



December 20, 2017 | The AFR 411 2017-27

American Financial Resources, Inc.



Attention: AFR Lending Partners

Topics in this edition of The AFR 411 include:

- **FHA Minimum Qualifying Credit Scores**

Effective for new submissions dated on or after Tuesday, **January 2, 2018**, AFR is decreasing the minimum qualifying credit score requirement on FHA transactions. See tables below for Credit Score, DTI and TOTAL Scorecard guidelines. This 411 will supersede all FHA Program Matrices until the matrices are revised.

Channels	Program	Minimum Qualifying Credit Score
All: Broker Table Fund Correspondent Non-Delegated Correspondent Delegated Correspondent	FHA 203(b)	580
	FHA 203(b) Repair Escrow	580
	FHA 203(h)	580
	FHA Limited 203(k)	580
	FHA Standard 203(k)	580
	FHA Good Neighbor Next Door	580
	FHA \$100 Down	580
	FHA One Time Close	620

Credit Score	DTI	TOTAL Scorecard Classifications
580-619	<ul style="list-style-type: none">• Accept/Eligible: Follow AUS• Reminder: AFR does not permit Refers or Manual underwrites on credit scores <620	<ul style="list-style-type: none">• Accept/Eligible• Reminder: Manual underwrites are not permitted
≥620	<ul style="list-style-type: none">• Accept/Eligible: Follow AUS• Accept/Ineligible: Follow AUS• Refer/Manual: Maximum 31/43%	<ul style="list-style-type: none">• Accept/Eligible• Refer/Eligible• Accept/Ineligible• Refer/Ineligible• Reminder: Ineligible must be for LTV guidelines on applicable programs.