

FHA Issues Waivers of its New Construction Flood Elevation Requirements Amended in its Minimum Property Standards

Consistent with President Trump's January 20, 2025, Executive Order: *Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis*, which includes pursuing appropriate actions to lower the cost of housing and expand the housing supply, today the Federal Housing Administration (FHA) issued a temporary partial regulatory [waiver](#) and related *Single Family Housing Policy Handbook* 4000.1 (Handbook 4000.1) [waiver](#) to its minimum property standards (MPS) requirements. Without this partial waiver, the new MPS required elevation standard would have limited the land available for development and increased the cost of construction for FHA-insured single family properties, thereby contributing to the insufficient supply of new construction housing and rising home prices.

Specifically, FHA program participants should note:

- The partial regulatory waiver is limited to HUD MPS guidance at 24 CFR § 200.926d(c)(4), *Drainage and flood hazard exposure*, which addresses new construction flood elevation requirements for residential structures under HUD's mortgage insurance programs; and
- The Handbook 4000.1 waiver applies to the eligibility criteria for New Construction in Sections II.A.1.b.iv(A)(1)(b) and II.B.2.b.iii(A)(4)(b).