities to reduce burdens. **9/30/2027**: Establish and operationalize a field-driven regulatory and operational feedback loop focused on rural and Tribal communities.[84]

[79] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[80] The Field Policy and Management Housing Affordability Toolkit will include playbooks, guides, and implementation resources for field offices and partners.
[81] Technical assistance will develop specialized expertise on how localities and nongovernmental partners can address barriers to housing production and preservation. This milestone will support efforts to comply with EO 14394, Removing Regulatory Barriers to Affordable Home Construction. https://www.whitehouse.gov/presidential-actions/2026/03/removing-regulatory-barriers-to-affordable-home-construction/
[82] Technical assistance and field engagement outcomes will be tracked and recorded in HUD IT systems, including the Field Reporting Tool (FRT) as well as in HUD Office of Policy Development and Research Quarterly Updates: https://www.huduser.gov/portal/about/events.html. This milestone will support efforts to comply with EO 14394, Removing Regulatory Barriers to Affordable Home Construction. https://www.whitehouse.gov/presidential-actions/2026/03/removing-regulatory-barriers-to-affordable-home-construction/
[83] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27. This strategy will also support efforts to comply with EO 14394, Removing Regulatory Barriers to Affordable Home Construction. https://www.whitehouse.gov/presidential-actions/2026/03/removing-regulatory-barriers-to-affordable-home-construction/
[84] This milestone is designed to enable Field Offices to systematically capture, elevate, and track barriers to housing development; provide quarterly recommendations to HUD leadership to inform policy adjustments, program design, and administrative flexibilities.

Expand field engagement with and implementation of Opportunity Zones.[85]	**9/30/2026**: Provide technical assistance and tools to support state and local engagement with Opportunity Zones.[86] **9/30/2027**: Analyze and provide a report on Opportunity Zone activity, including housing production and community investment trends. **9/30/2027**: Convene ten Opportunity Zone roundtables in targeted markets.[87]
Leverage data-sharing between HUD and other Federal, state, and local agencies.[88]	**9/30/2026**: Pilot the use of data linkages between HUD and state agencies, within the National Secure Data Service (NSDS) secure test environment.[89] **9/30/2027**: Publish an interagency guide on how to best streamline Federal-State data.
Promote manufactured housing adoption.[90]	**9/30/2026**: Engage in rulemaking to update the definition of chassis to promote production of manufactured homes. **9/30/2027**: Engage in rulemaking to update the HUD code based on the sixth set of Manufactured Housing Consensus Committee Recommendations.

[85] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27. This strategy will also support efforts to comply with EO 14394, Removing Regulatory Barriers to Affordable Home Construction. https://www.whitehouse.gov/presidential-actions/2026/03/removing-regulatory-barriers-to-affordable-home-construction/

[86] HUD data and dashboards will be used in the provision of technical assistance and tools to state and local partners.

[87] Opportunity Zone roundtables will be led by HUD Regional Administrators, in coordination with HUD Headquarters, to: engage developers, local officials, and community stakeholders; and synthesize findings to inform housing supply strategies, investment alignment, and policy recommendations.

[88] Achievement of milestones under this strategy are aligned to the Congressional Justification for Research and Technology in the FY 2027 President's Budget for HUD. See page 28-1. https://www.hud.gov/stat/cfo/cj-fy27.

[89] The National Secure Data Service (NSDS) Demonstration project, authorized by the 2022 CHIPS and Science Act, develops a secure, shared services model for linking Federal data. https://ncses.nsf.gov/initiatives/national-secure-data-service-demo

[90] Achievement of milestones under this strategy are aligned to the Congressional Justification for Manufactured Housing Fees Trust Fund in the FY 2027 President's Budget for HUD. See page 24-1. https://www.hud.gov/stat/cfo/cj-fy27.

KEY PERFORMANCE INDICATORS

To help achieve this objective, HUD has established the following performance indicators:

- **Deregulatory Actions Issued.**[91]

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
2	1	3	15	4	8	N/A	↑ Increase

Description:	This measure will track how many cost-saving deregulatory actions, as defined by EO 14192 and M-25-20, HUD issues each fiscal year.
Data Source:	Federal Register publications.
Dimension & Unit of Measurement:	Count of regulatory actions designated as deregulatory under EO 14192 and M-25-20.
Calculation Method:	Total number of regulatory actions.
Frequency:	Annually
Data Quality:	Publication is definitive proof of actions.
Validation and Verification:	Regulatory actions are vetted and approved by leadership at HUD and OMB before being considered final.

- **Number of stakeholder engagement sessions conducted across regions.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target[92]	FY26 Target	FY27 Target	
15	2,968	3,206	2,028	N/A	2,200	2,300	↑ Increase

Description:	This measure tracks the number of structured stakeholder engagement sessions conducted across HUD regions to gather input on housing affordability challenges, barriers, solutions, and implementation opportunities from state and local partners, housing providers, developers, community-based organizations, and other stakeholders.
Data Source:	Field Reporting Tool (FRT) event records.

[91] This metric will no longer be tracked after FY26 due to a realignment of Departmental priorities.
[92] This key performance indicator was not tracked prior to FY26. As such, no FY25 target is available.

Dimension & Unit of Measurement:	Count of completed stakeholder engagement sessions.
Calculation Method:	Count the number of stakeholder engagement sessions completed during the fiscal year that include documented attendance, topic focus, and summary of input or outcomes.
Frequency:	Quarterly, reported annually
Data Quality:	High. Data will be derived from official event records and supporting documentation.
Validation and Verification:	Regional and Headquarters staff will verify that sessions meet standard criteria and are supported by appropriate documentation.

- **Number of regulatory and administrative barriers identified and elevated.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target[93]	FY26 Target	FY27 Target	
1	7	7	7	0	8	9	↑ Increase
Description:			This measure tracks the number of unique regulatory and administrative barriers to housing production, preservation, affordability, or program implementation identified through field engagement and formally elevated to Headquarters or relevant program offices for review and action. This measure will also track efforts to comply with EO 14394, Removing Regulatory Barriers to Affordable Home Construction.[94]				
Data Source:			Field Reporting Tool (FRT), regional submissions, and Headquarters elevated issues.				
Dimension & Unit of Measurement:			Count of unique barriers identified and elevated.				
Calculation Method:			Count the number of unique regulatory or administrative barriers documented during the fiscal year and formally submitted through the approved feedback mechanism for Headquarters or program office review. Duplicate submissions of the same issue are counted once unless materially different.				
Frequency:			Quarterly, reported annually				
Data Quality:			Moderate to high. Quality will depend on consistent use of standardized definitions and reporting templates.				

[93] This key performance indicator was not tracked prior to FY26. As such, no FY25 target is available.
[94] https://www.whitehouse.gov/presidential-actions/2026/03/removing-regulatory-barriers-to-affordable-home-construction/

Validation and Verification:	FPM Headquarters, in coordination with relevant program offices, will review submissions to confirm that entries meet criteria and are not duplicative.

- **Percentage of regions implementing affordability strategies aligned with FY26 strategic priorities and performance objectives.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target[95]	FY26 Target	FY27 Target	
50	100	100	100	N/A	100	100	↑ Increase
Description:		This measure tracks the percentage of HUD regional offices implementing housing affordability strategies aligned with Departmental strategic priorities and performance objectives, including defined actions, partner engagement, and documented outcomes.					
Data Source:		Regional implementation plans, FRT submissions, and performance reviews.					
Dimension & Unit of Measurement:		Percent of regions.					
Calculation Method:		Divide the number of HUD regions that have documented and implemented an affordability strategy aligned with Departmental priorities by the total number of HUD regions, then multiply by 100.					
Frequency:		Annually					
Data Quality:		High. Data will be based on documented regional submissions and implementation evidence.					
Validation and Verification:		FPM Headquarters will review regional submissions against established criteria to confirm implementation status.					

- **Number of Field-developed tools, playbooks, and resources deployed to support implementation.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
16	17	12	12	N/A	12	16	↑ Increase

[95] This key performance indicator was not tracked prior to FY26. As such, no FY25 target is available.

Description:	This measure tracks the number of field-developed or field-informed tools, playbooks, guides, templates, and implementation resources deployed to support housing affordability strategy execution across HUD field offices and partner communities.
Data Source:	SharePoint OPA approved resource libraries.
Dimension & Unit of Measurement:	Count of tools, playbooks, and resources deployed.
Calculation Method:	Count the number of finalized and distributed implementation resources deployed during the fiscal year for use by field offices, regional leadership, or external partners.
Frequency:	Quarterly, reported annually
Data Quality:	High. Published and distributed products can be readily documented and verified.
Validation and Verification:	FPM Headquarters will verify that each resource is finalized, approved as appropriate, and made available for operational use.

OTHER INDICATORS

- **Percent change in sales–housing affordability for first-time homebuyers.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
CY22 Actual	CY23 Actual	CY24 Actual	CY25 Actual	CY25 Target	CY26 Target	CY27 Target	
-19%	-11%	-1%	0%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:		The HUD First-Time Homebuyer Affordability Index is calculated as the ratio of the median household income for householders in the 25 to 44 years age cohort to the income required to purchase a home priced at the 25th percentile while spending no more than 30 percent of income on housing costs, including mortgage, insurance, and taxes. An index of equal to or greater than 1 indicates a householder earning the median income in the 25 to 44 years age cohort is able to afford a home priced at the 25th percentile. The percentage change in sales housing affordability for first-time homebuyers is the percentage change in the HUD First-Time Homebuyer Affordability Index on a year-over-year basis.				
Data Sources:		Zonda, Freddie Mac, and U.S. Census Bureau, American Community Survey, 1-year data.				

Dimension & Unit of Measurement:	Index: An index of equal to or greater than 1 indicates a first-time homebuyer earning the median household income for the 25 to 44 years age cohort is able to afford a home priced at the 25th percentile.
Calculation Method:	HUD First-Time Homebuyer Affordability Index Calculation Method: 1. Calculate Monthly Homeownership Costs: Determine the monthly costs associated with owning a home priced at the 25th percentile. This includes: • Monthly principal and interest payments based on a 30-year fixed-rate mortgage. • Monthly property tax payments. • Monthly homeowners' insurance payments. • Add these amounts together to get the total monthly homeownership costs. 2. Calculate Required Annual Qualifying Income: To find the annual income needed to afford a home priced in the 25th percentile while spending no more than 30 percent of income on homeownership costs, use the following formula: Annual Qualifying Income = Monthly Homeownership Costs ÷ 0.30 3. Calculate the Affordability Index: Divide the annual qualifying income (from step 2) by the total monthly homeownership costs (from step 1) to obtain the HUD First-Time Homebuyer Affordability Index. 4. Calculate the percentage change in the affordability index: Divide the current affordability index by the previous year's index and subtract the result by one.
Frequency:	Annually
Data Quality:	Data quality is high. These public and private data sources are considered industry standard.
Validation and Verification:	These data sources are extensively verified and widely used in public and private research and analysis.

► **Percent change in rental housing affordability.[96]**

Past Performance			Current Performance		Performance Plan		Preferred Direction
CY22 Actual	CY23 Actual	CY24 Actual	CY25 Actual	CY25 Target	CY26 Target	CY27 Target	
0.4%	2.8%	0.5%	N/A	Tracking Only	Tracking Only	Tracking Only	Tracking Only

[96] Achievement of this metric is aligned to the Congressional Justification for State Rental Assistance Program Research and Technology in the FY 2027 President's Budget for HUD. See page 28-1.https://www.hud.gov/stat/cfo/cj-fy27.

Description:	The HUD Gross Rent Affordability Index is a measure of median renter household income relative to qualifying income for the median-priced rental unit. An index of equal to or greater than 1 indicates a family earning the median renter income is able to afford a median-priced rental unit. The percentage change in rental housing affordability is the percentage change in the HUD Gross Rent Affordability Index on a year-over-year basis.
Data Source:	U.S. Census Bureau, American Community Survey, 1-year data.
Dimension & Unit of Measurement:	Index: An index of equal to or greater than 1 indicates a family earning the median renter income is able to afford a median-priced rental unit.
Calculation Method:	HUD Gross Rent Affordability Index Calculation Method: 1. Calculate Required Annual Qualifying Income: To find the annual income needed to afford the median-priced rental unit while spending no more than 30 percent of income on rent, use the following formula: Annual Qualifying Income = Median Gross Rent * 40 OR Annual Qualifying Income = (Median Gross Rent * 12) / 0.30 2. Calculate the Affordability Index: Divide the median income for renter households by the annual qualifying income (from step 1) to obtain the HUD Gross Rent Affordability Index. 3. Calculate the percentage change in the affordability index: Divide the current affordability index by the previous year's index and subtract the result by one.
Frequency:	Annually
Data Quality:	Data quality is high. These public and private data sources are considered industry standard.
Validation and Verification:	These data sources are extensively verified and widely used in public and private research and analysis.

- **Percent change in the share of sales of housing units that are affordable at the median family income.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
CY22 Actual	CY23 Actual	CY24 Actual	CY25 Actual	CY25 Target	CY26 Target	CY27 Target	
-4.8	0.6	-2.3	6.7	Tracking Only	Tracking Only	Tracking Only	Tracking Only

Description:	Capture the number of sales housing units that are affordable to the median family income by calculating the sales price that the household earning the median family income could afford and dividing the number of sales below this price by the total number of sales.
Data Sources:	HUD Median Family Income, Zonda, and Freddie Mac
Dimension & Unit of Measurement:	A percentage change in the number of sales units that a family earning the median family income could afford.
Calculation Method:	1. Calculate the maximum home price a householder earning the median family income can afford (i.e. 30 percent of their income on homeownership cost). 2. Calculate the percentage of homes that a householder earning the median family income can afford: Take the number of homes with a price at or below the maximum home price attained in step one and divide by the total number of home sales in that year.
Frequency:	Annually
Data Quality:	Data quality is high. These public and private data sources are considered industry standard.
Validation and Verification:	These data sources are extensively verified and widely used in public and private research and analysis.

- **Number of new construction units in Opportunity Zones.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
CY22 Actual	CY23 Actual	CY24 Actual	CY25 Actual	CY25 Target	CY26 Target	CY27 Target	
15,429,323	15,714,498	15,953,596	16,284,849	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:		This measure will track efforts to comply with EO 14394, Removing Regulatory Barriers to Affordable Home Construction.[97] The Census Bureau releases counts of housing units at the census block level twice per year. The data can be aggregated to census tracts to monitor and evaluate housing production in Opportunity Zones.					
Data Source:		Census Address Count Listings[98]					
Dimension & Unit of Measurement:		Housing unit counts are derived from the Census Bureau's Master Address File which is used in the decennial census and other surveys.					
Calculation Method:		Aggregate sum of block-level housing unit counts in each census tract.					

[97] https://www.whitehouse.gov/presidential-actions/2026/03/removing-regulatory-barriers-to-affordable-home-construction/
[98] https://www.census.gov/geographies/reference-files/time-series/geo/addcountlisting.html

Frequency:	Twice per year
Data Quality:	High. The Census Bureau's housing data is a widely used in research and data analysis in the public and private sector.
Validation and Verification:	Census tract housing unit counts can be compared with HUD United States Postal Service (USPS) address counts for reliability.

- **Percent change in sales—housing affordability for all homebuyers.**[99]

Past Performance			Current Performance		Performance Plan		Preferred Direction
CY22 Actual	CY23 Actual	CY24 Actual	CY25 Actual	CY25 Target	CY26 Target	CY27 Target	
-17%	-7%	-3%	6%	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:	The HUD Homebuyer Affordability Index is calculated as the ratio of the HUD median family income to the income required to purchase the median-priced home while spending no more than 30 percent of income on housing costs, including mortgage, insurance, and taxes. An index of equal to or greater than 1 indicates a family earning the median income is able to afford a median-priced home. The percentage change in sales housing affordability is the percentage change in the HUD Homebuyer Affordability Index on a year-over-year basis.						
Data Sources:	HUD Median Family Income, Zonda, and Freddie Mac						
Dimension & Unit of Measurement:	Index: an index of equal to or greater than 1 indicates a family earning the median family income is able to afford a median-priced home.						
Calculation Method:	HUD Homebuyer Affordability Index Calculation Method: 1. Calculate Monthly Homeownership Costs: Determine the monthly costs associated with owning a median-priced home. This includes: • Monthly principal and interest payments based on a 30-year fixed-rate mortgage. • Monthly property tax payments. • Monthly homeowners' insurance payments. • Add these amounts together to get the total monthly homeownership costs.						

[99] Achievement of this metric is aligned to the Congressional Justification for FHA General and Special Risk Insurance Fund in the FY 2027 President's Budget for HUD. See page 25-5. https://www.hud.gov/stat/cfo/cj-fy27.

	2. Calculate Required Annual Qualifying Income: To find the annual income needed to afford the median-priced home while spending no more than 30 percent of income on homeownership costs, use the following formula: Annual Qualifying Income = Monthly Homeownership Costs ÷ 0.30 3. Calculate the Affordability Index: Divide the annual qualifying income (from step 2) by the total monthly homeownership costs (from step 1) to obtain the HUD Homebuyer Affordability Index. 4. Calculate the percentage change in the affordability index: Divide the current affordability index by the previous year's index and subtract the result by one.
Frequency:	Annually
Data Quality:	Data quality is high. These public and private data sources are considered industry standard.
Validation and Verification:	These data sources are extensively verified and widely used in public and private research and analysis.

- **National manufactured housing production.**[100]

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
116,149	89,717	99,898	105,413	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Description:		This measure will track manufactured home production volume, across all regions, on a fiscal year basis.					
Data Sources:		Institute for Building Technology and Safety (IBTS)					
Dimension & Unit of Measurement:		Production of new manufactured homes (single and multi-section)					
Calculation Method:		Count					
Frequency:		Monthly					
Data Quality:		Data originates from Institute for Building Technology and Safety (IBTS) systems for tracking nationwide manufactured housing production and shipments.					

[100] Achievement of this metric is aligned to the Congressional Justification for Manufactured Housing Fees Trust Fund in the FY 2027 President's Budget for HUD. See page 24-1. https://www.hud.gov/stat/cfo/cj-fy27.

Validation and Verification:	Data is submitted monthly, with a two-month reporting lag. Data is updated continuously as submissions are received; reported actuals may be subject to slight upward revision.

- **Number of new construction and substantial rehabilitation mortgages.**[101]

Sub-Metrics	Past Performance			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Single Family Housing: Endorsements	112,970	119,232	160,093	174,453	Tracking Only	Tracking Only	Tracking Only	Tracking Only
Single Family Housing: Units	114,872	120,785	161,584	175,757	Tracking Only	Tracking Only	Tracking Only	Tracking Only

Description:	This measure will track the number of FHA-insured new construction and substantial rehabilitation mortgages for Single Family, tracking both endorsement count and unit count.
Data Source:	SFH data comes from Single Family Housing Enterprise Data Warehouse (SFHEDW) (originally known as the Computerized Homes Underwriting Management System (CHUMS) and the Single Family Insurance System (SFIS).
Dimension & Unit of Measurement:	Count of endorsements and units by fiscal year.
Calculation Method:	Counts by fiscal year.
Frequency:	Monthly
Data Quality:	This is data reported by program participants. In general, the data is high quality, though there are possible errors on occasion. Given that this is measured at a programmatic level, these errors would likely not have an overall impact on the percentage reported.
Validation and Verification:	No data limitations are known to affect this indicator. The mortgagees enter the FHA data, and the FHA monitors the data entry.

[101] Achievement of this metric is aligned to the Congressional Justification for FHA – General and Special Risk Insurance Fund in the FY 2027 President's Budget for HUD. See page 26-5. https://www.hud.gov/stat/cfo/cj-fy27.See page 25-5. https://www.hud.gov/stat/cfo/cj-fy27.

EVIDENCE

PD&R produces an extensive body of evidence on the scope and severity of affordable housing needs among households nationally and how those needs vary by region. PD&R conducts monthly surveys of national and regional market activity and every two years produces a report to Congress about renter households with "worst case housing needs." These reports have shown that worst case housing needs are renter households with very low incomes who do not receive government housing assistance and who pay more than one-half of their income for rent, live in severely inadequate conditions, or both.[102] Each month, PD&R produces the National Housing Market Indicators report to document the status of rental and owner housing markets including production, transactions, and affordability. Production of housing in proportion to household formation is critical to achieving affordability.

Three recent PD&R reports shed light on the housing affordability issues and how to address them*: Federal Tools for Production and Preservation of Affordable Rental Housing* (2025) provides an overview of past and current federal programs for production of preservation of affordable rental housing. The paper includes a review of the history and development of housing supply programs with a focus on the specific subsidy mechanisms used in different eras, from the New Deal to the present.[103] *Overcoming Barriers to Innovation in the Home Building Industry* (2023) presents findings from a literature review and the four expert panels that focused on how education needs, risk, industry fragmentation, and behavioral factors and biases affect housing innovation.[104] Finally, *New Housing in High Productivity Metropolitan Areas: Encouraging Production* (2021) identifies metropolitan areas with high housing costs and high productivity metropolitan areas and discusses housing supply trends and policy changes requiring additional analysis.[105]

FPM will complement the research and analysis produced by PD&R by contributing field-generated insights, stakeholder feedback, and implementation outcomes to inform continuous learning and improvement. FPM will also ensure that PD&R's existing body of work, including analyses of housing market conditions, worst case housing needs, and barriers to housing production, is translated into actionable tools and strategies that can be deployed effectively across HUD's field network.

[102] Alvarez, Thyria, and Barry Steffen. 2023. *Worst Case Housing Needs: 2023 Report to Congress*. Worst Case Housing Needs. Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research. https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs-2023.html.
[103] Duckworth, Richard, Michael K. Hollar, Alastair McFarlane, and David Hardiman. 2025. *Federal Tools for Production and Preservation of Affordable Rental Housing*. Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research. https://www.huduser.gov/portal/publications/Federal-Tools-for-Production-and-Preservation-of-Affordable-Rental-Housing.html.
[104] Boland, Jerry, Bryan Minster, Cara Grauer, Stacy Hunt, and Juliet Grable. 2023. *Overcoming Barriers to Innovation in the Home Building Industry*. Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research. https://www.huduser.gov/portal/publications/Overcoming-Barriers-to-Innovation-in-the-Home-Building-Industry.html.
[105] https://www.huduser.gov/portal/publications/New-Housing-Production-Report.html.

Strategic Goal 2: Protect Taxpayer Funds.

Increase HUD's efficiency and effectiveness in executing its mission by eliminating fraud, waste, and abuse in Federal spending.
LEADING THIS GOAL
Office of the Chief Financial Officer

GOAL

HUD plans to ensure strong stewardship of Federal resources by streamlining and improving its financial management. The Department will transform financial resource management by modernizing business processes and improving internal controls that impact financial reporting. Expanded efforts will address the challenges associated with grants management, recurring audit issues, and incongruent financial reporting systems.

In addition, HUD will establish internal controls and launch new technologies and processes to safeguard funds from misuse. This includes developing a recipient and sub-recipient financial reporting portal to centrally manage sub-recipient data. This tool will allow HUD to proactively pursue corrective actions and reduce improper payments. The Department will also update regulations to align reporting requirements with HUD's enhanced transparency and accountability goals. Increased program office collaboration will also help proactively identify and resolve material weaknesses. Focused efforts made under this Goal will enable HUD to reduce the number of open audit recommendations identified by the Office of the Inspector General (OIG) and resolve the Top Management Challenges Facing HUD. These improvements will strengthen HUD's ability to collect accurate data, increase accountability and transparency, and dutifully protect taxpayer funds.

This goal consists of one objective and one agency priority goal:

2.1: Safeguard the Integrity of HUD's Payments.

Agency Priority Goal: Strengthen Funding Recipient Accountability.

Strategic Objective 2.1: Safeguard the Integrity of HUD's Payments.

Tackle fraud, waste, and abuse by strengthening HUD's internal controls.

LEADING THIS OBJECTIVE

Office of the Chief Financial Officer

OBJECTIVE

HUD's systems and processes are instrumental for ensuring accountability and oversight in the distribution of payments for HUD's grants and programs. However, current data collection methods are complex, disconnected, and decentralized which can hinder audit and budget execution processes. For example, the Department has limited visibility into rental assistance payments for millions of households due to overreliance on third parties which are outside of HUD's control; insufficient technology; and a lack of access to detailed tenant-level and landlord data and documentation. These challenges limit HUD's capacity to strengthen controls and gain access to critical information to assist its customers. Additionally, the extensive engagement required to collect evidence to verify eligibility for payment calculations hinders HUD's ability to develop statistically valid payment sampling, testing, and error reduction in annual audits. Consequently, taxpayer dollars are at higher risk of improper payments and misuse.[106] HUD will mitigate these risks by executing Project Voucher to enable the effective tracking and management of tenant data.

HUD will overhaul its financial management and data infrastructure. The Department will also develop tools, collect and consolidate data, and leverage data to help prevent and detect the misuse of taxpayer funds. One of these tools is the deployment of advanced data analytics, including Super Intelligence (SI) and machine learning, to build a robust fraud, waste, and abuse prevention capability. This will enable HUD to automate payment monitoring, preemptively detecting high-risk payments, inconsistencies, and other red flags. These technological enhancements will be complemented by program office collaboration to proactively identify and quickly resolve weaknesses.

Clear, HUD-wide governance processes will be established to ensure consistent financial management across the entire Department. HUD will analyze internal budget execution processes and operating procedures to fortify controls that prevent fraud, waste, and abuse. HUD will also implement continuous improvements that simplify tasks, optimize resources, and strengthen accountability. Accountability, Integrity, and Risk (AIR) assessments—key resources in leveraging HUD's data resources across program offices—will be used to provide a strategic view of risks and improvement needs. These improvements will drive progress toward a positive, HUD-wide statement of assurance that internal controls over financial reporting are free of material weaknesses. Focused efforts made under this objective will also enable HUD to reduce the number of open audit recommendations identified by the Office of the Inspector General (OIG). Ultimately, this initiative will bolster program and payment integrity, deliver measurable efficiencies, and reduce burden on HUD staff and recipients of Federal funds.

[106] Program office regulations have placed too much responsibility with public housing agencies (PHAs)/contract administrators (CAs) and property owners with limited accountability or verifications by HUD program offices, only require annual certifications for participation, and further limits HUD's recourse to resolve issues and weaknesses.

2025 APR PROGRESS UPDATE

During FY 2025, HUD implemented innovative methods to reduce fraud and mitigate the causes of improper and unknown payments. HUD launched Department-wide initiatives: Project Voucher, HUGS, and a sub-recipient web-portal pilot to collect tenant documentation, automate payment calculations, and trace funds. For the first time, HUD evaluated all four million-plus tenant records and the registration status of more than 21,000 recipient organizations, rather than relying on traditional sampling of just a few hundred records. As a result, HUD gained greater insights into potential risks and issues while refining its ability to estimate payment errors This enhanced methodology identified approximately $5.8 billion in questionable payments across the Project-Based Rental Assistance (PBRA) and Tenant-Based Rental Assistance programs. HUD also developed analytics to review these payments and compare them against trusted sources like the System for Award Management (SAM.gov) and Do Not Pay.[107] The robust analysis enabled HUD to publish payment error estimates for these two rental assistance programs. In FY25, the Department also launched an internal strategic planning effort and engaged external partners for feedback to strengthen the budget execution process.

The Department rapidly responded to recent Executive Orders, modernizing its financial oversight and reporting infrastructure. In alignment with Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative, HUD designed and implemented an automated HUD Daily Cash Report for the Department of Government Efficiency (DOGE) within one week of request. [108] This enabled accurate oversight of more than $29.7 billion in disbursements and established a new standard for timeliness and operational efficiency. Building on this effort, the Department also advanced 10 high-impact efficiency initiatives across human capital and technology resources, strengthening operational agility, reducing risk, and improving Enterprise-wide performance. In response to Executive Order 14249, Protecting America's Bank Account Against Fraud, Waste, and Abuse, the Department built and deployed a Daily Treasury Account Symbol (TAS) Report in under two weeks.[109] This report analyzes more than 500 lines of data totaling over $149 billion to identify negative balances and ensure appropriate exclusions. The TAS Report will safeguard HUD's ability to continue disbursing funds while exceeding compliance expectations. Additionally, in response to Executive Order 14247, Modernizing Payments To and From America's Bank Accounts, the Department developed and launched a new Pay.gov form.[110] This initiative expands customer service options and significantly enhances payment processing operations.

Beyond these initiatives, HUD's Federal financial reporting framework – specifically the Management's Discussion and Analysis (MD&A) layout and Analysis of Financial Condition section within the Agency Financial Report (AFR) – was adopted by OMB under Circular A-136 guidance (effective July 2025) as a model for all Federal agencies. This recognition highlights HUD as a standard-setter for excellence in financial reporting. The Department also modernized the Open Obligations Review (OOR) process by transitioning from manual to fully electronic certification within the system portal, eliminating redundant hard-copy signatures, reducing compliance delays, and streamlining operations across program areas. These improvements enabled the achievement of 100 percent completion of the OOR well ahead of deadline.

[107] https://sam.gov/; https://fiscal.treasury.gov/DNP/
[108] https://www.whitehouse.gov/presidential-actions/2025/02/implementing-the-presidents-department-of-government-efficiency-cost-efficiency-initiative/
[109] https://public-inspection.federalregister.gov/2025-05524.pdf?1743079525
[110] https://www.federalregister.gov/documents/2025/03/28/2025-05522/modernizing-payments-to-and-from-americas-bank-account

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Improve HUD's ability to prevent and detect fraud, waste, and abuse through Project Voucher and Payment Integrity.[111]	**6/1/2026**: Perform SAM.gov verification for 10 HUD entities, including Contract Administrators and Public Housing Agencies.[112] – *Achieved as of 6/1/2026* **9/30/2027**: Connect HUD's major payment systems to Treasury's Do Not Pay service for automated pre-payment checks.[113]
Improve the reliability of internal controls and payment integrity results.[114]	**9/30/2026:** Develop internal control improvement recommendations to strengthen potential weaknesses for three programs. **9/30/2026**: Develop a payment error estimate approach for one program susceptible to significant improper payments.[115] **9/30/2026**: Make one improvement that reduces payment errors or strengthens controls to prevent or detect fraud, waste, and misuse.[116] **9/30/2027:** Develop internal control improvement recommendations to strengthen potential weaknesses for five programs. **9/30/2027**: Develop a payment error estimate approach for one program susceptible to significant improper payments. **9/30/2027**: Make one improvement that reduces payment errors or strengthens controls to prevent or detect fraud, waste, and misuse.
Fortify the budget execution process through streamlined workflows**.**[117]	**9/30/2026**: Analyze the current state of budget execution standard operating procedures (SOPs).

[111] Achievement of the milestones in this strategy are aligned to the Congressional Justification for Administrative Support Services in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[112] SAM.gov verification involves confirming strategic, Federally-mandated controls are operational.
[113] The payment systems include Line of Credit Control System (LOCCS), HUD Central Accounting and Program System (HUDCAPS), Ginne Mae Financial & Accounting System (GFAS), and Fair Housing Agency Subsidiary Ledger (FHASL).
[114] Achievement of the milestones in this strategy are aligned to the Congressional Justification for Administrative Support Services in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[115] HUD only has two programs susceptible to significant improper payments. The Department will use a phased approach, developing the estimate for the first program in FY 2026 and the second program in FY 2027.
[116] HUD only has two programs susceptible to significant improper payments. The Department will use a phased approach, implementing the improvement for the first program in FY 2026 and the second program in FY 2027.
[117] Achievement of the milestones in this strategy is aligned to the Congressional Justification for Administrative Support Services in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.

	3/31/2027: Streamline and modernize the Funds Control Matrix process. **6/30/2027**: Establish standard operating procedures to fortify the budget execution process.

KEY PERFORMANCE INDICATORS

To help achieve this objective, HUD has established the following performance indicators:

- **Increase the percentage of controls that pass design and effectiveness tests.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual[118]	FY23 Actual[119]	FY24 Actual[120]	FY25 Actual[121]	FY25 Target	FY26 Target	FY27 Target	
68.7%	66.7%	64.1%	54.7%	65%	65%	70%	↑ Increase
Description:		This indicator will track the effectiveness and reliability of internal controls by tracking the percentage of controls that pass Test of Design (ToD) and Test of Operating Effectiveness (ToE) during the reporting period. A "pass" indicates that the control operated as intended, was supported by sufficient and appropriate evidence in accordance with A-123 internal control testing standards and did not result in a control deficiency. Increasing a high pass rate demonstrates a stable and reliable control environment, reduces the likelihood of control failures, and supports timely identification and remediation of weaknesses. This KPI is used to monitor trends in control performance, inform management decisions, and strengthen assurance over financial, operational, and compliance processes.				
Data Source:		A-123 Internal Controls Testing Results					
Dimension & Unit of Measurement:		Control Effectiveness (Quality); Percentage					
Calculation Method:		Total number of controls that pass both ToD and ToE divided by total individual key controls tested during the reporting period.					
Frequency:		Annually					
Data Quality:		Data used to calculate this KPI is accurate, complete, and timely, and sourced from HUD's A-123 Assessment. Validation and review procedures are in place to ensure consistency, reliability, and suitability for performance reporting.					
Validation and Verification:		Results are validated through OCFO's A-123 procedures, quality reviews, and management oversight, and verified through internal audit and external OIG/GAO					

[118] In FY22, 57 of 83 controls passed both ToD and ToE.
[119] In FY23, 18 of 27 controls passed both ToD and ToE.
[120] In FY24, 25 of 39 controls passed both ToD and ToE.
[121] In FY25, 35 of 64 controls passed both ToD and ToE.

	review, as applicable. Testing results are finalized as part of the annual A-123 Assessment and support HUD's Statement of Assurance.

- **Reduce improper payment errors.**[122]

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
N/A	N/A	N/A	11.4%	N/A	10%	9%	↓ Decrease
Description:		This KPI measures compliance with federal and programmatic requirements and the effectiveness of actions taken to reduce improper payments. This metric will track compliance with Federal and programmatic requirements and the effectiveness of actions taken to reduce improper payments. Analysis of improper payment errors is measured by: (1) Identifying payments made to payees that do not have a valid SAM.gov registration at time of payment by tracking the UEI of a payee to their UEI registered in SAM.gov; and (2) identifying and preventing payments to ineligible recipients by comparing tenant and payee records against the Treasury Do Not Pay (DNP) Death Master File (DMF). A 50% reduction year-over-year reflects the effectiveness of actions taken to reduce improper payments.					
Data Source:		(1) SAM.gov Registration • SAM.gov Search Results • SAM.gov Search Extract • A75R-PAY-026a All Grantees with UEI in Line of Credit Control System (LOCCS) and SAM • A75R-PAY-026a HUD Vendor Report for Grant Programs • Tenant-Based Rental Assistance (TBRA) Population • PBRA Population • Spending.gov • Financial Data Mart (FDM) System OCFO Systems (2) Treasury DNP DMF Validation • Tenant Rental Assistance Certification System (TRACS) • Public and Indian Housing Information Center Inventory Management System (IMS-PIC) Treasury DNP					
Dimension & Unit of Measurement:		Quality; Percentage					

[122] Data-driven payment error estimate methodology was established in FY25 and serves as the baseline. Therefore, no prior year data is available.

Calculation Method:	The improper payment error rate is calculated as: the total defined improper payment dollars divided by total payments made for in-scope programs; measured against a defined baseline year, FY 2025.
Frequency:	Annually
Data Quality:	Data used to calculate this KPI is sourced from authoritative Federal systems and HUD program systems. Data is subject to automated validation checks, reconciliation procedures, and management review to ensure accuracy, completeness, and consistency across reporting periods.
Validation and Verification:	Results are validated through automated system controls, reconciliation procedures, and OCFO management review. Verification is supported through independent oversight activities, including internal audits and OIG reviews. Verification audits contribute to HUD's annual payment integrity and financial reporting assessments.

EVIDENCE

Increasing the integrity of HUD's grants management systems and processes is a vital task to prevent waste, fraud, and abuse of the Department's program funds. According to the FY 2025 OIG Report, *HUD Did Not Comply with the Payment Integrity Information Act of 2019*, the lack of tools and cross-agency data integration puts HUD at a greater risk of waste, fraud, and abuse by funding recipients and sub-recipients.[123] Without an aggregated data source HUD has a limited capacity to flag payment issues and develop safeguards against improper payments. A full view of the grants lifecycle is imperative to improve process control reliability and reduce administrative burden.

HUD plans to take action to resolve its systemic challenges in preventing, identifying, and remediating improper payments. The Department will better protect taxpayer funded expenditures by leveraging technology, analytics, and monitoring. The effectiveness of these implemented controls will be measured by OIG and GAO audit recommendations to be released annually at the start of the new fiscal year. Internal audits within the Office of the Chief Financial Officer (OCFO) will also be performed, annually, to preserve and protect the financial integrity of HUD's payment processes. Ongoing review of the consolidated grants management system, the aggregated data sets, and financial safeguards will allow HUD to produce a more thorough and holistic audit of the Department's financial health.

[123] https://www.hudoig.gov/sites/default/files/2025-05/2025-fo-0006_508_0.pdf

Agency Priority Goal: Strengthen Funding Recipient Accountability.

Increase accountability by enabling the practical use of data in the execution of HUD programs.
LEADING THIS PRIORITY GOAL
Office of the Chief Financial Officer
✪ Agency Priority Goal for FY 2026-2027: By September 30, 2027, HUD will onboard 80% of grant programs to the HUD Unified Grants System (HUGS) Recipient Reporting Portal for submitting evidence for fraud, waste, and abuse monitoring, by using SI and machine learning technologies. ✪
The Agency Priority Goal will further the execution of Objective 2.1: *Safeguard the Integrity of HUD's Payments*.

PRIORITY GOAL

For too long, HUD has had limited visibility into how the Department's funds are used, or misused, after they are disbursed to grantees and subgrantees. To increase accountability among its grant recipients and subrecipients, HUD will initiate 21st century management processes and tools to help ensure funds are used for their intended purpose.

HUD invests in communities across the nation through more than 60 grant programs, relying on tens of thousands of recipients and subrecipients to carry out its mission. Historically, the Department has faced challenges in obtaining standardized financial reporting from grantees and subgrantees. This has limited HUD's ability to assess program performance, ensure compliance, and identify risks of fraud, waste, and abuse. The decentralized processes have contributed to an oversight structure that is typically reactive instead of preventive, particularly for funds that have been dispersed from grantees to subgrantees.

The Department will launch the latest technologies and strategic processes to better safeguard taxpayer funds to address funding recipient oversight challenges. Specifically, HUD will launch development of a recipient and sub-recipient financial reporting portal to centrally manage grantee data. This will allow HUD to proactively pursue corrective actions and reduce improper payments. The outcomes produced by this work include the potential for: near real-time data validation checks; an increase in the sub-recipient reporting compliance rate; a reduction of the improper payment rate below the statutory threshold, within two years; and the delivery of data entry training to over 15,000 recipients and subrecipients nationwide. To ensure HUD partners can adapt to this new approach, the Department will also update notices and regulations to align with reporting requirements with enhanced transparency and accountability goals. HUD will be better equipped with analytic tools to prevent fraud, waste, and abuse through this by streamlining existing, parallel processes and consolidating existing data sets.

2025 APR PROGRESS UPDATE[124]

In Fiscal Year 2025, HUD took major steps in ensuring accountability among HUD funding recipients and subrecipients. Notably, the Department completed the business reporting requirements for a new grants management process, the HUD Unified Grants System (HUGS). HUGS is designed to increase accountability and transparency into how grantees and public housing agencies (PHAs) are spending the grant funds they receive. The project aims to further standardize workflows, improve accessibility, and consolidate HUD's fragmented grant processes. This process of redesign involves all HUD grantees submitting supporting documentation for the complete flow of funds through a recipient financial reporting portal. Once submitted, information will then be transmitted to a data integration platform for analysis. Within the platform, HUD will utilize SI technologies to analyze expenditures for early identification of fraud, waste, and abuse of Federal funds.

The Department also completed the design for a new-end-state financial system to replace the New Core Interface Solution (NCIS), a legacy financial system. The new system will enable HUD to better audit the use of its funds at the grantee and subgrantee levels to root out fraud, waste, and abuse with the latest technologies. This will create more visibility and accountability into how funds are spent down to multiple sub-recipient levels.

To further support the enhanced grants management process, HUD developed a new Notice of Funding Opportunity (NOFO) reporting template. This template will require grantees to provide more comprehensive funding data in alignment with the new grants management process. These improvements will reduce the burden internally (for administrators) and externally (for recipients), while allowing for better protection of taxpayer funds.

STRATEGIES AND MAJOR MILESTONES[125]

Strategies	Major Milestones
Update notices and regulations to align reporting requirements with HUD's enhanced transparency and accountability goals.	**6/30/2026**: Update the FY 2026 NOFO template. – *Achieved as of 4/17/2026* **6/30/2026**: Implement new recipient reporting standards for all HUD NOFOs. – *Achieved as of 4/17/2026* **9/30/2026**: Update the Grants Management Handbook to meet current requirements. **12/31/2026**: Include new recipient reporting standards in all new grant agreements.
Implement a recipient and subrecipient reporting process.	**8/31/2026**: Launch a unified grant recipient and subrecipient reporting portal. **12/31/2026**: Onboard grant recipients.

[124] Objective 2.1: Strengthen Funding Recipient Accountability has replaced "Priority 3: Protect Taxpayer Funds" from the FY 2026 Annual Performance Plan. Progress updates have been incorporated in this APR section.
[125] The strategies and milestones for this Objective are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 34-3. https://www.hud.gov/stat#cfo

Implement continuous monitoring capabilities for fraud and compliance analytics.	**8/31/2026**: Draft the HUD Fraud Analytics Playbook. **12/31/2026**: Establish the HUGS analytics platform for continuous monitoring processes that will automate fraud and compliance analysis. **6/30/2027**: Establish entity-level risk metrics and scoring for grant recipients. **9/30/2027**: Launch the compliance analysis for five HUD grant programs.

KEY PERFORMANCE INDICATORS

To track our progress toward this objective, HUD will use these performance indicators:

- **Percentage of HUD grant programs onboarded in the recipient reporting portal.**[126]

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
N/A	N/A	N/A	N/A	N/A	10%	80%	↑ Increase

Description:	This measure will track the percentage of HUD program assistance listing numbers (ALNs) that are onboarded into the recipient reporting portal. [127]
Data Source:	The new data repository that will be developed for HUD's Unified Grants System.
Dimension & Unit of Measurement:	Percentage
Calculation Method:	The percentage of Assistance Listing Numbers (ALNs) that are onboarded into the portal.
Frequency:	Quarterly
Data Quality:	Significant or known data limitations should be identified to include a description of the limitations, the impact they have on goal achievement, and the actions that will be taken to correct the limitations.
Validation and Verification:	Agencies should have verification and validation (V&V) techniques that will ensure the completeness and reliability of all performance measurement data contained in

[126] This key performance indicator language has been revised from "Number of Programs Transitioned to a Modern Grants Management System." The revised language provides more clarity on Departmental work to streamline the grants management process. This key performance indicator was not tracked prior to FY 2026. As such, a target for FY 2025 is not available.
[127] Assistance listings are detailed public descriptions of Federal programs that provide grants, loans, scholarships, insurance, and other types of assistance awards.

	their Annual Performance Plans and reports as appropriate to the intended use of the data.

- **Amount of HUD grant funding that has been analyzed for potential fraud, waste, and abuse.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
N/A	N/A	N/A	N/A	N/A	Tracking Only	Tracking Only	Tracking Only
Description:	This measure will track the amount, in dollars, of HUD funding for fraud, waste, and abuse by the new sub-recipient portal for financial reporting.						
Data Source:	A new data repository will be developed for HUD's Unified Grants System.						
Dimension & Unit of Measurement:	Count						
Calculation Method:	This indicator is a sum of HUD grant funding dollars tied to evidence that has been submitted by grantees or subgrantees into the portal and analyzed for fraud, waste, and abuse. Dollars analyzed in the current fiscal year will be added to the previous fiscal year total for a cumulative total.						
Frequency:	Quarterly						
Data Quality:	Significant or known data limitations should be identified to include a description of the limitations, the impact they have on goal achievement, and the actions that will be taken to correct the limitations.						
Validation and Verification:	Agencies should have in place verification and validation (V&V) techniques that will ensure the completeness and reliability of all performance measurement data contained in their Annual Performance Plans and reports as appropriate to the intended use of the data.						

- **Number of Decommissioned Legacy Financial and Grants Management Systems.**[128]

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	

[128] This metric will be closed out with the publication of the FY 2027 APP and FY 2025 APR.

N/A	N/A	N/A	TBD	0	4	N/A	↑ Increase
Description:		Modernize the management of HUD grant programs by migrating all grant programs to a Department-wide system that supports grants through the entire grants lifecycle.					
Data Source:		Office of Chief Information Officer (OCIO) will provide a count of systems that have been decommissioned.					
Dimension & Unit of Measurement:		Count of financial and grants management systems					
Calculation Method:		Sum					
Frequency:		Annually					
Data Quality:		The data is derived from a hard count of active systems that is verified by system owners.					
Validation and Verification:		Validation by an OCIO officer every reporting cycle.					

EVIDENCE

HUD has relied on many sources of evidence to develop its plans and programs focused on streamlining its grants management systems and processes. In a 2023 report to Congress, the Government Accountability Office (GAO) detailed grants management challenges for Federal agencies and their grantees.[129] A key finding was that when grants management requirements are duplicative or overly burdensome, grantee agencies must direct further staff and resources to meet those demands.

Other key evidence for developing this Objective came from the "Top Management Challenges Facing the U.S. Department of Housing and Urban Development in 2026" report, an annual publication by HUD's Office of Inspector General (OIG).[130] The OIG report identified the primary challenge for HUD and its grantees is the burden of managing the Department's dozens of grant systems and processes. As noted in the 2025 OIG Report, the Department has a diverse range of grants programs which allocate billions of dollars every year to states, cities, and other entities. Many HUD programs, as many as 40, have their own application and monitoring systems and processes. These myriad processes and systems do not have an effective way of communicating across platforms to share data internally.

In its 2026 Top Management Challenges report, OIG explained that some grantees lacked staffing to monitor subgrantees for various grants, especially those that can take years to complete, such as disaster recovery grants.[131] Other grantees lacked knowledge of reporting requirements. The OIG also found some HUD grantees did not always report data related to subawards as required by the Federal Funding Accountability and Transparency Act (FFATA). These grantees lacked knowledge of the requirements. This led to an increase in unreported subawards which limited stakeholders, and HUD's, ability to fully evaluate whether grantees properly used Federal funds.

[129] https://www.gao.gov/assets/gao-23-106797.pdf.
[130] https://www.hudoig.gov/sites/default/files/2024-10/hud-oig-fy-2025-tmc-report_final_508_1.pdf.
[131] Top Management and Performance Challenges | FY 2026

While HUD's decentralized structure and processes place burdens on both the Department and its grantees, this issue also results in a lack of aggregated reporting data, which is key to protecting taxpayer funds. According to a 2021 report, the Inspector General Community's Joint Efforts To Protect Grants From Fraud, Waste, and Abuse, Federal grants pose unique oversight challenges.[132] Unlike contracts, Federal grantees are not required to provide invoices or billing details to show how they spent grant funds.[133] The lack of detailed financial documentation reduces transparency over how Federal grant funds are spent and impacts HUD's ability to prevent fraud, waste, and abuse. By redesigning reporting processes and establishing clear reporting requirements, the Department will gain more visibility into how funds are spent down to the sub-recipient level.

To be effective stewards of taxpayer dollars, HUD must have clear, consistent, and timely visibility into how funds are used and by whom. Ultimately, these improvements will reduce the burden internally for administrators and externally for recipients, while allowing for the better protection of taxpayer funds.

[132] https://www.oversight.gov/reports/other/ig-communitys-joint-efforts-protect-federal-grants-fraud-waste-and-abuse
[133] Federal grantees must, however, create a proposed budget and maintain supporting documentation.

Strategic Goal 3: Streamline Business Processes.

Radically streamline and simplify HUD operations to meet 21st Century demands.
LEADING THIS GOAL
Office of Administration Office of the Chief Information Officer

GOAL

Meeting the technological demands of the 21st century requires HUD to move away from outdated, complex systems toward greater efficiency and responsiveness. By focusing on streamlining processes, HUD aims to enhance service delivery, reduce bureaucratic hurdles, and accelerate the delivery of vital services. This transformation is crucial to ensure that HUD programs can keep pace with the rapidly evolving needs of communities and individuals across the Nation, more effectively helping the people we serve.

HUD is committed to empowering its workforce with the right skills and fostering a culture of accountability and innovation. To achieve this, the Department will streamline internal controls and centralize support functions to reduce redundancy and improve collaboration. HUD will also focus on attracting and retaining top talent by modernizing the hiring process, enhancing the performance management process, and creating meaningful recognition programs. Additionally, HUD will enhance its procurement processes by aligning with Federal mandates to eliminate waste and save taxpayer money. This internal transformation will build a foundation of trust and accountability that directly translates to better outcomes for the public.

Equipping the Department with modern technology will lead to further positive transformation in our operations. HUD is dedicated to leveraging secure, agile technology such as Super Intelligence, machine learning, and robotics process automation. These tools will enable HUD to make more informed, data-driven decisions and streamline departmental efficiency. Ultimately, this modernization effort will enable HUD to provide more effective and responsive services to the American people.

This goal consists of two objectives:

3.1: Establish a Culture of Accountability and Efficiency.

3.2: Transform HUD through Modern Technology.

Strategic Objective 3.1: Establish a Culture of Accountability and Efficiency.

Improve policies, processes, and Departmental efficiency to achieve a positive culture change across HUD.
LEADING THIS OBJECTIVE
Office of Administration

OBJECTIVE

The effective delivery of HUD services requires a strong commitment to efficiency and accountability in both Departmental operations and workforce development. HUD is committed to cultivating an environment that fosters the skills and innovative thinking necessary to carry out the Department's mission. This will be achieved by strengthening and streamlining internal controls, increasing access to relevant expertise, and resourcing initiatives responsibly. The Department aims to improve its human capital, procurement, facilities, and administrative management across all regions to better serve its customers.

Empowerment of the HUD workforce to drive a culture guided by principles of accountability, transparency, and recognition is imperative to mission success. As such, HUD aims to attract and retain highly-skilled employees. Attracting top talent, with the right skill sets, to the right positions, will help close gaps across program operations to ensure resources are fully maximized. Additionally, HUD will reinforce high-quality standards by revitalizing its performance management process and building meaningful recognition programs to reward significant employee accomplishments.

HUD stands at a pivotal moment to transform its acquisition function into a more agile, accountable, and future-ready enterprise. The evolving Federal acquisition landscape—driven by new executive orders, the rapid maturation of Super Intelligence, and the need to streamline regulatory frameworks—requires HUD to act decisively. This transformation is not simply about process improvement; it is about enhancing its procurement activities and processes to increase strategic outcomes across programs and delivering greater value to the American public. The Office of the Chief Procurement Officer (OCPO) will prioritize alignment with Executive Order 14240, "Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement" to increase accountability in its procurement actions.[134]

The Department will modernize its procurement processes to improve decision-making, increase operational efficiency, and reduce administrative burdens. HUD's newly strengthened partnership with the General Services Administration (GSA) will help to streamline procurement actions and enable HUD staff to focus on the Department's mission. HUD will continue to provide specialized procurement expertise across programs; serve as a strategic liaison for internal and external stakeholders; and act as the primary point of engagement for industry and GSA-related inquiries. HUD will also prioritize reviewing its procurement policies to reduce unnecessary regulations and improve operational flexibility and efficiency.

[134] For more information about Executive Order 14240: https://www.govinfo.gov/app/details/DCPD-202500379.

The Department will centralize business support functions currently performed in major HUD offices to increase efficiency and reduce redundancy. Streamlining common services will make it easier for employees to request and receive support while allowing major offices to focus on their specialized work.

Efficiently managing HUD's real estate portfolio, including reducing space across the country, is a key priority that will yield significant substantial rent savings over the next five years. The Department will be able to eliminate excess and re-purpose underutilized space through the implementation of a comprehensive real estate strategy. HUD's capital investments will allow the Department to advance our goals to increase office utilization, maximize cost efficiency, and enhance mission delivery.

This Administration's operational improvements will encourage innovation, embrace accountability, increase efficiency and collaboration, bolster internal controls, and better enable HUD to deliver services to its customers.

2025 APR PROGRESS UPDATE

In FY 2025, HUD prioritized alignment with, and implementation of, the President's Executive Orders.[135] The Department made significant strides to strengthen the Federal workforce. HUD achieved 97 percent compliance with the President's Return to In-Person Work Executive Order.[136] The Department better positioned itself to hire the most capable individuals by establishing the Probationary Review Council to review the success of new hires Additionally, HUD launched project teams to explore efficiencies of centralizing Human Resources (HR) services into the Office of the Chief Human Capital Officer (OCHCO) to improve overall performance. By migrating HR responsibilities to OCHCO, the Department can standardize processes and reduce administrative burden on component offices, allowing them to focus on core mission delivery. As a result of its efforts, HUD was able to meet all FY 2025 goals of the Administration's Merit Hiring Plan initiative.[137]

Transparency was prioritized by increasing the public's access to HUD records. In FY 2025, HUD produced its strongest Freedom of Information Act (FOIA) performance in a decade. The Department reduced its FOIA request backlog by 30 percent and drastically improved response times: simple requests now average just 6.78 days (down from 36), while complex request processing was reduced by more than half, from 135 days to 61.

The Department delivered $2.3 billion in cost savings through contract optimizations, descoping underperforming contracts, and eliminating duplicative obligations. Coordinated reviews of HUD's IT licenses led to additional cost savings through the deobligation of $1 million in surplus IT licenses. This allowed HUD to reinvest funds into higher priority initiatives. HUD also reduced its financial management backlog by clearing over 50 percent of past-due de-obligations. Additionally, HUD ensured 100 percent compliance with all acquisition-related Executive Orders, ahead of schedule, as it began to transition common contract management to GSA.

The fiscal year also saw HUD exceed its small business prime goal by achieving a 55 percent small business participation rate across Departmental contracts. HUD awarded almost ten percent of the FY 2025 contract dollars to Veteran Owned Small Businesses. Of these businesses, 97 percent of contract dollars went to Service-Disabled Veteran-Owned Small Businesses (SDVOSB). This rate of performance exceeded the five percent SDVOSB goal by over 86 percent.

[135] For more information about Return to In-Person Work: https://www.govinfo.gov/app/details/DCPD-202500143; for more information about implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative: https://www.govinfo.gov/app/details/DCPD-202500254; for more information about Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement: https://www.govinfo.gov/app/details/DCPD-202500379.
[136] Workforce reduction was achieved through the use of the deferred resignation programs, voluntary early retirement authority, and other attrition. Additionally, OCHCO reviewed over 500 existing and new remote work and telework reasonable accommodations to ensure maximum compliance with Return to Office requirements.
[137] https://www.opm.gov/chcoc/latest-memos/merit-hiring-plan.pdf

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Bolster HUD's successful hiring procedures.[138]	**9/30/2026**: Publish HUD's strategic recruiting plan targeting the recruiting and hiring of Veterans; early career talent; and Science, Technology, Engineering, and Mathematics (STEM) professionals. **9/30/2027**: Develop valid and reliable assessments that enable the timely selection of high-quality candidates.
Revitalize HUD's performance management process.[139]	**9/30/2026**: Update performance requirements for the Senior Executive Service workforce aligned to Administration directives. **9/30/2027**: Update performance requirements for the General Schedule workforce aligned to Administration directives.
Reduce the HUD real estate footprint and real property costs to right-size the Field and Headquarters Office Portfolios. [140]	**1/18/2026**: Initiate the relocation of HUD headquarters staff from Weaver to Eisenhower. – *Achieved as of 1/18/2026* **9/30/2026**: Publish and adopt HUD's long-term plan targeting a one million Useable Square Feet (USF) reduction in total square footage by FY 2031. **1/30/2027**: Publish and adopt HUD's long-term plan targeting $186M in cumulative rent cost avoidance by FY 2031.
Modernize Acquisition Policies and Guidance to align with the Revolutionary Federal Acquisition Regulation (FAR) Overhaul.[141]	**9/30/2026**: Develop and deliver FY 2026 HUD acquisition training modules.[142] **3/31/2027**: Fully integrate FY 2026 FAR updates—and document required changes—into the Housing

[138] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[139] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[140] Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1 https://www.hud.gov/stat/cfo/cj-fy27.
[141] The Federal Acquisition Regulation (FAR) is the regulation by which executive agencies use appropriated funds to acquire supplies and services. More information about the FAR can be found here: https://www.acquisition.gov/browse/index/far.; Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[142] HUD's FY 2026 acquisition training modules will educate the acquisition workforce on new HUD procurement policy updates resulting from FAR changes and acquisition-related executive orders.

	and Urban Development Acquisition Regulation (HUDAR).[143] **9/30/2027**: Complete development of a continuous learning program for the acquisition workforce.[144]
Initiate a comprehensive Alternative Dispute Resolution (ADR) training program.[145]	**6/30/2026**: Conduct targeted briefings to HUD program offices' senior career leadership regarding forthcoming ADR training for all managers and supervisors in compliance with 29 CFR 1614.102(b)(3) and MD110.[146] – *Achieved as of 5/5/2026* **9/30/2026**: Evaluate training completion rates and refine training content and delivery methods, as necessary. **9/30/2027**: Evaluate the effectiveness of the ADR training and utilize findings to guide ongoing improvement efforts.

KEY PERFORMANCE INDICATORS

To help achieve this objective, HUD has established the following performance indicators:

- **On-Time Execution of All Procurement Actions – Procurement Acquisition Lead Times (PALT).**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
87%	85.8%	79%	72.9%	75%	73%	74%	↑ Increase
Description:		This measure will track the percentage of all procurement actions awarded within the established PALT.					
Data Source:		Senior executives, Purchase Request Information System Management (PRISM).					

[143] The Housing and Urban Development Acquisition Regulation (HUDAR) establishes the Department's procurement-related policies and procedures relative to the Federal Acquisition Regulation (FAR). Additional information can be found here: https://www.acquisition.gov/hudar/part-2401-federal-acquisition-regulation-system.
[144] HUD's continuous learning program will provide the acquisition workforce with annual updates on FAR changes, and acquisition-related executive orders incorporated into HUD procurement policies.
[145] HUD's ADR training program will enable managers and supervisors to deepen their understanding of ADR, encourage early resolution of EEO complaints, and reinforce the agency's commitment to utilizing ADR as a proactive Tool. Achievement of the milestones under this strategy are aligned to the Congressional Justification for Administrative Support Offices in the FY 2027 President's Budget for HUD. See page 33-1. https://www.hud.gov/stat/cfo/cj-fy27.
[146] Information on 29 C.F.R. § 1614.102(b)(3) can be found here: https://www.ecfr.gov/current/title-29/subtitle-B/chapter-XIV/part-1614; Information on MD110 can be found here: https://www.eeoc.gov/sites/default/files/migrated_files/federal/directives/md-110.pdf.

Dimension & Unit of Measurement:	Percentage: PALT
Calculation Method:	Per FY: numerator is the sum of contract actions that exceed PALT; denominator is the sum of all contract actions.
Frequency:	Semi-annually
Data Quality:	Data entry errors in PRISM could impact the calculation. For example, if the incorrect PALT Category is chosen, it could cause a faulty calculation in on-time performance rates.
Validation and Verification:	HUD procurement records go through a risk-based review protocol and routine and ad hoc reviews are conducted to ensure the accuracy and completeness of the data.

- **On-Time Submission of Planned Acquisition Requirements.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
19%	26%	22%	49%	75%	70%	71%	↑ Increase
Description:	This measure will track the percentage of actionable requirements submitted by customer offices by the Target Requisition Release Date (TRRD).						
Data Source:	PRISM						
Dimension & Unit of Measurement:	Percentage: Requirement						
Calculation Method:	Average is calculated by taking the number that were completed on time divided by total population.						
Frequency:	Monthly						
Data Quality:	Human error during limited data entry process may be an issue in specific circumstances.						
Validation and Verification:	Data points in reports are system-generated. Outputs that are out-of-tolerance are validated by pre-established parameters and analyst revision.						

- **On-Time Award of Planned Actionable Acquisition Requirements.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
82%	79%	70%	56%	70%	71%	72%	↑ Increase
Description:	This measure will track the percentage of awards by the Target Award Date (TAD) of actionable acquisition requirements submitted by program offices by the TRRD.						
Data Source:	PRISM						
Dimension & Unit of Measurement:	Percentage: Awards						
Calculation Method:	Sum in a fiscal year.						

Frequency:	Monthly
Data Quality:	Human error during limited data entry process may be an issue in specific circumstances.
Validation and Verification:	Data points in reports are system-generated. Outputs that are out-of-tolerance are validated by pre-established parameters and analyst revision.

- **Freedom of Information Act Backlog Reduction.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
-23%	-11%	+30%	+51%	-10%	-10%	-10%	↓ Decrease
Description:		This measure will track the percentage of HUD's FOIA request backlog that is reduced annually.					
Data Source:		FMS2 (FOIAXpress)					
Dimension & Unit of Measurement:		Percentage					
Calculation Method:		The FOIA backlog reduction goal is calculated by comparing the total number of pending requests at the end of the current fiscal year to the backlog total at the end of the previous fiscal year.					
Frequency:		Annually					
Data Quality:		Data is tracked in real time using FMS2, a live database. Routine oversight ensures consistency and integrity of the data.					
Validation and Verification:		The FOIA Office routinely reviews and validates data entered and retrieved from FMS2 to ensure accuracy and consistency with reporting data.					

OTHER INDICATORS

- **Average Time-To-Hire.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
77 days	75 days	75 days	75 days	80 days	80 days	80 days	

							Tracking Only
Description:	This measure will track the average number of calendar days it takes from the validation of a hiring need to the acceptance of a tentative offer, for general schedule positions under the new merit hiring plan requirements and new hiring operational model.						
Data Source:	USAStaffing – Governmentwide Hiring Technology System.						
Dimension & Unit of Measurement:	Count: Calendar Days						
Calculation Method:	Number of calendar days within process.						
Frequency:	Quarterly						
Data Quality:	Data is dependent upon SSP entry of some data elements. The Office of the Chief Human Capital Officer (OCHCO) will provide quality oversight review of SSP data.						
Validation and Verification:	OCHCO will provide quality oversight review of SSP data.						

EVIDENCE

HUD's notable efforts to strengthen its human capital processes have enabled the Department to reduce the amount of time it takes to hire staff, develop modern workforce planning systems, and increase opportunities for staff to gain new skills. For the past three years, HUD has consistently exceeded standards set by the Office of Personnel Management (OPM) regarding time-to-hire.

Acquisition management is at the core of HUD's ability to meet its mission and a top priority for HUD leadership. Like other agencies, HUD has identified risks in the acquisition management process. In its FY 2025 and FY 2026 Top Management Challenges reports, HUD OIG identified increasing effectiveness in procurement as one of its operational challenges.[147] Specifically, HUD faces risks related to inefficient acquisition processes and improving use of quality assurance surveillance plans. To address the identified risks, HUD has proposed strategies aimed at increasing efficiency across the acquisition process.

The Department seeks to significantly reduce its real property costs by implementing a 5–10-year roadmap to reduce Headquarters and Field office space. HUD achieved a major milestone by relocating nearly all Headquarters staff in the Robert C. Weaver Building to Alexandria, VA. This alone will reduce Department's square footage by 600,000 square feet (46 percent) and produce savings of $22 million per year beginning in 2028. HUD will consider cost savings, mission impact, feasibility, and space-reduction when prioritizing high-impact consolidation projects in both headquarters and field locations.. HUD is also targeting an overall 55 percent reduction in our portfolio which will result in cumulative cost avoidance of $186.3 million by FY 2031.

[147] For more information about HUD OIG's Top Management Challenges for FY 2025: https://www.hudoig.gov/sites/default/files/2024-10/hud-oig-fy-2025-tmc-report_final_508_1.pdf; for more information about HUD's OIG Top Management Challenges for FY 2026: https://www.hudoig.gov/sites/default/files/2025-12/hud_tmcs_508.pdf.

Strategic Objective 3.2: Transform HUD through Modern Technology.

Empower HUD with security, agility, Super Intelligence, data, and efficient operations to deliver government-proven solutions.

LEADING THIS OBJECTIVE

Office of the Chief Information Officer

OBJECTIVE

HUD will lead with technology. Today's advancements present a significant opportunity to radically transform Departmental business into a more lean, accountable, secure, and effective operation. Many of HUD's systems are currently encumbered by heavy bureaucratic burdens accumulated over decades and baked in by legacy processes. The integration of emerging technology—from automation and advanced Super Intelligence (SI) to cloud computing and data analytics—will allow us to leapfrog generations of technical debt. Our investments in modern platforms and intelligent automation will improve efficiency and create transparency across the organization.

As HUD advances the Administration's goals related to deregulation and burden reduction, we will eliminate redundant systems and streamline technology workflows to ensure every team can operate with greater precision and purpose. HUD will reduce reliance on third-party contractors and ensure taxpayer dollars are efficiently spent on enterprise solutions that increase mission effectiveness. The Department will centralize information technology (IT) services and empower Federal technologists to directly solve problems. HUD's efforts to leverage modern tools will reduce manual workloads, strengthen security, eliminate waste and fraud, and accelerate decision-making.

With unified data and simplified tools, HUD can track outcomes more effectively and make decisions rooted in real-time insights. As a result, we will not only realize cost savings, but gain the agility needed to swiftly respond to evolving citizen expectations.

2025 APR PROGRESS UPDATE[148]

During FY 2025, HUD implemented foundational changes to eliminate bureaucratic barriers and improve information security. HUD centralized the Chief Data Officer and Chief Super Intelligence (SI) Officer functions into the Office of the Chief Information Officer (OCIO). This centralization initiative will support the robust data management capabilities critical to the Department's leveraging of SI to eliminate information silos. HUD also made a decisive shift toward a Federally-compliant, Zero Trust–aligned enterprise identity architecture. FY 2025 systems architecture improvements established the foundation to transition identity management from fragmented, application-owned controls to a governed, HUD-wide service. Additionally, HUD was also able to successfully deploy phishing-resistant multi-factor authentication for up to 95,000 FHA lenders nationwide. This materially reduced the risk of account takeover, financial fraud, and foreign-based cyber intrusion.

In FY 2025, HUD advanced its Enterprise Identity, Credential, and Access Management (EICAM) modernization efforts, strengthening cybersecurity and improving secure, reliable access to mission systems that support vital housing and community development programs. These systems serve thousands of external partners-including

[148] Objective 3.2: Transform HUD through Modern Technology has replaced "Priority 4: Streamline Business Processes" from the FY 2026 Annual Performance Plan. Progress updates have been incorporated in this APR section.

FHA lenders, housing authorities, and program administrators—along with HUD staff who rely on them to deliver housing services nationwide.

HUD leveraged modern technology, including SI, to streamline processes, improve service delivery, and reduce its numerous confusing websites. The Department successfully implemented new technology to dramatically streamline the repetitive manual processes associated with responding to customer phone messages. This led to significant improvements in HUD's ability to respond to customer inquiries while also saving an estimated 4,000 staff hours per year.[149] The Department took major steps to efficiently award funds by using an SI large language model-based proof of concept to perform an analysis of manual processes and provide process improvement recommendations. In just six weeks, the Department completed a user-centered streamlining of HUD.gov to remove over 9,200 unnecessary webpages, an 80 percent reduction.

In all, HUD laid the groundwork for the continuous modernization of HUD with information technology that improves efficiency and the utilization of resources for 2025 and beyond.

STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Use data and customer feedback to improve accountability and redefine how we measure program effectiveness.[150]	**6/30/2026**: Enhance HUD's voice of the customer capability to enable HUD to review customer feedback. **–** *Achieved as of 4/29/2026* **3/31/2027**: Develop the capability to calculate mission return-on-investment by technology portfolio segment. **3/31/2027**: Consolidate the first HUD program into a centralized contact center. **9/30/2027**: Establish the capability to analyze and track customer satisfaction ratings.
Ensure information is secure by default, while removing unnecessary barriers to inter- and intra-agency information-sharing.[151]	**6/30/2026**: Deploy the initial stages of zero trust capabilities. **–** *Achieved as of 6/15/2026* **6/30/2027**: Ensure all HUD systems have an Authorization to Operate (ATO), with all security controls addressed.

[149] The 4000 staffing hours saved represents the midpoint value of HUD's estimated hours saved by automating FPM customer voicemails. FPM receives approximately 500,000 calls a year, of which roughly one third leave a voicemail (150,000-165,000 voicemails). On the low estimate (1 minute/VM * 150,000 messages), HUD will save at least 2,500 hours of work per year. On the high estimate (2 minute/VM*165,000 messages) HUD will save 5,500 hours of work per year. The midpoint of these two estimates is 4,000 hours of work saved per year.

[150] Achievement of this Strategy's milestones are aligned to the Congressional Justification for Information Technology Fund in the FY 2027 President's Budget for HUD. See page 36-1 https://www.hud.gov/stat/cfo/cj-fy27.

[151] Achievement of this Strategy's milestones are aligned to the Congressional Justification for Information Technology Fund in the FY 2027 President's Budget for HUD. See page 36-6 and 36-7 https://www.hud.gov/stat/cfo/cj-fy27.

Leverage state-of-the-art technology, including Super Intelligence (SI), to reduce burdensome systems and processes.[152]	**9/30/2026**: Implement a system-embedded SI proof of concept to improve an internal HUD process. **9/30/2026**: Deliver a data-sharing service integrated with the Department of Homeland Security (DHS) to ensure program integrity, support accurate benefits delivery, and further mitigate fraud, waste, and abuse. **9/30/2026**: Implement a Federal, interagency proof of concept.[153] **6/30/2027**: Advance Federal SI adoption by publishing a reusable, Department-level IT framework. **9/30/2027**: Operationalize a new enterprise technology that will drive consolidation with a successfully validated proof of concept. **9/30/2027**: Deploy a customer-experience focused chatbot.
Centralize technology from across the Department into the OCIO and empower Federal technologists with unified capabilities.[154]	**6/30/2026**: Implement a development, security, and operations (DevSecOps) capability for software development. **–** *Achieved as of 6/5/2026* **3/31/2027**: Realign the Department's technology portfolio to support current mission priorities. **9/30/2027**: Centralize information system security officer functions into OCIO. **9/30/2027**: Create a capability to inventory and calculate total IT resources HUD-wide, regardless of source of funds. **9/30/2027**: Operationalize enhanced SI capability for DevSecOps.

[152] Achievement of this Strategy's milestones are aligned to the Congressional Justification for Information Technology Fund in the FY 2027 President's Budget for HUD. See page 36-5 https://www.hud.gov/stat/cfo/cj-fy27.
[153] This milestone relates to SI projects that involve collaboration and partnership with other Government agencies. The effort has led to an Authorization to Operate (ATO) SI tool that reduces the time for ATO processing by 80 percent and provides continual updates via code security monitoring. This has been presented to OMB, DoT, DoI, DoS, and is in the process of being FedSourced via the ShareIT Act. Another project includes AskSI, HUD's external chatbot, which will be released soon. This is a Federal project in partnership with the National Design Studio (NDS).
[154] Achievement of this Strategy's milestones are aligned to the Congressional Justification for Information Technology Fund in the FY 2027 President's Budget for HUD. See page 36-4 https://www.hud.gov/stat/cfo/cj-fy27.

KEY PERFORMANCE INDICATORS

To help achieve this objective, HUD has established the following performance indicators:

- **Percentage of HUD data assets cataloged in an enterprise data inventory system.**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
0%	0%	0%	0%	N/A	75%	93%	↑ Increase
Description:	This metric measures the percentage of data assets in an official repository. This indicator helps HUD understand its data landscape so that it can focus on eliminating data silos and duplicative data collections.						
Data Source:	Active HUD systems in HUD's official system inventory						
Dimension & Unit of Measurement:	Percentage of data assets cataloged						
Calculation Method:	Number of data assets in official catalog divided by the number of known data assets						
Frequency:	Quarterly						
Data Quality:	As new data assets are discovered, efforts will be taken to normalize percentages across reporting periods.						
Validation and Verification:	Data is verified by HUD's Chief Data Officer.						

- **The Federal Information Security Modernization Act (FISMA) Inspector General Evaluation Maturity Level.[155]**

Past Performance			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Level 2 Defined	Level 2 Defined	Level 3 Consistently Implemented	Level 3 Consistently Implemented	Level 4 Managed and Measurable	Level 3 Consistently Implemented	Level 4 Managed and Measurable	↑ Increase
Description:	This metric measures the continued maturity of HUD's information security program so that HUD can effectively defend against cyber enemies and safeguard information.						

[155] FISMA requires agency Inspectors General (IG) to perform an annual evaluation of agency information security programs' maturity. During the evaluation IGs assess sources of evidence and utilize various test methods to arrive at a maturity rating on a 5-tiered scale. Additional details about FISMA can be found at the Cybersecurity & Infrastructure Security Agency.

Data Source:	FISMA Provided By Clients Records, Penetration Testing Reports and FISMA Interviews – system-level and enterprise level
Dimension & Unit of Measurement:	Level of maturity on a five-tier scale
Calculation Method:	This calculation shows the HUD Office of Inspector General (OIG)-issued maturity rating per domain plus the numeric point value of the rating as compared to the prior period.
Frequency:	Annually
Data Quality:	There are no known data quality issues.
Validation and Verification:	Final ratings are issued by an independent auditor.

- **HUD Processes Streamlined by IT Modernization.[156]**

Past Performance[157]			Current Performance		Performance Plan		Preferred Direction
FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
N/A	N/A	N/A	N/A	7	15	N/A	↑ Increase

Description:	This measure will track the number of HUD processes that have been automated, improved, or replaced through the implementation of IT modernization techniques.
Data Source:	The HUD Chief Technology Officer
Dimension & Unit of Measurement:	Number of enterprise-wide automated processes.[158]
Calculation Method:	Count of enterprise-wide automated processes during each calendar year.
Frequency:	Annually
Data Quality:	Manual counts may be at higher risk of human error.
Validation and Verification:	Solutions are catalogued, verified, and validated by HUD's Chief Information Officer and Chief Technology Officer.

[156] This metric will be closed out in FY 2026, as its activities will be captured through other means.
[157] This key performance indicator was not tracked prior to FY 2025. As such, any previous year actuals, before FY 2025, are not available. The tracking of data will begin with FY 2025 end-year actuals.
[158] An automated process is a sequence of activities executed by IT systems — under programmed logic and configuration rather than direct human action — that produces a repeatable outcome without manual intervention at each step.

► **HUD Website Consolidation and Digital Experience Modernization.**[159]

Sub-Metric	Past Performance[160]			Current Performance		Performance Plan		Preferred Direction
	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY25 Target	FY26 Target	FY27 Target	
Reduction in the number of documents	N/A	N/A	N/A	N/A	10%	20%	N/A	↑ Increase
Percentage Reduction in Website/Web Application Costs	N/A	N/A	N/A	N/A	5%	15%	N/A	↑ Increase
Percentage increase in customer feedback and digital touchpoints	N/A	N/A	N/A	N/A	N/A	10%	20%	↑ Increase

Sub-Metric: Reduction in the Number of Documents	
Description:	This metric will track the reduction in the number of outdated documents on HUD.gov to make it easier for the public and other program participants to find accurate information on the Department's programs and services.
Data Source:	HUD's content management system
Dimension & Unit of Measurement:	Count of documents
Calculation Method:	This calculation shows the count of documents at the end of the prior fiscal year subtracted by the count of documents at the end of the current fiscal year.
Frequency:	Annually
Data Quality:	There are no known data quality issues
Validation and Verification:	Data will be validated by the automated counts in HUD's content management system
Sub-Metric: Percentage Reduction in Website/Web Application Costs	
Description:	This metric measures the percentage reduction in costs achieved by consolidating HUD's websites and web applications.

[159] This metric will be closed out in FY 2026, as its activities will be captured through other means.
[160] These key performance indicators were not tracked prior to FY 2025. As such, any previous year actuals, before FY 2025, are not available. The tracking of data will begin with FY 2025 end-year actuals.

Data Source:	Office of Chief Financial Officer (OCFO) in consultation with Office of Public Affairs (OPA), OCIO, and HUD's webmasters.
Dimension & Unit of Measurement:	Percentage
Calculation Method:	(Dollar value of costs subtracted from the dollar value of costs in the current fiscal year) divided by the dollar value of costs
Frequency:	Annually
Data Quality:	The ability to fully account for all website and web applications costs is limited by relevant data in HUD's accounting system.
Validation and Verification:	Data will be catalogued, verified, and validated by HUD's OCFO Customer Experience team.
Sub-Metric: Percentage Increase in Customer Feedback and Digital Touchpoints	
Description:	This metric measures the percentage increase in customer responses and satisfaction with their digital encounters with HUD.
Data Source:	OPA, OCIO, and HUD's webmasters.
Dimension & Unit of Measurement:	Percentage
Calculation Method:	This calculation will use new Voice of the Customer digital measurements and surveys. These measurements and tools will be used to calculate the percentage increase in customer responses and satisfaction with their digital encounters with HUD, compared to previous fiscal years.
Frequency:	Annually
Data Quality:	The ability to capture, analyze, and act on customer feedback has been limited. The modernization of HUD's digital experience will be able to collect insights from new channels, measure what drives key behaviors, and utilize surveys and reviews.
Validation and Verification:	Data will be continuously catalogued, verified, and validated by HUD's Customer Experience team.

EVIDENCE

In FY 2025, HUD developed an IT modernization strategy that aligns with its IT modernization roadmap with an established framework. HUD's IT modernization efforts are limited by staffing recruitment and retention and weaknesses in project planning and budget management.[161] HUD has identified strategies in the FY 2026-2030 Strategic Plan to help address these IT modernization challenges. The Department is tracking the percentage of new capabilities deployed that are using next generation and SI-based architectures.

HUD has made progress on its cybersecurity. The Department has also been developing a Zero Trust Architecture framework that will enhance its cyber security infrastructure. HUD also intends to fully implement an

[161] See https://www.hudoig.gov/sites/default/files/2024-10/hud-oig-fy-2025-tmc-report_final_508_1.pdf.

execution strategy for its government-leading technology procurement strategy which will focus on resources and clarify responsibilities. The Department will continue to track its system security maturity levels in the coming fiscal year.

As part of the EICAM efforts, HUD deployed phishing-resistant multi-factor authentication (MFA) for approximately 95,000 FHA lenders and external partners. This marked the Department's first consistent, enterprise-wide identity security standard governing third party access to HUD systems. HUD also launched a Self-Service Password Reset (SSPR) capability for staff to streamline account management, reduce help desk demand, and maintain uninterrupted access for staff administering housing, financial, and oversight activities.

HUD additionally began modernizing the legacy Web Access Security Service (WASS), transitioning authentication services to the EICAM MFA architecture to retire aging technologies and establish a scalable identity infrastructure for hundreds of HUD applications. These modernization activities are anticipated to be completed in Calendar Year (CY) 2027, positioning HUD with a more resilient, secure, and user centered identity platform aligned with Federal Zero Trust cybersecurity objectives.

HUD is committed to modernizing its technological infrastructure and providing the capabilities needed to achieve the Department's mission. Through the data HUD collects on its information technology, the Department will explore answers to the following questions:

- *How is technology advancing the HUD Mission?*
- *How is technology modernization delivering cost-savings for HUD programs, internally and for HUD partners?*
- *How can HUD include more data in key decision-making processes?*
- *What are drivers that challenge a unified, Departmental approach to IT management?*

Section Three: Additional Information

Cross-Agency Priority Goals

Established by the Government Performance and Results Act (GPRA) Modernization Act of 2010, Cross-Agency Priority (CAP) Goals are a tool used by the Administration to accelerate progress on a limited number of Presidential priority areas where implementation requires active collaboration between multiple agencies, overcoming organizational barriers to achieve better performance than one agency can achieve on its own.

Set or revised at least every four years, CAP Goals include outcome-oriented goals that cover a limited number of crosscutting policy areas as well as management goals focused on management improvements across the Federal Government. Each goal focuses on driving cross-governmental collaboration and tackling government-wide management challenges affecting most agencies. Goals will feature clearly named accountable officials; data-driven reviews that incorporate a broad range of quantitative and qualitative inputs; and reporting to the public through a common website as a framework to drive performance improvements.

A series of Administration-wide CAP Goals will be determined during the fiscal year. Please refer to https://www.performance.gov/ for the Department's contributions and progress toward the CAP Goals, where applicable.

President's Management Agenda CAP Goal	CAP Goal Objective	HUD Strategic Objective	HUD Strategy	Page
1.1: Eliminate Woke, Weaponization, and Waste	1.1.4: Cease payments to fraudsters and eliminate waste.	2.1: Safeguard the Integrity of HUD's Payments.	Improve HUD's ability to prevent and detect fraud, waste, and abuse through Project Voucher and Payment Integrity.	66
3.2 Leverage Technology to Deliver Faster, More Secure Services	3.2.3: Ensure secure, digital-first services that are built for real people, not bureaucracy. -- 3.2.6: Reduce wasteful processes through artificial intelligence.	2.1: Safeguard the Integrity of HUD's Payments.	Improve HUD's ability to prevent and detect fraud, waste, and abuse through Project Voucher and Payment Integrity.	66
1.1: Eliminate Woke, Weaponization, and Waste	1.1.4: Cease payments to fraudsters and eliminate waste.	2.1: Safeguard the Integrity of HUD's Payments.	Improve the reliability of internal controls and payment integrity results.	66
2.3: Demand Partners Who Deliver	2.3.3: Hold contractors and grant recipients accountable.	2.1: Safeguard the Integrity of HUD's Payments.	Improve the reliability of internal controls and payment integrity results.	66
2.3: Demand Partners Who Deliver	2.3.3: Hold contractors and grant recipients accountable.	2.1: Safeguard the Integrity of HUD's Payments - APG: Strengthen Funding Recipient Accountability.	Update notices and regulations to align reporting requirements with HUD's enhanced transparency and accountability goals.	71

2.1: Foster Merit-Based Federal Workforce	2.1.1: Hire the best based on skills and merit.	3.1: Establish a Culture of Accountability and Efficiency.	Bolster HUD's successful hiring procedures.	79
2.1: Foster Merit-Based Federal Workforce	2.1.2: Implement all employee performance and accountability Presidential directives	3.1: Establish a Culture of Accountability and Efficiency.	Revitalize HUD's performance management process.	79
1.3: Optimize Federal Real Estate	1.3.1: Offload unnecessary leases and buildings.	3.1: Establish a Culture of Accountability and Efficiency.	Reduce the HUD real estate footprint and real property costs to right-size the Field and Headquarters Office Portfolios.	79
3.1: Efficiently Deploy the Buying Power of the Federal Government and Buy American	3.1.1: Buy as one entity: smarter, faster, cheaper.	3.1: Establish a Culture of Accountability and Efficiency.	Modernize Acquisition Policies and Guidance to align with the Revolutionary Federal Acquisition Regulation (FAR) Overhaul.	79
3.1: Efficiently Deploy the Buying Power of the Federal Government and Buy American	3.1.2: Build the most agile, effective, and efficient procurement system.	3.1: Establish a Culture of Accountability and Efficiency.	Strengthen oversight, coordination, and management of pre- and post-award activities across HUD's major program portfolios.	80
2.1: Foster Merit-Based Federal Workforce	2.1.2: Implement all employee performance and accountability Presidential directives	3.1: Establish a Culture of Accountability and Efficiency.	Initiate a comprehensive Alternative Dispute Resolution (ADR) training program.	80
3.2 Leverage Technology to Deliver Faster, More Secure Services	3.2.3: Ensure secure, digital-first services that are built for real people, not bureaucracy.	3.2: Transform HUD through Modern Technology.	Use data and customer feedback to improve accountability and redefine how we measure program effectiveness.	86
3.2 Leverage Technology to Deliver Faster, More Secure Services	3.2.4: Defend against and persistently combat cyber enemies. -- 3.2.5: Eliminate data silos and duplicative data collection.	3.2: Transform HUD through Modern Technology.	Ensure information is secure by default, while removing unnecessary barriers to inter- and intra-agency information-sharing.	86
3.2 Leverage Technology to Deliver Faster, More Secure Services	3.2.1: Consolidate and standardize systems, while eliminating duplicative ones	3.2: Transform HUD through Modern Technology.	Leverage state-of-the-art technology, including Super Intelligence (SI), to reduce burdensome systems and processes.	87

	-- 3.2.2: Reduce the number of confusing government websites. -- 3.2.6: Reduce wasteful processes through artificial intelligence.			
3.2 Leverage Technology to Deliver Faster, More Secure Services	3.2.3: Ensure secure, digital-first services that are built for real people, not bureaucracy.	3.2: Transform HUD through Modern Technology.	Centralize technology from across the Department into the OCIO and empower Federal technologists with unified capabilities.	87

Major Management Priorities and Challenges

Major management priorities and challenges are addressed by the HUD Strategic Goals to *Protect Taxpayer Funds* and *Streamline Business Processes*. Please see the HUD Management Objectives *(2.1: Safeguard the Integrity of HUD's Payments; 3.1: Establish a Culture of Accountability and Efficiency; and 3.2: Transform HUD through Modern Technology)* for information on the management priorities and challenges HUD will be addressing.

Acronym List

Acronym	Definition
ACC	Annual Contributions Contract
ADR	Alternative Dispute Resolution
AHAR	Annual Homelessness Assessment Report
AIR	Accountability, Integrity, and Risk
ALN	Assistance Listing Numbers
APG	Agency Priority Goal
APP	Annual Performance Plan
APR	Annual Performance Report
ATO	Authorization to Operate
CA	Contract Administrator
CAP	Cross Agency Priority
CARES	Coronavirus Aid, Relief, and Economic Security Act
CCAP/OPIIS	Commercial Capital Assessment Projections/Online Property Integrated Information Suite
CDBG-DR	Community Development Block Grant Disaster Recovery
CFO	Chief Financial Officers
CFR	Code of Federal Regulations
CHUMS	Computerized Homes Underwriting Management System
CIO	Chief Information Officer
CISA	Cybersecurity and Infrastructure Agency
COC	Continuums of Care
CPD	Community Planning and Development
CWCOT	Claims Without Conveyance of Title
CX	Customer Experience
CY	Calendar Year
DEVSECOPS	Development, Security, and Operations
DMF	Death Master File
DNP	Do Not Pay
DOGE	Department of Government Efficiency
DOJ	Department of Justice
DOL	Department of Labor
DOT	Declaration of Trust
DRA	Direct Rental Assistance
DRGR	Disaster Recovery Grant Reporting
EEO	Equal Employment Opportunity
EICAM	Enterprise Identity, Credential, and Access Management
EIN	Employer Identification Number
ENOTES	Electronic Promissory Note
EOPF	Electronic Official Personnel Folder
EPA	United States Environmental Protection Agency
ESG	Emergency Solutions Grants
EVAULT	Electronic Vault
FAR	Federal Acquisition Regulation
FDM	Financial Data Mart
FFATA	Federal Funding Accountability and Transparency Act
FHA	Federal Housing Administration
FHASL	Fair Housing Administration Subsidiary Ledger

FISMA	Federal Information Security Modernization Act
FITARA	Federal Information Technology Acquisition Reform Act
FMR	Fair Market Rent
FMS2	FOIA Management System
FPM	Office of Field Policy and Management
FOIA	Freedom of Information Act
FRT	Field Reporting Tool
FSS	Family Self-Sufficiency
FY	Fiscal Year
GAO	U.S. Government Accountability Office
GDAS	General Deputy Assistant Secretary
GEMS	Grants Evaluation Management System
GFAS	Ginne Mae Financial & Accounting System
GINNIE MAE	Government National Mortgage Association
GPRA	Government Performance and Results Act
GSA	General Services Administration
HAP	Housing Assistance Payments
HCV	Housing Choice Voucher
HDX	Homelessness Data Exchange
HHS	U.S. Department of Health and Human Services
HIC	Housing Inventory Count
HMIS	Homeless Management Information System
HOME	HOME Investment Partnerships Program
HOPWA	Housing Opportunities for Persons with AIDS
HR	Human Resources
HRIS	HUD's HR Information System
HUD	U.S. Department of Housing and Urban Development
HUDAR	Housing and Urban Development Acquisition Regulation
HUDCAPS	HUD Central Accounting and Program System
HUGS	HUD Unified Grants System
IBTS	Institute for Building Technology and Safety
IDIS	Integrated Disbursement and Information System
IMS-PIC	Inventory Management System Public and Indian Housing Information Center
IN	Ineligible non-citizen
IREMS	Integrated Real Estate Management System
IT	Information Technology
KPI	Key Performance Indicator
LLM	Large Language Model
LMS	Learning Management System
LOCCS	Line of Credit Control System
MBS	Mortgage-Backed Securities
MD&A	Management's Discussion and Analysis
MFA	Multi-factor Authentication
MFH	Office of Multifamily Housing
ML	Mortgagee Letter
MMI	Mutual Mortgage Insurance
MMIF	Mutual Mortgage Insurance Fund
MOU	Memorandum of Understanding
MTW	Moving To Work
NASS	Integrated Assessment Sub-System
NCIS	New Core Interface Solution

NFC	National Finance Center
NOFO	Notice of Funding Opportunity
NSPIRE	National Standards for the Physical Inspection of Real Estate
OA	Office of Administration
OCFO	Office of the Chief Financial Officer
OCHCO	Office of the Chief Human Capital Officer
OCIO	Office of the Chief Information Officer
OCPO	Office of the Chief Procurement Officer
ODEEO	Office of Departmental Equal Employment Opportunity
ODR	Office of Disaster Recovery
OGC	Office of General Counsel
OHP	Office of Healthcare Programs
OIG	Office of Inspector General
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy
OOR	Open Obligations Review
OPA	Office of Public Affairs
OPIIS	Online Property Integrated Information Suite
OPM	Office of Personnel Management
ORM	Office of Risk Management
OZ	Opportunity Zone
PALT	Procurement Acquisition Lead Times
PBRA	Project-Based Rental Assistance
PD&R	Office of Policy Development and Research
PHA	Public Housing Agency
PHARS	Public Housing Agency Recovery and Sustainability Tool
PHAS	Public Housing Assessment System
PIC	PIH Information Center
PIH	Office of Public and Indian Housing
PIIA	Payment Integrity Information Act
PIT	Point-in-Time
PLUS	Portal and Loan Underwriting System
PMA	President's Management Agenda
PRC	Probationary Review Council
PRISM	Purchase Request Information System Management
PSH	Permanent Supportive Housing
RAD	Rental Assistance Demonstration
REAC	Real Estate Assessment Center
RBC	Regulatory Barriers Clearinghouse
RFI	Request for Information
RHP	Recovery Housing Program
RHS	Rural Housing Service
ROV	Reconsideration of Value
RRH	Rapid Re-Housing
SAMHSA	Substance Abuse and Mental Health Services Administration
SDQ	Serious Delinquency
SDVOSB	Service-Disabled Veteran-Owned Small Business
SEMAP	Section Eight Management Assessment Program
SFH	Single Family Housing
SFHEDW	Single Family Housing Enterprise Data Warehouse
SFIS	Single Family Insurance System

SI	Super Intelligence
SOP	Standard Operating Procedures
SSP	Shared Service Provider
SSPR	Self-Service Password Reset
STEM	Science, Technology, Engineering, and Mathematics
TAD	Target Award Date
TBD	To Be Determined
TBRA	Tenant-Based Rental Assistance
TOD	Test of Design
TOE	Test of Operating Effectiveness
TRACS	Tenant Rental Assistance Certification System
TRRD	Target Requisition Release Date
UEI	Unique Entity Identifier
UFA	United Funding Agency
USF	Useable Square Feet
USPS	United States Postal Service
VA	United States Department of Veterans Affairs
VMS	Voucher Management System
V&V	Verification and Validation
WASS	Web Access Security Service
YHDP	Youth Homelessness Demonstration Program

Icon List

Icon	Definition
	Denotes an Agency Priority Goal
*	Denotes a Management Objective

U.S. Department of Housing and Urban Development

FY 2027
ANNUAL PERFORMANCE PLAN

FY 2025
ANNUAL PERFORMANCE REPORT