

Bulletin

TO: Freddie Mac Sellers

May 6, 2025 | 2025-A

SUBJECT: 2025 AREA MEDIAN INCOME LIMITS

Area Median Income limits have been updated for 2025 and will be effective on May 18, 2025.

Loan Product Advisor® will be updated on May 18, 2025, to reflect the 2025 Area Median Income limits. In addition, the following tools and application programming interfaces (APIs) will be updated on May 18, 2025, to reflect the updated limits:

- [Home Possible® Income & Property Eligibility tool](#)
- [Refi Possible® Income & Eligibility tool](#)
- [Area Median Income and Property Eligibility tool](#)
- [Income Limits and Affordable Check APIs](#)

FHFA provides the Area Median Income estimates to Freddie Mac, which we use to determine if the Borrower's annual qualifying income meets:

- Home Possible Mortgage eligibility requirements
- Refi Possible eligibility requirements, and
- The eligibility requirements for Credit Fee Caps and Credits, as described in Guide Exhibit 19A, *Credit Fee Cap Eligibility Criteria*

For assessment of Credit Fee Caps and Credits, the Area Median Income Percent is calculated in Loan Selling Advisor® and uses the following:

- For Loan Product Advisor Mortgages, the higher Area Median Income as of the Note Date or the Area Median Income used in the last Loan Product Advisor submission
- For Manually Underwritten Mortgages, the higher Area Median Income as of the Application Received Date or the Note Date

For Manually Underwritten Mortgages, the updated Borrower income limits will be effective for Mortgages with Application Received Dates on or after May 18, 2025.

Effective on May 18, 2025, Loan Product Advisor will apply the updated 2025 Area Median Income limits as follows:

Loan Product Advisor assessment of Home Possible eligibility	
IF the Mortgage is submitted as a Home Possible Mortgage on or after May 18, 2025	THEN the following income limits are applied...
For the following resubmissions:	The higher of the following income limits: <ul style="list-style-type: none"> • 2024 Area Median Income limits at 80% of the Area Median Income



Loan Product Advisor assessment of Home Possible eligibility	
<ul style="list-style-type: none"> The last submission before May 18, 2025, was also a Home Possible Mortgage, and The income limits were met 	OR <ul style="list-style-type: none"> 2025 Area Median Income limits at 80% of the Area Median Income
For the following submissions: <ul style="list-style-type: none"> The Mortgage is submitted for the first time The Key Number cannot be identified, or The last submission before May 18, 2025, was not submitted as Home Possible and/or did not meet the income eligibility limits 	2025 Area Median Income limits at 80% of the Area Median Income
Loan Product Advisor assessment of Refi Possible eligibility	
IF the Mortgage is submitted or resubmitted as a Refi Possible Mortgage on or after May 18, 2025	THEN the 2025 Area Median Income limits apply at 100% of the Area Median Income
Loan Product Advisor assessment of eligibility for Mortgages other than Home Possible or Refi Possible	
IF the Mortgage is submitted or resubmitted on or after May 18, 2025	THEN consistent with existing functionality, Loan Product Advisor will use the 2025 Area Median Income

Pricing pipeline coverage for certain Mortgages eligible for the First-Time Homebuyer and/or Duty to Serve Credit Fee Caps

The 2025 Area Median Income limits in most areas have increased; however, in many areas, the Area Median Income limits have decreased. For certain Mortgages originated under the First-Time Homebuyer and/or Duty to Serve Credit Fee Caps where the Mortgaged Premises is located in an area where the Area Median Income limit has decreased, Freddie Mac is providing pricing pipeline coverage for Credit Fee Caps, as described below.

The following Mortgages do not require pricing pipeline coverage:

- Mortgages that qualify for the First-Time Homebuyer and/or the Duty to Serve Credit Fee Caps based on 2025 Area Median Income limits
- Manually Underwritten Mortgages
- Home Possible Mortgages

The following updates are effective for Mortgages with Settlement Dates on or before July 31, 2025.

Pricing pipeline coverage requirements

Mortgages meeting the following requirements are eligible for the First-Time Homebuyer and/or Duty to Serve Credit Fee Cap ("pricing pipeline coverage"):



- The Mortgage must have been submitted to Loan Product Advisor before May 18, 2025, and be an Accept Mortgage
- The Mortgage must have been originated using the 2024 Area Median Income limits, as described in Bulletin 2024-C, and:
 - The Mortgage was eligible for the First Time Homebuyer and/or Duty to Serve Credit Fee Cap, in accordance with Exhibit 19A; and
 - The qualifying income no longer meets the Area Median Income Percent requirement for the First-Time Homebuyer and/or Duty to Serve Credit Fee Caps, based on 2025 Area Median Income limits
- The Note Date must be on or after May 18, 2025
- The last Loan Product Advisor submission must occur on or after May 18, 2025
- The pricing benefit must have been provided to the Borrower

Delivery requirements for pricing pipeline coverage

Mortgages eligible for pricing pipeline coverage must be delivered in accordance with Exhibit 19A and include ULDD Data Point *Investor Feature Identifier* (Sort ID 368) valid value “K11”, indicating the pricing benefit was provided to the Borrower.

For Mortgages meeting the above criteria that have a Settlement Date on or after May 18, 2025, Sellers may update the loan through the Post-Fund Data Correction tool (see Exhibit 88, *Servicing Tools*) in accordance with Section 2403.12.

Credit Fees and Credit Fee Caps will be assessed in accordance with Guide Chapter 6303.

Additional resources

Sellers should refer to our [Single-Family news article](#) for additional information.

CONCLUSION

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

Sincerely,

Kevin Kauffman

Senior Vice President, Single-Family Seller Engagement