



NAMB...Driving Regulatory Change

1. Removal of Loan-Level Price Adjustments (LLPAs) on Investment Properties and Second Homes

- **Why It Matters:** LLPAs on investment properties and second homes increase borrowing costs, discouraging investment in rental housing and limiting opportunities for buyers to own vacation or secondary properties.
- **Benefit to Industry and Consumers:** Getting rid of LLPAs would lower costs for buyers, making it easier for more people to purchase and maintain investment properties. This could lead to a larger housing supply, especially in the rental market, which would help tackle affordability issues and give renters more affordable options.

2. Increase Area Median Income (AMI) Threshold from 80% to 100% for HomeReady and Home Possible Loans

- **Why It Matters:** The current 80% AMI limit restricts access to favorable terms for moderate-income families who may still struggle with affordability.
- **Benefit to Industry and Consumers:** Raising the threshold to 100% AMI expands eligibility for HomeReady and Home Possible programs, allowing more families to access lower down payment requirements and reduced mortgage insurance costs. This adjustment helps close the homeownership gap by offering more equitable access to affordable financing.

3. Change GSE Refinancing Rule from 12 Months to 6 Months

- **Why It Matters:** The 12-month restriction on refinancing limits homeowners' ability to take advantage of improved market conditions and lower interest rates in a timely manner.
- **Benefit to Industry and Consumers:** Reducing the waiting period to 6 months provides more flexibility for homeowners to refinance when rates drop, saving money on monthly payments and enhancing financial stability.

4. Address Recent High Increases in Credit Report Costs

- **Why It Matters:** Significant rises in credit report costs add to the financial burden on consumers, potentially slowing the loan approval process.
- **Benefit to Industry and Consumers:** Advocating for fair pricing or increased transparency in credit report fees ensures affordability and efficiency. Lower costs help maintain a streamlined loan process, reducing barriers for borrowers and allowing lenders to operate more effectively.

NAMB believes these regulatory changes will collectively aim to enhance affordability, expand access to homeownership, and improve market conditions for both consumers and industry stakeholders. Advocating for these updates supports a healthier, more inclusive housing market.

