

**Announcement # 25-91****Date:** September 16, 2025

## **USDA Single Family Housing Guaranteed Loan Program Elderly Family Deduction Increase**

On August 11, 2025, USDA announced an increase to the elderly family deduction. USDA guidelines permit applicants who are age 62 or older to benefit from an elderly family deduction when calculating adjusted annual income. Pennymac is aligning with this change effective immediately.

- The annual deduction has increased from \$400 to \$525 per household.
  - The Guaranteed Underwriting System (GUS) is correctly applying the deduction.

Please refer to USDA HB-1-3555, Chapter 9 for full details on the change.

Please contact your Sales Representative with any questions.