

# Bulletin

TO: Freddie Mac Sellers

May 7, 2025 | 2025-6

## SUBJECT: SELLING UPDATES

This Guide Bulletin announces:

- **Interested party contributions and lender incentives**
  - Updated requirements for [interested party contributions and lender incentives](#) – **September 3, 2025**
- **Income requirements and documentation**
  - Updated [employed income](#) requirements and calculation methods
  - Updates to [pension income documentation](#)
  - The removal of the requirement for [documentation of tax-exempt status](#) for child support and Housing Choice Voucher homeownership program payments
- **Additional Guide updates**
  - Further updates as described in the [Additional Guide updates](#) section of this Bulletin

## EFFECTIVE DATE

All of the changes announced in this Bulletin are effective immediately unless otherwise noted.

## INTERESTED PARTY CONTRIBUTIONS AND LENDER INCENTIVES

**Effective for Mortgages with Note Dates on or after September 3, 2025, but Sellers are encouraged to implement immediately**

In coordination with Fannie Mae and in consultation with FHFA, we have reviewed our definitions related to interested party contributions and lender incentives and are updating the related requirements to provide greater specificity, including:

- Providing more detailed definitions of interested parties, interested party contributions, sales concessions and lender incentives
- Defining “affiliation” for the purpose of interested party contributions requirements
- Specifying that incentives from lenders that are, or are affiliated with, an interested party are considered sales concessions
- Adding realtor rebates to the list of examples of sales concessions
- Specifying that costs associated with builder forward commitments obtained prior to entering into a contract with the Borrower may be excluded from interested party contribution requirements if they were not incurred specifically for the subject transaction

In addition, we are updating requirements for lender incentives by:

- Removing the \$500 limit and the requirement that lender incentives must be documented in the Mortgage file
- Requiring that lender incentives must not be funded through the Mortgage transaction (e.g., premium pricing)



- Specifying that lender incentives may not be considered when qualifying the Borrower (e.g., as a source of funds for closing or reserves)

Guide impacts: Sections 5501.6 and 5501.7

## INCOME REQUIREMENTS AND DOCUMENTATION

### Employed income

#### ***Base non-fluctuating employment earnings type updates***

We have made the following updates related to non-exempt (hourly) earnings:

- **Minor fluctuations in hours:** We have updated language to add specificity to the intent of the existing requirements. Minor variations in base hours on paystubs (e.g., Borrower clocked out a few minutes early) are acceptable and may be treated as base non-fluctuating earnings when the variation is no more than an hour per week. Minor variations do not automatically render the base earnings as fluctuating if the historical earnings support the level of pay.
- **Minimum required hours exception for primary employment:** We have added requirements for Borrowers with base earnings that fluctuate but have a position with a minimum number of required hours. The earnings may be considered non-fluctuating, and the minimum required hours are acceptable to use for gross pay if the following requirements are met:
  - The Seller must obtain written documentation from the employer confirming the minimum required hours (i.e., written verification of employment, offer letter or equivalent documentation)
  - The documented minimum required hours must be supported by year-to-date (YTD) income and prior year, as applicable

Only the minimum required hours may be considered non-fluctuating. The requirements for fluctuating employment earnings apply to any additional hours used to qualify the Borrower.

Guide impact: Section 5303.1

#### ***Base fluctuating hourly employment earnings – calculation method updates***

We have made the following updates related to calculation methods:

- Specified that the base fluctuating hourly earnings must be averaged over the most recent year(s) and YTD income, with examples
- Added exception language for when a Seller may average using less than the most recent year(s) and YTD income, with examples

Guide impact: Section 5303.1

#### ***Excluding time periods based on a specific event unlikely to recur***

We have added specificity to requirements issued in Bulletin 2024-10 that permit calculation to be based on a shorter number of months (no less than 12 months combined) in certain instances for base fluctuating hourly earnings and bonus, overtime, commission and tip earnings. The specificity includes a new title and movement of the topic to a new row for ease of use. In addition, an example has been added.

Guide impact: Section 5303.1

#### ***Stable monthly income FAQ***

The [stable monthly income FAQ](#) has been updated in conjunction with the employed income updates.

### Pension income documentation

In response to Seller feedback, we have updated the income documentation requirements for existing and established pension income. When Internal Revenue Service Form 1099 is used to document current receipt and verifies income type and source, the age of documentation requirements in Section 5102.4 do not apply.



Guide impact: Section 5305.1

### **Feedback messages**

Loan Product Advisor® feedback messages to support this change will be announced at a future date.

### **Documentation of tax-exempt status for income from child support and Housing Choice Voucher homeownership program payments**

We have removed the requirement to provide documentation evidencing the tax-exempt status of income from child support and Housing Choice Voucher homeownership program payments.

Guide impact: Section 5305.1

## **ADDITIONAL GUIDE UPDATES**

### **Single-wide Manufactured Home in a Planned Unit Development (PUD)**

We have updated the Guide for Mortgages secured by a single-wide Manufactured Home in a Planned Unit Development (PUD) to remove the requirement that project eligibility must be determined through a reciprocal review.

Guide impact: Section 5703.5

### **Gold Rush® fee language**

We have updated the Guide to remove references to the Single-Family webpage for Gold Rush fees. The updated language points Sellers directly to the existing location of the Gold Rush fee rates on the Guarantor Rate Sheet in Loan Selling Advisor®.

Guide impacts: Sections 6201.4, 6203.4, 6204.4 and 6205.4

### **Guide chapter refactoring and relocation**

To improve the ease of use of our Guide, Chapters 4402, 5305, 5501, 5902 and 5905 have been refactored to enhance readability. In addition, Chapters 5902 and 5905 have been relocated as follows:

- Chapter 5902 has been relocated to new Section 5501.8
- Chapter 5905 has been relocated to new Section 5302.6

No requirements were changed as a result of this new formatting, although cross-references to the refactored chapters have been updated.

### **Guide impacts**

For a full list of Guide impacts related to Guide refactoring and relocation, see the [Guide Updates Spreadsheet](#) section below.

## **GUIDE UPDATES SPREADSHEET**

For a detailed list of the Guide updates associated with this Bulletin and the topics with which they correspond, access the Bulletin 2025-6 (Selling) Guide Updates Spreadsheet via the Download drop-down available at <https://guide.freddiemac.com/app/guide/bulletin/2025-6>.



## CONCLUSION

If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac representative or call Customer Service at 800-FREDDIE.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Kauffman', located below the 'Sincerely,' text.

Kevin Kauffman

Senior Vice President, Single-Family Seller Engagement