

Housing adviser goes after Powell

BY ALAN RAPPEPORT AND MATTHEW GOLDSTEIN

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WASHINGTON>> At a meeting with House Republicans this month, President Donald Trump waved a draft of a letter firing Federal Reserve Chair Jerome Powell.

The letter, which rattled Washington and global markets, was not written by Trump or his core economic advisers. Instead, it was drafted by Bill Pulte, director of the Federal Housing Finance Agency, who has used his perch and his social media prowess to become the Trump administration's loudest critic of Powell.

The campaign against Powell has given Pulte, an heir of one of America's largest homebuilding families, a new prominence within the Trump administration that exceeds the usually quiet confines of the agency. A longtime social media maven, Pulte has deployed his bombastic tone and his credibility from the construction industry to argue that the Fed's policies are hurting the housing market and that a \$2.5 billion renovation of its headquarters is an example of reckless spending by the central bank.

"I believe Jerome Powell is conducting economic warfare against America," Pulte wrote on social platform X this month.

For weeks, Pulte, who has 3 million followers, has called for Powell to either resign or be investigated over a renovation to the Federal Reserve building in Washington that he has said is "riddled with fraud."

The approach has also been an opportunity for Pulte to ingratiate himself with the president, a developer. Within hours of Trump's making a comment about his frustration with Powell's policy on interest rates, Pulte usually takes to X with a post demanding Powell's resignation.

The onslaught of social media posts and television appearances by Pulte has raised eyebrows in Congress and within the housing world. The public campaign has also raised questions about potential conflicts of interest and whether Pulte — along with the Trump administration broadly — has any plans to jump-start home sales and improve housing affordability, beyond relentlessly attacking Powell to lower interest rates.

Pulte has not hesitated to use the housing agency's letterhead to extend his effort, which sometimes includes spreading rumors. Two weeks ago, Pulte issued a news release in which he said he "was encouraged" by unsubstantiated reports that Powell was thinking of resigning.

On Thursday, Pulte joined White House officials who are scrutinizing the cost of the Fed's renovation project for a tour of the site. The Fed's project, which kicked off in 2022, is estimated to be \$700 million over budget. Critics of Powell contend that the cost overrun is an example of his mismanagement of the institution and have suggested that the expense is a reason he should resign. "Where is Jerome Powell? Where did Jerome Powell put the \$2.5 billion?" Pulte said in a Fox News television appearance from outside the Fed building this week.

Representatives with the housing agency declined repeated requests for comment.

Democratic lawmakers, including some of Powell's harshest critics, have blasted Pulte's commentary, saying he should be focused on America's housing crisis.

"Your job is to manage FHFA, oversee our nation's mortgage market and lower costs for American families — full stop," Sen. Elizabeth Warren, D-Mass., wrote in a letter to Pulte this week. "Your prolific activity on X and apparent decision to take time away from your duties as FHFA director to draft a letter for President Trump to fire Chair Powell are abnormal."

Warren, who is no fan of Powell, added, "Your behavior raises significant questions about your judgment and commitment to operating FHFA in a responsible, competent and lawful manner."

Pulte, 37, came to run the housing agency with little housing policy experience. A grandson of William Pulte, who was the founder of PulteGroup, one of the largest American homebuilders, he did not play an active role at the company, though he did serve as a board member from 2016-20.

Pulte has long had an entrepreneurial spirit. In college, at Northwestern University, he founded an aerial photography company but also showed signs of having political ambition.

“The way we think of Trump as a showman, this guy had elements of it, too,” Ryan Erickson, who was a former president of the Northwestern College Democrats and endorsed Pulte’s candidacy to lead the student government in 2009.

Before being tapped by Trump to run the housing agency, Pulte was best known for running his own investment firm and helping to clean up blighted homes in Detroit — not far from where PulteGroup got its start.

In later years, Pulte gained a big following on social media for his “Twitter Philanthropy,” to raise money for a variety of causes including victims of school shootings. He also has a reputation for pumping up meme stocks on social media and giving out dubious financial advice.

Despite his penchant for aggressive social media tactics, Pulte has also been the recipient of harassment online. In 2022, he sued an executive at the homebuilding company that his family founded for trolling him on Twitter during company time.

Pulte’s financial disclosures showed that he still has strong ties to the real estate market and remains a managing member of the Pulte Family Office, an investment fund. Pulte, who according to the filing is worth more than \$200 million, has for years called for lower interest rates to boost the real estate sector and is now doing so from a prominent government perch.

“To the extent to which Pulte has input into the direction of the Federal Reserve — and his statements suggest he thinks he has some — it is problematic that his input is in line with his personal financial interests,” said Jeff Hauser, executive director of the Revolving Door Project, which scrutinizes the influence of money in politics.

Several housing policymakers and former housing regulators, who spoke on the condition of anonymity because they feared angering Pulte, said they found his use of social media unsettling and somewhat embarrassing. Others have begun to refer to Pulte as a “mini-Trump,” given the president’s proclivity to use social media to lash out at his political critics and opponents.