



## FHA Program (203b)

revised 05/03/2022

### Credit Score 600 – 659

Effective as of 5/3/2022, FSB has updated our overlays on the FHA loan product for Credit Scores of 600 – 659 to the following:

- Verification of Rent (VOR) will be required on all files where the borrower(s) identify they rent in the residence history. *No late payments reporting in the last 12 months*
- If borrower does not rent, a Rent-Free Letter will be required from the current owner of the residence. Rent Free Letter should confirm the most recent 12-month history.
- *Homebuyer Education Course required.* MGIC or FHLMC Credit Smart courses are acceptable and are provided at no cost to the borrower.
  - o If borrower currently has a mortgage that reports on credit, Homebuyer Education can be waived

Manual underwriting is allowed, and a Prequalification review may be requested from Mortgage Support to help identify documentation needed for underwriting but is not required for underwriting submission.