
BAYEAST**GOVERNMENT AFFAIRS / Weekly Report**

Government affairs update for the week of May 26, 2024

New FHA Assumable Loan Policies

New Federal Housing Administration (FHA) policies for assumable loans may make transactions easier for buyers and sellers.

According to the National Association of REALTORS® (NAR) the FHA is [allowing higher fees](#) a mortgage servicer may charge when processing an assumable loan.

In a [letter to the FHA](#), NAR said assumable government-insured mortgages may help current homeowners who are struggling to sell their homes as mortgage interest rates are increasing.

According to NAR, buyers may be better able to achieve homeownership if they can purchase a home and assume an FHA loan with an interest rate lower than what is currently available. NAR says the current FHA limit on fees a mortgage servicer can charge also is limiting assumable loan processing.

NAR said the new FHA policy allowing higher fees will improve this process and help buyers and sellers.

If you have any questions about Bay East advocacy activities or any government-related real estate issues you want Bay East to research, contact [David Stark](#), Bay East Chief Public Affairs and Communications Officer.

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