



## FICO ENHANCEMENT REPORT

Real estate mortgage loans are based on three factors. **CREDIT, CAPACITY, and COLLATERAL.**

Credit score is key to interest rate pricing on ALL programs. **Government** programs such as FHA or VA are not FICO driven. The interest rate tier for these loans is FICO based. The higher your FICO score, the better the pricing. **Conventional, Jumbo** and **NonQM** loans require a minimum middle score of **680**. Same principal applies with tier interest rate pricing. In some cases 640 middle score allowed but the cost for the lower tiered FICO is too much.

### **STEP 1/Pull tri-merger credit**

All wholesale and retail lenders pull a tri-merge credit report. The credit report we pull is a tri-merge credit report. It is valid for 90 days. Once this report is pulled, we can access the “**what if stimulator**” tool. Since our goal is to get your MIDDLE score to 680+, we need to run two scenario reports.

### **Example of scores:**

EXPERIAN	625
<b>TRANSUNION 615*</b>	<i>middle score</i>
EQUIFAX	656

### **STEP 2/Pull “what if stimulator” reports**

In the above scenario, the middle score is 615. We would run the Experian and Transunion scenario reports. The reports would give us a “**forecast**” of what your score could be IF YOU follow the instructions provided. Typical suggestions require paydown balances to a specific amount, remove yourself as an authorized user or paydown balance entirely.

### **STEP 3/Action & documentation**

Since FICO scores change within days as payments and balances are being updated by your creditors, it is recommended that any suggestions be executed immediately. Once you have completed the task suggested in the scenario report(s), you will need to provide us with documentation from your creditor of the new balance or authorized user removed.

**STEP 4/Rescore Request**

With the documentation you provide, we can immediately request a RESCORE with each credit bureau we are working with. In the scenario above-we would be working with Experian and Transunion

**Fee schedule RESCORE:**

\$40 per bureau/borrower item; \$10 processing fee per order

RUSH Fee: \$10 per bureau/borrower item (Equifax & Experian Only)

*Example: If you paid down "Sears" and you were removed as an authorized user. Two updates. \$40 x 2 items = \$80 per bureau. Working with two bureaus' = \$160 + processing fee \$170 New credit report is provided by CreditPlus/Xactus (\$39 single/ \$59 joint -billed) **Typical turnaround time is 3-5 business days.***

**If time is NOT of the essence**, then we can wait 20-30 days for the credit to update on its own.

After 30 days, we pull a new credit report. \*

**Acceptable forms of Creditor Documentation are:**

\*A specific and unambiguous letter of instruction directly from the creditor as shown on the credit report. Must include date letter issued, your name, address, account number, action taken, current balance, other. Or updated statement.

**FEES:**

INITIAL CREDIT REPORT SINGLE	\$39
INITIAL CREDIT REPORT JOINT	\$59
FICO enhancement report per bureau	\$10
UPDATED credit report single	\$39
UPDATED credit report JOINT	\$59

RESCORE \*see fee schedule above

All fees are due and payable at the time of service. Credit enhancement agreement attached. Once payment has been confirmed, your order will be processed. Please feel free to reach out with any questions or concerns. **Your FICO score will SOAR.** We work with you every step of the way to ensure we achieve our common goal. Improved FICO, improved loan options, and improved pricing tier.

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