

# VantageScore 4.0 vs. FICO 10T: What Mortgage Brokers Need to Know

Prepared by NAMB | May 2026 | As of April 22, 2026 joint FHFA/HUD announcement — information subject to change as wholesaler implementation evolves

	VantageScore 4.0	FICO 10T
<b>CURRENT STATUS</b>		
GSE Acceptance	<b>ACTIVE NOW</b> Fannie & Freddie accepting immediately	<b>COMING SOON</b> Approved; adoption after VS 4.0 rollout
FHA Acceptance	Announced by HUD Secretary Turner 4/22/26	Announced — timeline TBD
Broker Access	Available through wholesalers in pilot (21 large lenders); ask your rep	Not yet available for broker use
<b>HOW IT WORKS</b>		
Data Model	Machine learning, advanced predictive analytics	Updated FICO framework — familiar methodology with trended data added
Trended Data	✓ 24 months of credit behavior (spending & payment patterns)	✓ 24 months of credit behavior
Rent & Utilities	✓ On-time rent & utility payments included when reported	✓ Included when reported
Score Range	300–850 (same as Classic FICO)	300–850
Avg. Score vs Classic FICO	<b>+14 to +20 pts higher</b> on average; wider gap at lower score ranges	Similar to Classic FICO — less divergence than VS 4.0
The Underwriting Haircut	<b>DEDUCT 20 PTS:</b> Underwriters subtract 20 points from the VS 4.0 score for credit profile evaluation and LLPA pricing. Example: a VS 4.0 score of 660 is underwritten as 640.	No haircut established — LLPA grids pending publication
Dual-Score Strategy	<b>Run FICO + VS 4.0 simultaneously.</b> Apply the 20-pt haircut, then compare adjusted VS 4.0 vs. FICO. Use whichever qualifies the borrower or yields the better LLPA tier. UWM currently offering both at no cost through June 30.	N/A — not yet available for broker origination
<b>BORROWER IMPACT</b>		
Consumers Scored	<b>33 million more</b> consumers scored vs Classic FICO	Broader coverage than Classic FICO; fewer new scoreable consumers than VS 4.0
Who Benefits Most	First-time buyers, renters, thin-file borrowers, debt-paydown clients, credit-invisible consumers	Borrowers with trended responsible credit behavior; thin-file improvement less dramatic than VS 4.0
Score 620+ Threshold	<b>12M+</b> borrowers score 620+ under VS 4.0 who do NOT reach 620 under Classic FICO	Similar expansion expected; data release Summer 2026 will clarify
<b>PRICING (2026)</b>		
Bureau Pricing	TransUnion: \$0.99/score   Equifax: Free through 2026   Experian: Free indefinitely. Projected savings of <b>\$100+ per loan</b> from competition.	FICO direct license: \$4.95/score (vs. \$10 legacy). Historical data release required first.
<b>LENDER ADOPTION — WHAT BROKERS SHOULD KNOW</b>		
UWM	<b>ACTIVE:</b> FICO + VS 4.0 running simultaneously on conventional loans (max 80% LTV); 20-pt haircut applied automatically. Free dual-score reports for all broker partners through June 30. Brokers reporting 60+ pt boosts; one borrower went 701 → mid-760s, saving ~\$40/mo.	Not yet accepting via broker channel
Rocket	<b>IN PROCESS:</b> Confirmed in the 21-lender GSE pilot. CBO Bill Banfield stated Rocket plans to bring its third-party (broker) channel into the VS 4.0 process — timeline TBD. Currently retail-focused; wholesale/broker access not yet live.	Not yet accepting via broker channel — timeline TBD
Newrez	<b>PIONEER:</b> Validated the full VS 4.0 origination-to-delivery pipeline with Freddie Mac. Freddie completed the first-ever VS 4.0 securitization using Newrez product — giving FHFA operational confidence for the industry-wide rollout.	Not yet available for broker origination
Pennymac & Others	<b>RAMPING:</b> Pennymac confirmed "in full swing with vendors, tech partners and GSEs." 21 large lenders total in FHFA pilot. Many community/smaller lenders in wait-and-see mode until LLPAs fully published.	Historical score data release Summer 2026 required before broad adoption
<b>EXPECTED LENDER OVERLAYS</b>		
Overlays & AUS / LLPA	<b>Min floor:</b> 620–640 after 20-pt haircut. Some lenders routing VS 4.0-only files to manual UW while AUS calibrates. Separate LLPA grids in place; further LLPA cuts possible.	AUS integration & LLPA grids pending; Summer 2026 data release precedes adoption. Min floor TBD.

**Key Takeaway:** VantageScore 4.0 is live now for GSE loans. Ask your wholesale reps which products accept it. FICO 10T is approved but not yet available for broker use — watch for Summer 2026 historical data release. Classic FICO remains valid. This is an additive multi-score environment, not a replacement mandate.