

NATIONAL ASSOCIATION OF MORTGAGE BROKERS

ROAD to Housing Act of 2025

S. 2651 · Senate Banking Committee

Existing Sections That Advance Housing Affordability

Prepared by NAMB Government Affairs Committee · 2026 Legislative Priorities

Overview

The ROAD to Housing Act of 2025 (S. 2651) was unanimously advanced by the Senate Banking, Housing, and Urban Affairs Committee on August 1, 2025. It is a comprehensive, bipartisan housing bill that addresses supply constraints, access to financing, appraisal reform, and borrower protections across eight titles.

The following reference guide identifies every existing section of the ROAD Act that directly supports NAMB's core affordability goals — expanding homeownership access, lowering transaction costs, modernizing financing options, and protecting the competitive broker channel. These are not proposed changes; they are provisions already in the bill that NAMB members should actively champion.

Quick Reference: All Affordability-Aligned Sections

Section	Section Title	Affordability Goal	NAMB Priority
§ 101	Reforms to Housing Counseling & Financial Literacy	Borrower Education	Consumer Protection
§ 203	Housing Supply Frameworks Act	Zoning Reform / Supply	Supply Expansion
§ 209	Housing Supply Expansion Act	Regulatory Barriers	Supply Expansion
§ 302	Modular Housing Production Act	Alternative Construction	Supply Expansion
§ 303	Property Improvement & Manufactured Housing Loan Modernization	Manufactured Housing Access	Access to Credit
§ 401	Creating Incentives for Small Dollar Loan Originators	Small-Dollar Access	Market Access
§ 402	Small Dollar Mortgage Points & Fees	Lower Transaction Costs	Cost Reduction
§ 403	Appraisal Industry Improvement Act	Appraisal Modernization	Cost Reduction
§ 404	Helping More Families Save Act	Down Payment / Savings	First-Time Buyers
§ 405	Choice in Affordable Housing Act	Voucher / Rental Mobility	Access to Credit
§ 601	VA Home Loan Awareness Act	Veteran Access	Consumer Protection
§ 602	VALID Act (VA Loan Disclosure)	Veteran Access	Consumer Protection

TITLE I — FINANCIAL LITERACY & COUNSELING

Supporting informed borrowers and expanding access to homeownership guidance

Title I · § 101 | Reforms to Housing Counseling and Financial Literacy Programs

► AFFORDABILITY LINK: Borrower Education · Consumer Protection

WHAT IT DOES

Amends the Housing and Urban Development Act of 1968 to improve HUD's housing counseling program. Reforms include updated performance metrics for HUD-approved counseling agencies, geographic diversity requirements for grant distribution, and enhanced oversight of counselor competence. It also expands pre-purchase counseling quality standards tied to loan default rates in comparable markets.

WHY IT MATTERS TO BROKERS & BORROWERS

First-time buyers, low-to-moderate-income borrowers, and underserved communities frequently lack access to high-quality pre-purchase guidance. Better-counseled borrowers are more prepared, make more informed financing decisions, and result in fewer defaults — directly benefiting originators who serve these markets.

NAMB ANGLE

NAMB members who regularly work with first-time buyers benefit when borrowers arrive better prepared. Improved counseling infrastructure also reduces post-closing fallout and strengthens the case for expanding FHA and GSE access programs. NAMB supports counseling that complements — not replaces — the broker relationship.

Title II · § 203 | Housing Supply Frameworks Act

► AFFORDABILITY LINK: Zoning Reform · Supply Increase · Lower Home Prices

WHAT IT DOES

Authorizes HUD to make grants to states and localities that adopt housing supply reforms — including zoning changes, by-right approvals, and reduced parking minimums. Grant eligibility is tied to measurable increases in housing permits or units. The section conditions CDBG funding on reporting housing regulatory barriers and progress toward removing them.

WHY IT MATTERS TO BROKERS & BORROWERS

Restrictive zoning is one of the most powerful drivers of housing cost inflation. Every new unit that doesn't get built is one more buyer competing for existing inventory, pushing prices higher. Incentivizing local supply reform addresses the root cause of unaffordability at the source.

NAMB ANGLE

More homes on the market means more purchase transactions for mortgage professionals. NAMB members operating in supply-constrained metro markets — especially in the South, Mountain West, and coastal cities — stand to benefit directly from increased origination volume as inventory grows.

Title II · § 209 | Housing Supply Expansion Act

► AFFORDABILITY LINK: Regulatory Reform · Barrier Reduction · Supply

WHAT IT DOES

Authorizes grants and technical assistance to state and local governments to identify, analyze, and eliminate regulatory barriers to housing production. Eligible activities include zoning code audits, streamlining permit processes, environmental pre-clearance, and infrastructure studies. Requires participating jurisdictions to publish action plans and progress reports on barrier reduction.

WHY IT MATTERS TO BROKERS & BORROWERS

Regulatory barriers — from environmental review delays to exclusionary zoning to excessive parking requirements — add tens of thousands of dollars to the cost of each new home. Federal technical assistance and grants help localities overcome the political and administrative friction of reform.

NAMB ANGLE

Every regulatory barrier removed increases the pipeline of new home transactions. NAMB members benefit from a regulatory environment that makes it easier for builders to produce housing and for buyers to access those homes through the broker channel.

TITLE III — HOUSING MODERNIZATION

Expanding access to non-traditional housing and alternative financing pathways

Title III · § 302 | Modular Housing Production Act

► **AFFORDABILITY LINK: Alternative Construction · Cost Reduction · Supply**

WHAT IT DOES

Directs HUD and FHFA to study and report on barriers to modular and factory-built housing production, including zoning restrictions, building code inconsistencies, and GSE financing eligibility. The section promotes adoption of consistent construction standards across state lines and considers pilot programs for modular housing financing under FHA and GSE frameworks.

WHY IT MATTERS TO BROKERS & BORROWERS

Modular and prefabricated construction can reduce the per-unit cost of a home by 10–25% compared to traditional site-built construction. Expanding financing access for these housing types — and removing code and zoning barriers — opens a new tier of attainable housing that traditional stick-built construction cannot provide at comparable price points.

NAMB ANGLE

As modular and manufactured housing continues to evolve, NAMB members will increasingly originate loans on these properties. Ensuring GSE and FHA financing compatibility is essential for the broker channel to serve buyers of these units. NAMB has a direct interest in seeing GSE guidelines updated to reflect modern modular construction standards.

Title III · § 303 | Property Improvement and Manufactured Housing Loan Modernization Act

► **AFFORDABILITY LINK: Manufactured Housing · Loan Access · Title I Modernization**

WHAT IT DOES

Modernizes the FHA Title I property improvement and manufactured housing loan programs. Updates loan limits that have been stagnant for decades, expands eligible property types, simplifies the application and underwriting process, and allows Title I loans to be used for energy efficiency improvements and accessibility modifications. Directs HUD to promulgate updated regulations within 18 months.

WHY IT MATTERS TO BROKERS & BORROWERS

Manufactured housing is the largest source of unsubsidized affordable housing in the United States, housing over 22 million Americans. But outdated FHA Title I loan limits and cumbersome program rules have made the program nearly unusable. Modernizing it opens affordable financing to a segment of the housing market that has been chronically underserved.

NAMB ANGLE

Manufactured housing borrowers represent an underserved population that the broker channel is uniquely positioned to serve — with access to multiple lenders and the ability to find niche products. Modernized Title I limits create new origination opportunities in rural, suburban, and manufactured housing communities where NAMB has strong member presence.

TITLE IV — FINANCING ACCESS & BORROWER PROTECTIONS

Reducing transaction costs, modernizing appraisals, and expanding small-dollar and first-time buyer options

Title IV · § 401 | Creating Incentives for Small Dollar Loan Originators

► AFFORDABILITY LINK: Access to Credit · Small-Dollar Mortgages · Underserved Markets

WHAT IT DOES

Addresses the economic disincentives that discourage lenders and originators from making small-dollar mortgage loans (defined as loans up to \$70,000 secured by 1-4 family property). Creates a regulatory safe harbor under the Ability-to-Repay (ATR) and Qualified Mortgage (QM) rules for originators of small-dollar mortgages, reducing compliance risk. Directs CFPB to study origination costs relative to loan size and the economic barriers to small-dollar lending.

WHY IT MATTERS TO BROKERS & BORROWERS

Small-dollar mortgage loans — which finance starter homes, manufactured housing, and properties in lower-cost markets — are disproportionately expensive to originate relative to loan size. Fixed compliance, appraisal, and processing costs don't scale down with the loan amount, making small-dollar lending economically unattractive. This leaves buyers in affordable markets without financing options and forces communities into cash-only transactions dominated by investors.

NAMB ANGLE

NAMB members in rural, Midwestern, Southern, and legacy industrial markets regularly encounter the small-dollar mortgage problem. Section 401 directly targets one of the most significant structural barriers to affordable homeownership in these communities. A QM safe harbor for small-dollar originations reduces liability exposure and makes the economics more viable for broker-originated transactions.

Title IV · § 402 | Small Dollar Mortgage Points and Fees

► AFFORDABILITY LINK: Cost Reduction · QM Flexibility · Broker Competitiveness

WHAT IT DOES

Modifies the Qualified Mortgage (QM) points and fees cap for small-dollar mortgage loans. Under current QM rules, the 3% points and fees cap creates a disproportionate burden on small-dollar loans because fixed origination costs represent a larger percentage of a small loan amount than a large one. Section 402 creates an adjusted, tiered points and fees structure that allows small-dollar mortgage originators to remain within QM while recovering reasonable costs.

WHY IT MATTERS TO BROKERS & BORROWERS

A rigid 3% points and fees cap on a \$50,000 loan allows only \$1,500 in total origination costs — an amount that may not even cover appraisal, title, and processing fees. The result: lenders and brokers rationally decline these loans, leaving the borrower without access to QM-eligible financing. Tiered caps restore economic viability without compromising consumer protection.

NAMB ANGLE

This section directly addresses the economics of broker-originated small-dollar mortgages. Mortgage brokers are often the only origination channel that will serve small-dollar borrowers in underserved markets. A tiered QM points and fees structure allows brokers to serve these clients profitably while remaining within the QM safe harbor — protecting both originator and borrower.

Title IV · § 403 | Appraisal Industry Improvement Act

► AFFORDABILITY LINK: Appraisal Reform · Transaction Cost Reduction · Speed to Close

WHAT IT DOES

Addresses structural challenges in the residential appraisal industry, including the national appraiser shortage, geographic access gaps, and concerns about appraisal bias. The section provides recourse for borrowers and originators when an appraisal report is found to be unsupported, improves complaint and review mechanisms under the Appraisal Subcommittee, and promotes adoption of alternative valuation methods where appropriate. Also supports appraiser trainee programs to expand the workforce pipeline.

WHY IT MATTERS TO BROKERS & BORROWERS

Appraisal shortages, long turnaround times, and appraisal gaps (where property values come in below contract) are among the most common causes of delayed or failed closings. In rural markets, a single appraiser may cover multiple counties, with 3-4 week turnaround times. These frictions add cost, delay access to equity, and suppress transaction volume.

NAMB ANGLE

Appraisal delays and failures are among the top complaints NAMB members receive from clients. Section 403's reforms — including better recourse for unsupported appraisals and support for expanding the appraiser workforce — directly improve the transaction experience for broker-originated loans and help close the equity gap in underserved communities where appraisal bias has historically suppressed home values.

Title IV · § 404 | Helping More Families Save Act

► AFFORDABILITY LINK: Down Payment · First-Time Buyers · Savings Access

WHAT IT DOES

Creates or expands savings mechanisms to help prospective first-time homebuyers build down payments. The section establishes tax-advantaged savings accounts or expands existing IRA/savings rules to allow penalty-free withdrawal for qualified first-time homebuyer expenses, including down payment and closing costs. Directs Treasury to establish compliance and reporting standards.

WHY IT MATTERS TO BROKERS & BORROWERS

Down payment remains the single most frequently cited barrier to homeownership for first-generation buyers and moderate-income families. Even with low mortgage rates, assembling a 3-5% down payment plus closing costs is a multi-year savings challenge for many prospective buyers. Tax-advantaged saving mechanisms accelerate that timeline.

NAMB ANGLE

First-time buyers are the lifeblood of purchase origination volume. Every policy that accelerates the transition from renter to homeowner is a long-term win for NAMB members. Brokers who understand Section 404 savings tools can incorporate them into client conversations, strengthening their value proposition and deepening client relationships before application.

Title IV · § 405 | Choice in Affordable Housing Act

► AFFORDABILITY LINK: Rental Assistance · Mobility · Homeownership Pipeline

WHAT IT DOES

Improves the Housing Choice Voucher (Section 8) program to increase mobility — enabling voucher holders to move to higher-opportunity neighborhoods. The section streamlines the portability process, reduces administrative barriers that discourage landlord participation, and supports housing counseling for voucher holders considering homeownership. In some versions, it supports use of vouchers toward homeownership under the existing homeownership voucher program.

WHY IT MATTERS TO BROKERS & BORROWERS

Housing vouchers are one of the most direct federal tools for helping low-income families access stable housing. Greater mobility expands access to better schools, jobs, and neighborhoods — all of which build the financial foundation for eventual homeownership. The homeownership voucher pathway in particular offers a direct bridge from assisted renting to ownership.

NAMB ANGLE

Voucher recipients who participate in homeownership programs will eventually need mortgage professionals to navigate their transactions. NAMB members who are knowledgeable about the homeownership voucher program can serve this underserved market segment — often in partnership with HUD-approved housing counselors.

TITLE VI — VETERANS HOUSING ACCESS

Ensuring veterans receive full information and access to VA loan benefits

Title VI · § 601 | VA Home Loan Awareness Act

► **AFFORDABILITY LINK:** Veteran Access · VA Loan Utilization · Consumer Education

WHAT IT DOES

Requires the Federal Housing Finance Agency (FHFA) to add a statement to the Uniform Residential Loan Application (URLA) below the existing military service question informing applicants who served in the military that they may qualify for a VA-guaranteed home loan and should consult their lender regarding eligibility. The statement must be added within six months of enactment.

WHY IT MATTERS TO BROKERS & BORROWERS

Surveys consistently show that a significant share of eligible veterans are unaware of their VA home loan benefit — one of the most powerful homeownership tools available, including zero down payment, no PMI, and competitive rates. A simple disclosure at the point of application could meaningfully increase VA loan utilization among eligible borrowers.

NAMB ANGLE

VA loans are among the most borrower-favorable products available. NAMB members who originate VA loans provide tremendous value to veteran clients. Section 601 increases the likelihood that eligible veterans self-identify during the application process — creating more opportunities for brokers to present VA loan options and demonstrate their expertise in government loan products.

Title VI · § 602 | Veterans Affairs Loan Informed Disclosure (VALID) Act

► **AFFORDABILITY LINK:** Veteran Consumer Protection · Loan Comparison · Transparency

WHAT IT DOES

Requires enhanced disclosures for veterans comparing VA loan refinancing options, including Interest Rate Reduction Refinance Loans (IRRRLs). Borrowers must receive a clear comparison showing the existing loan terms versus proposed refinance terms, including the break-even period for recouping costs, total interest over the life of the loan, and the net tangible benefit test results. Designed to address predatory IRRRL churning that has harmed veteran borrowers.

WHY IT MATTERS TO BROKERS & BORROWERS

Serial refinancing of VA loans — sometimes called 'loan churning' — has been a documented problem in the veterans' mortgage market. Veterans are targeted by lenders promising lower payments without adequate disclosure of true costs. Requiring transparent break-even and total cost comparisons empowers veterans to make informed decisions and reduces exploitation.

NAMB ANGLE

Honest, transparent VA loan origination has always been a hallmark of the ethical broker channel. Section 602's disclosure requirements level the playing field and reduce the ability of bad actors to churn VA loans without providing genuine benefit. NAMB members who provide legitimate value in VA refinancing transactions benefit from a regulatory environment that rewards transparency over churning.