



WHOLESALE ANNOUNCEMENT 2024-85

December 18, 2024

Fannie Mae Updates

Effective Date

Effective on or after the weekend of January 11, 2025

Release Notes:

Loans for Borrowers without Credit Scores

Currently only certain transactions are permitted (e.g., principal residence, fixed-rate mortgage) when no borrower on the loan application has a credit score. With the release of DU V. 12.0, Fannie Mae is expanding the types of loans eligible for these borrowers.

DU will apply the following guidelines on loan case files where no borrower has a credit score:

Borrower credit profile	Guidelines applied
<ul style="list-style-type: none"> ▪ No borrower has a credit score ▪ At least one borrower has a minimum of one credit account or installment account reported on their credit report 	<ul style="list-style-type: none"> ▪ No limitations on loan purpose or occupancy, the loan application will be subject to standard eligibility guidelines ▪ Risk assessed using the borrower’s reported credit
<ul style="list-style-type: none"> ▪ No borrower has a credit score. ▪ No borrower has at least one credit account or installment account reported on their credit report. 	<ul style="list-style-type: none"> ▪ Property must be a one- to four-unit, principal residence, and all borrowers must occupy the property. ▪ Transaction must be a purchase or limited cash-out refinance <p><i>Note: If these requirements are not met, the loan casefile will receive an Out-of-Scope recommendation</i></p>

Non-traditional credit references will be required for each borrower without a credit score. This can be completed manually or by providing a 12-month asset verification report and obtaining a cash flow assessment through DU.

Should you have any questions, please reach out to your Account Executive or Client Manager

