



August 22, 2025

Frank Cassidy
Principal Deputy Assistant Secretary
Office of Housing—Federal Housing Administration
Department of Housing and Urban Development
451 7th Street SW, Room 9262-9280
Washington, DC 20410-0500

Re: Request for Information Regarding Buy Now Pay Later Unsecured Debt Docket
No. FR-6547-N-01

Dear Mr. Cassidy:

The National Association of REALTORS® (NAR) appreciates the opportunity to provide input on FHA's Request for Information (RFI) regarding Buy Now, Pay Later (BNPL) lending and its impact on housing affordability and mortgage underwriting. As the nation's largest trade association representing real estate professionals, NAR is committed to expanding homeownership opportunities for all Americans.

FHA's RFI appropriately recognizes the need to better understand the implications of BNPL products on mortgage lending. As the RFI notes, there are significant data gaps regarding how consumers utilize these products and their actual impact on borrower performance. BNPL usage patterns can vary considerably - some borrowers may use these products for one-time purchases after major life events like home purchases, while others may rely on them for routine expenses. Without comprehensive understanding of these usage patterns, motivations, and outcomes, policy changes could have unintended consequences.

While FHA appropriately seeks to manage risk to the Mutual Mortgage Insurance Fund, policy changes should be evidence-based and avoid creating unnecessary barriers for qualified borrowers. The current underwriting framework already includes safeguards to assess borrower capacity through debt-to-income ratios and other financial metrics. As FHA evaluates whether additional BNPL-specific policies are warranted, the agency should ensure that any new requirements enhance risk assessment without penalizing responsible borrowers who utilize these increasingly common financial tools.

NAR encourages FHA to prioritize comprehensive data collection and analysis before implementing policy changes. This approach will help ensure that any modifications to underwriting standards are both effective in managing risk and supportive of FHA's core mission to serve creditworthy borrowers seeking affordable homeownership opportunities.

NAR supports FHA's mission to expand sustainable homeownership opportunities for qualified borrowers, including first-time homebuyers and those who may not qualify for conventional financing. We appreciate FHA's thoughtful approach to this emerging issue and look forward to the agency's continued analysis of how evolving financial products impact the mortgage market.

Sincerely,



Kevin Sears
President, National Association of REALTORS®

Submitted electronically via www.regulations.gov