



FHA INFO 2024-30

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FHA Publishes Updates to Single Family Housing Policy Handbook 4000.1

Today, the Federal Housing Administration (FHA) published updates to the *Single Family Housing Policy Handbook 4000.1* ([Handbook 4000.1](#)). Today's update clarifies instructions, adds new guidance, and incorporates previously published Mortgagee Letters (ML) in Sections I, II, III, and IV as well as Appendix 7.0.

In addition to the incorporation of the updates and revisions, there are notable updates in Section II—*Origination through Post-closing/Endorsement* and Section III—*Servicing and Loss Mitigation*— of which mortgagees should take note:

- **II.A.8.n.vi Assumptions – Allowable Fees and Charges** — In this Handbook 4000.1 update, FHA is increasing the processing fee that mortgagees can charge borrowers assuming an existing FHA-insured mortgage, from a maximum of \$900 to a maximum of \$1,800. This fee increase is designed to compensate mortgagees for costs of processing assumptions at a rate that is appropriate for today's market. FHA last changed the reasonable and customary fee mortgagees could charge borrowers assuming an FHA-insured mortgage was in 2016.
- **III.A.1.b.i(B) Responsibility During Transfers of Servicing Rights** — This change requires servicers to transfer the borrowers' language preference to a new servicer as part of a transfer of servicing rights in support of FHA's efforts to provide information and services to borrowers for whom English may not be their first language.

Today's update also includes the updated *Appraisal Report and Data Delivery Guide* and the *Single Family Default Monitoring System Reporting Codes* documents that are posted to the [Supplemental Documents web page](#).

Stakeholders are encouraged to thoroughly review and familiarize themselves with the revisions in [Handbook 4000.1](#). See the [Handbook 4000.1 Transmittal](#) for a summary of all changes, as they reflect and incorporate updates, changes, effective dates and other pertinent

information. For comparison purposes, a separate redline version has also been posted on the [Handbook 4000.1 Information web page](#). The online version of Handbook 4000.1 is being updated and will be available soon.

Handbook 4000.1 is the comprehensive, authoritative source for Single Family Housing policy guidance for industry stakeholders doing business with FHA. It provides clear and concise policy and procedure requirements for all FHA Single Family Housing programs. FHA's Office of Single Family Housing produces regular updates to ensure that Handbook 4000.1 remains the complete, single-source document for its latest policies, programs, and processes.

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- Call 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

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