

Trended Data

Fannie Mae announced in October 2015 a new initiative requiring the use of Trended Data for mortgage credit reports. Based on our conversations with Fannie Mae, TransUnion and Equifax, here are some important highlights.

- Trended Data was required to be operational as of April 1, 2016.
- Trended Data is currently supported by TransUnion and Equifax only. Experian is expected to roll out Trended Data early 2017.
- Trended Data will provide a new improved and lengthened optics through which to view a borrower's credit history rather than just seeing a snapshot in time with FICO scores. Trended Data will give insight into the trends over time such as actual statement balances, scheduled payment amount and actual payment received for the last 24 months on all active revolving and installment accounts.
- Trended Data is required to be displayed on all active revolving and installment accounts, however only the Trended Data on revolving accounts will be evaluated for underwriting files with the release of DU 10.0 in September 2016.
- Trended Data will show whether a borrower is a "Revolver" which is a borrower who carries large balances and makes minimum payments, or is a "Transactor" who charges up a balance but makes more than the minimum payment, or pays the account off each month.
- Trended Data will not affect the FICO score.
- Trended Data will NOT be used for underwriting FHA or VA loans, or be used by Freddie Mac's Loan prospector system to underwrite files at this time.
- Trended Data will impact all TransUnion and Equifax mortgage credit reports, whether prequalification, origination, reissued, secondary use, pre-close or post close reports.
- Trended Data will bring higher costs imposed by TransUnion and Equifax.
- Trended Data benefits to the lender should include better risk management and an increased qualified applicant pool, especially in the emerging markets segment.

Certified Credit will continue to be proactive in providing you with any and all information related to Trended Data. We remain committed to providing you with excellent service, fair pricing and a full suite of products. With a sharp eye on the latest industry regulations and emerging trends, we work hard to earn your trust, create tremendous value and serve you exceedingly well.