



New Credit Scores for Mortgages: VantageScore 4.0 and FICO 10T Explained



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MORTGAGE BASICS

New Credit Scores for Mortgages: VantageScore 4.0 and FICO 10T Explained

Coltrain Mortgage Team · October 4, 2026 · 8 min read

"I pay my rent on time every single month. Why doesn't that count?" We've heard some version of that question for more than 20 years on Long Island, and until now the honest answer was: because the credit score lenders use doesn't look at it. For decades, almost every conventional mortgage was judged by an older family of FICO models lenders call "Classic FICO." That just changed. As of September 2026, every lender selling loans to Fannie Mae and Freddie Mac can use VantageScore 4.0 instead, and FICO 10T is next in line. Let's walk through what the new models actually look at, who they help, and what you should do before you apply.



**Two Score Models
Now Accepted**



**On-Time Rent Can
Count**



**24 Months of Trends,
Not a Snapshot**



**All Three Bureaus Still
Pulled**

What Actually Changed, and When

This didn't happen overnight. It's the payoff of a multi-year effort by the Federal Housing Finance Agency (FHFA), the regulator over Fannie Mae and Freddie Mac, to bring competition into mortgage credit scoring. The key dates:



APRIL 22, 2026

New models approved

FHFA and HUD announced that Fannie Mae, Freddie Mac, and FHA would accept VantageScore 4.0 and FICO 10T. Fannie and Freddie added both to their guides and opened VantageScore 4.0 to a limited group of approved lenders.



JULY 2026

FICO 10T history published

Fannie and Freddie released historical FICO 10T scores on loans going back to 2013, so lenders and investors can study how the model performs before it goes live.

SEPTEMBER 9, 2026

VantageScore 4.0 opened to every lender

Following a September 3 directive from FHFA, Fannie Mae (Lender Letter LL-2026-06) and Freddie Mac (Bulletin 2026-H) made VantageScore 4.0 available to all approved lenders, effective immediately, with no prior approval needed.

STILL TO COME

FICO 10T goes live

FICO 10T is approved but not yet eligible for loan delivery. FHFA says the agencies will give advance notice before it launches, and before Classic FICO is ever phased out.

Classic FICO vs. VantageScore 4.0 vs. FICO 10T: What Each One Counts

The big difference between the old and new models comes down to what information they're allowed to look at. Tap each model below to see how it treats the parts of your credit history that matter most.

What it considers	Classic FICO	VantageScore 4.0	FICO 10T
On-time payments on cards & loans	Counts	Counts	Counts
Rent payments reported to the bureaus	Not used	Counts	Counts
Balance trends over 24 months	Snapshot only	Counts	Counts
Paid-off collections	Still hurt	Ignored	Ignored
Medical collections	Still hurt	Ignored	Weighed less
Very short credit history	Often no score	Can score	Standard minimums

Why Rent Only Helps If It Actually Shows Up

The headline benefit of the new models is that paying rent on time can finally count toward the score a mortgage lender sees. FHFA Director Bill Pulte put the logic plainly when the models were approved: "If you pay on time, you're more likely to pay your mortgage on time for decades."

But here's the catch most articles skip: the model can only credit rent that is **reported to the credit bureaus**. Most landlords don't report on their own. If yours doesn't, your perfect rent history is invisible to VantageScore 4.0 no matter how long you've been paying.

Check before you assume. Pull your free reports at AnnualCreditReport.com and look for a rental tradeline. If it's not there, ask your landlord or property manager whether they use a rent-reporting service. Many large apartment companies do, and some will add it on request. Give it a few months to build up before you apply.

Tri-Merge Still Applies: Three Bureaus, One Model Per Loan

Some things haven't changed at all, and they still matter for how your file gets scored:

- **Lenders still pull all three bureaus.** The "tri-merge" report from Equifax, Experian, and TransUnion is still required on conventional loans. FHFA has studied moving to two bureaus, but that's on hold, so an error on any one report can still cost you.
- **One model per loan, for everyone on it.** A lender can choose Classic FICO or VantageScore 4.0 loan by loan, but can't mix them. If you're buying with a spouse or co-borrower, both of you get scored on the same model.
- **Manually underwritten loans stay on Classic FICO.** VantageScore 4.0 is available when the loan runs through Fannie Mae's or Freddie Mac's automated underwriting systems.

Who Stands to Benefit Most

We want to be straight with you: the new models aren't a free score bump for everyone. For some borrowers the number comes out about the same, or even a little lower. They're most likely to help these groups:

LONG-TIME RENTERS

Years of on-time rent, as long as it's being reported, is now a positive on your record instead of being ignored.

NEW TO CREDIT

VantageScore 4.0 can generate a score from a much shorter history than Classic FICO, which often returns no score at all for thin files.

PAST COLLECTIONS, NOW PAID

Both new models ignore collections you've already paid off. Classic FICO still counts them against you.

BALANCE PAY-DOWNERS

Trended data shows whether you pay balances down over time or let them grow, which rewards steady habits instead of just one statement date.

Want to know which score model gives you the best shot?

What About FHA Loans?

HUD announced alongside FHFA in April that FHA would also permit VantageScore 4.0 and FICO 10T for **FHA-insured mortgages**. How quickly an individual lender actually offers the new models on FHA files varies, so it's worth asking directly rather than assuming. Because Coltrain works with a range of wholesale lenders instead of one bank, we can see which lenders are scoring which way, and that's one of the practical advantages of **working with a broker instead of a bank** during a transition like this.

What to Do Right Now If You're Planning to Buy

1 Pull all three credit reports

Get them free at AnnualCreditReport.com and dispute anything that's wrong. Lenders still see all three, so one bad report can drag the whole file.

2 Get your rent reported

If your on-time rent isn't showing up as a tradeline, ask your landlord about a reporting service now. It takes a few months to matter.

3 Pay balances down, and keep them down

Trended data looks at the direction of your balances, not just one statement. A few months of steady pay-down before you apply helps under the new models.

4 Don't open or close accounts before closing

New credit and closed accounts can shift your score and your **debt-to-income ratio** mid-process. Get the **paperwork list** together instead.

5 Ask which model your lender will use

Lenders now choose, loan by loan. A loan officer who can compare lenders can tell you whether Classic FICO or VantageScore 4.0 works better for your file on a **conventional loan**.

Will My Score Go Up?

Maybe, but we wouldn't count on a big jump. The new models are built to be more accurate, not more generous. If you have strong, long credit history, your VantageScore 4.0 may land close to your Classic FICO. The borrowers most likely to see a meaningful difference are the ones described above: renters with reported history, people new to credit, and people with old paid collections. The only way to know for your file is to have a loan officer run it, which is also the right time to find out where you'd be **comfortable on price** and get pre-qualified.

COMMON QUESTIONS

Can mortgage lenders use VantageScore 4.0 now?

+

Is FICO 10T being used for mortgages yet?

+

Does paying rent on time help my mortgage credit score? +

Do lenders still pull all three credit bureaus? +

Can I choose which credit score my lender uses? +

SOURCES

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 - Fannie Mae, **Credit Score Models and Reports Initiative**
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 - ABA Banking Journal, **"HUD, FHFA roll out plans for new credit scoring in mortgages"**
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 - AnnualCreditReport.com, **free credit reports from all three bureaus**
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