



Rural Development

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TO: All RHS MFH National Office Directors
Field Office Staff
Rural Development

ATTN: Leadership Designees
Field Operations Division Program Staff
Rural Development

FROM: Joaquin Altoro
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Rural Housing Service

SUBJECT: Change in Multifamily Housing Program’s Passbook Savings Rate
Effective January 1, 2025

PURPOSE

The purpose of this Unnumbered Letter (UL) is to inform Multifamily Housing (MFH) staff of the change in the passbook savings rate used to determine imputed income from net family assets for tenant certifications with an effective date on or after January 1, 2025.

BACKGROUND

Annual income is defined in [7 CFR 3560.153](#) and is calculated in accordance with [24 CFR 5.609](#), which further defines which sources of income to count and which to exclude. Borrowers of all MFH properties must verify and document in the tenant’s file all income, assets, expenses, deductions, family characteristics, and any other factors that affect family eligibility or level of assistance.

HUD annually publishes a passbook rate based on the Federal Deposit Insurance Corporation (FDIC) National Deposit Rate for savings accounts. In order to ensure updated passbook rates may be used for reexaminations with an effective date of January 1, HUD will calculate the update in July each year. The HUD-published passbook rate will be posted to a dataset on the [HUD User Website](#). The 2024 passbook savings rate was set at 0.40 percent.

EXPIRATION DATE:
December 31, 2025

FILING INSTRUCTIONS:
Housing Programs

IMPLEMENTATION

Effective January 1, 2025, Rural Development's MFH programs will implement the HUD defined passbook savings rate of **0.45 percent** for all tenant income certifications with an effective date on or after January 1, 2025. This 0.45 percent rate must be used until HUD publishes and makes effective a new passbook savings rate.

The Agency will update the Multi-Family Information System (MFIS) with the new passbook savings rate of 0.45 percent by the effective date of January 1, 2025. A message will also be posted on the Management Interactive Network Connection (MINC) website notifying management agents of the change.

If you have any questions, please contact Deb Reed, Finance & Loan Analyst, Asset Management Division, Policy & Budget Branch (deb.reed@usda.gov) or telephone 712-254-4365.