



Adding a Co-Borrower to Your Mortgage: Whose Credit Score Counts, and What It Means for Both of You



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MORTGAGE BASICS

Adding a Co-Borrower to Your Mortgage: Whose Credit Score Counts, and What It Means for Both of You

Coltrain Mortgage Team · November 26, 2026 · 6 min read

"Should we both go on the loan?" We hear it from married couples, engaged couples, partners, siblings buying together and close friends pooling their money for a first place on Long Island. Adding a second person to your mortgage application can open up a bigger budget, but it isn't automatically a win. Their credit score, their income and every one of their monthly debts come along for the ride. Here's how lenders actually look at two borrowers, the upside and downside for each of you, and two quick tools to check your own numbers.



**One Middle Score
Each**



**Lower Middle
Usually Counts**



**Both Incomes, All
Debts**



**Both Fully on the
Hook**

What Is a Co-Borrower on a Mortgage?

A co-borrower is a second (or third) person who applies for the mortgage with you, signs the loan, and is equally responsible for paying it back. On a typical purchase, a co-borrower is also on the deed, which makes them a part owner of the home. When the lender decides how much you can borrow, it looks at both of you together: combined income, combined debts, and both credit reports.

A co-borrower is different from a co-signer, who is responsible for the debt but generally isn't an owner. If the person helping is a parent who won't live in the house, see our guide to **parents co-signing and non-occupant co-borrowers**.

Whose Credit Score Counts When There Are Two Borrowers?

This is the question that surprises people most, so let's go step by step.

1

Each of you gets three scores

The lender pulls a credit report showing a score from each of the three bureaus: Equifax, Experian and TransUnion. The three are usually close, but rarely identical.

2

Each of you gets one "middle" score

The lender takes the middle of your three scores. If only two scores come back, it generally uses the lower of the two. So 742, 756 and 731 becomes a 742.

3

Most programs then use the lower of the two middle scores

With two borrowers, most loan programs take the lower of the two middle scores as the score for the loan. If you're a 742 and your co-borrower is a 675, the loan is generally treated as a 675 loan.

The short version: most loan programs use the lower middle score. Some conventional loans now look at an average of the two middle scores for eligibility, so ask your loan officer which applies to your file. Either way, the lower score still tends to drive the pricing.

NEW

New in 2026: two scoring models. On conventional loans run through Fannie Mae's or Freddie Mac's automated underwriting, lenders can now use either Classic FICO or VantageScore 4.0. At Coltrain we can look at both and use whichever one works better for your file. One catch for co-borrowers: everyone on the loan has to be scored on the same model, so we compare the two using both of your scores together. Manually underwritten loans still use Classic FICO. **Here's how the new models differ.**

How Both Incomes Count

Here's the upside. When you apply together, the lender adds up both of your qualifying incomes. "Qualifying" is the important word: the income has to be documented and stable, which usually means a two-year track record and a good reason to expect it to continue. How you prove it depends on how you're paid.

W-2 employees usually need recent pay stubs and two years of W-2s. Self-employed borrowers usually need two years of tax returns, and the lender works from income after business expenses (if write-offs are an issue, see our guide to **bank statement loans**). Our **paperwork checklist** covers the rest.

Every Debt Counts Too

This is the part people forget: the lender adds *all* of your co-borrower's monthly debts into the same **debt-to-income ratio (DTI)**, along with the new house payment.

What counts: car loans and leases, student loans, credit card minimums, personal loans, child support or alimony you pay, and payments on other properties. What doesn't: utilities, phone, groceries, insurance not tied to a loan and everyday living costs.

So a co-borrower with a solid paycheck and little debt can make a big difference, while one with heavy debts might barely help. A simple example with round numbers and a \$3,600 monthly housing payment:

BORROWER 1 ALONE

Gross monthly income	\$6,500
Housing payment	\$3,600
Other monthly debts	\$550
Total payments	\$4,150

About 64% DTI

WITH A CO-BORROWER

Combined monthly income	\$11,000
Housing payment	\$3,600
Combined other debts	\$1,310
Total payments	\$4,910

About 45% DTI

Hypothetical round numbers for illustration only, not an estimate for any property, a loan offer or an approval.

Not sure whether adding a co-borrower helps or hurts? We'll run it both ways and show you.

The Pros and Cons for Both of You

Upsides

- ✓ More buying power. A second income can lower your DTI and raise your price range.
- ✓ Shared costs. Two people can put more toward the down payment, closing costs and the monthly payment.
- ✓ The co-borrower owns part of the home and builds credit with every on-time payment.

Downsides

- ! A lower score can drag the whole loan, raising the cost or limiting your options.
- ! The co-borrower is 100% responsible. The full payment shows on their credit and counts against their future borrowing.
- ! It's hard to undo. Getting off the loan usually takes a refinance or a sale.

Before You Add Someone to the Loan

1

Run it both ways

If one of you has a much lower score or heavy debts, applying with just the stronger borrower can sometimes work out better.

2

Hold off on new credit

No new cards, car loans or co-signing before closing.

3

Know the exit

Getting off the loan later usually means a **refinance** or a sale. Ask your attorney how to take title.

4

Get pre-qualified together

Our **pre-qualification checklist** shows what to have ready.

OUR TAKE

The Bottom Line

Adding a co-borrower can be a great move. A second income often opens up homes that one paycheck can't reach on Long Island. But it's a package deal: their credit score usually sets the score for the loan if it's lower, every one of their debts counts in the same ratio, and both of you are fully responsible for the full payment for as long as you're both on the loan.

That's exactly what we help families, couples and friends sort out every week. One of our loan officers can look at both of your scores, incomes and debts, show you which setup actually works best, and help you get pre-qualified for the right price range. First time buying? Our **Long Island first-time homebuyer guide** is a good next stop, and you can compare **conventional, FHA and VA** loans.

COMMON QUESTIONS

Whose credit score is used when two people apply for a mortgage?

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Each borrower's middle score of the three bureau scores is found first. Most loan programs, including FHA and Freddie Mac pricing, then use the lower of the two middle scores. Fannie Mae uses an average of the middle scores for a minimum-score check on certain manually underwritten loans, but pricing still uses the lower middle score. Your loan officer can confirm which applies to your file.

Does a co-borrower's debt count against me?

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Yes. When you apply together, the lender adds both of your monthly debt payments, like car loans, student loans, card minimums, child support and other mortgages, into one combined debt-to-income ratio. A co-borrower with high debts can cancel out much of the income they add.

Can my spouse stay off the mortgage application?

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Often, yes. If one spouse can qualify alone, the other doesn't have to be on the loan, and in New York a spouse who isn't on the loan generally doesn't have their debts counted. The borrower on the loan must qualify on their own income. Whether the other spouse can be on the deed is a question for your attorney and the lender.

Guideline summaries are based on published Fannie Mae, Freddie Mac, HUD/FHA and VA requirements as of October 2026 and are subject to change. Individual lenders may apply additional requirements. All loans are subject to credit approval, underwriting and property eligibility. This article and these tools are for educational purposes only and are not a pre-qualification, a loan approval or a commitment to lend. Nothing here is legal or tax advice; talk to a real estate attorney about how to hold title. Coltrain Mortgage is a mortgage broker; all loans are arranged through third-party lenders. Equal Housing Opportunity.

SOURCES (TAP TO VIEW)

Fannie Mae Selling Guide, **B3-5.1-02, Determining the Credit Score for a Mortgage Loan** (representative credit score and average median credit score)

Fannie Mae, **Selling Guide Announcement SEL-2025-09** (minimum credit score removed for DU loan casefiles created on or after November 16, 2025)

Fannie Mae Selling Guide, **B3-6-05, Monthly Debt Obligations**

Fannie Mae Selling Guide, **B3-3.2-01, Underwriting Factors and Documentation for a Self-Employed Borrower**

Fannie Mae Selling Guide, **B2-2-04, Guarantors, Co-Signers, or Non-Occupant Borrowers on the Subject Transaction**

Freddie Mac Seller/Servicer Guide, **Section 5203.2, Credit Scores** (Indicator Score, "middle/lower then lowest" method)

HUD, **FHA Single Family Housing Policy Handbook 4000.1** (Minimum Decision Credit Score)

U.S. Department of Veterans Affairs, **VA Lenders Handbook (Pamphlet 26-7), Chapter 4: Credit Underwriting**

Consumer Financial Protection Bureau, **What is a co-signer?** and **What is a debt-to-income ratio?**

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READY WHEN YOU ARE

Buying together? Let's run it both ways.

We'll look at both of your scores, incomes and debts, show you whether applying together or with one borrower works better, and map out the simplest path to the home you want. No pressure, no obligation.



Ready to talk it through?

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