THE FICO® SCORE MORTGAGE SIMULATOR - USER GUIDE

May 2025

Version 1.1

Fair Isaac Confidential

FICO® Score Mortgage Simulator User Guide

Version	Date	Author	Description
1.0	2025 Feb 4	Sonali Hirekatur Tom Quinn	Initial Version
1.1	2025 May 19	Sonali Hirekatur	Updated version to include Release 1.1 simulation action details - increase tradeline balance and remove a dispute from a third-party collection

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1. Introduction

This user guide is intended to help approved entities utilize the **FICO® Score Mortgage Simulator (FSMS)** for mortgage professionals.

This tool enables mortgage professionals to run credit event scenarios by applying simulated changes in a current or prospective mortgage applicant's (Applicant) credit report data to simulate potential changes to the applicant's FICO® Scores. With this valuable insight, mortgage professionals can help Applicants gauge how these changes could affect the Applicant's FICO® Scores used in mortgage lending and help drive smarter decisions to potentially open up more loan options and favorable interest rates.

Available from resellers and mortgage platform providers, the FICO® Score Mortgage Simulator is the only credit score simulator for mortgage professionals that uses FICO® Scores and the FICO® Score algorithms to simulate potential changes to consumers' FICO® Scores used in mortgage decisioning.

The FICO® Score Mortgage Simulator is designed as a tool which provides a simulated estimate of score impact based on changes made to select underlying credit bureau report data elements as of the Credit Report Pull Date. The simulated scores and content cannot be used in any credit evaluation decisions.

Technical implementation information is covered in the **FICO® Score Mortgage Simulator Implementation Guide** -providing implementation teams a reference guide on how to integrate with the solution as well as describing the sequence of API calls that would be needed to launch the FICO® Score Mortgage Simulator in the mortgage professional's browser window. Contact your FICO representative to request a copy of this document.

This document, including any excerpts, should not be shared with other entities (including consumers) without FICO permission.

2. System Requirements

The FICO® Score Mortgage Simulator is meant to be used by Mortgage Professionals via modern browsers on non-mobile viewpoints. Below is a list of supported browsers:

2.1. Supported Browsers

	Windows 11	Windows 10	Mac OS 14 (Sonoma)
Microsoft Edge	Y	Y	
Chrome 127	Y	Y	
Chrome 126	Y		
Firefox 128		Y	
Safari 17			Y

2.2. Accessing the FICO® Score Mortgage Simulator

1. Order the required credit report(s) from your technology platform/reseller portal
2. Click the "FICO® Score Simulator" link
3. You will be logged on to the application via Single sign-on (SSO) and directed to the application in a browser window

2.3. Supported FICO® Score Versions

Credit Bureau	FICO® Score Versions
Equifax	FICO® Score 5
Experian	FICO® Score 2
TransUnion	FICO® Score 4

3. User Interface Overview

3.1. Header

When users click the "FICO® Score Simulator" link, they will be directed to the FICO® Score Mortgage Simulator application in a new browser window. The simulator's interface consists of several key sections, which are outlined below:

The header contains essential application information, including:

- Logo and Application Name
- Order ID
- Order Metadata (accessible via the information icon)
- Order Status:
    - Editable until – Allows editing and creating action plans.
    - Viewable until – View-only mode for previously created action plans; no new plans can be created.
- Logout button

3.2. Dashboard

1. Plan Tab Bar
   The dashboard is the primary working area, divided into multiple sections:

    - Allows users to create and manage up to five (5) action plans.

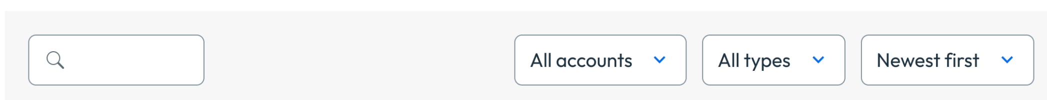
2. Scores Section
   Displays credit score details, including:

    - Starting FICO Scores for each nationwide credit bureau:
        - FICO® Score 5 (based on Equifax data)
        - FICO® Score 4 (based on TransUnion data)
        - FICO® Score 2 (based on Experian data)

- Credit Report Pull Date – The date the credit report was pulled from the credit bureau.
- Simulated Scores or Simulated FICO Scores – Shows simulated FICO® Scores after applying selected simulation actions.
- Score Delta – The difference between the starting and simulated scores.
- Representative score tag – Starting midscore or starting low score

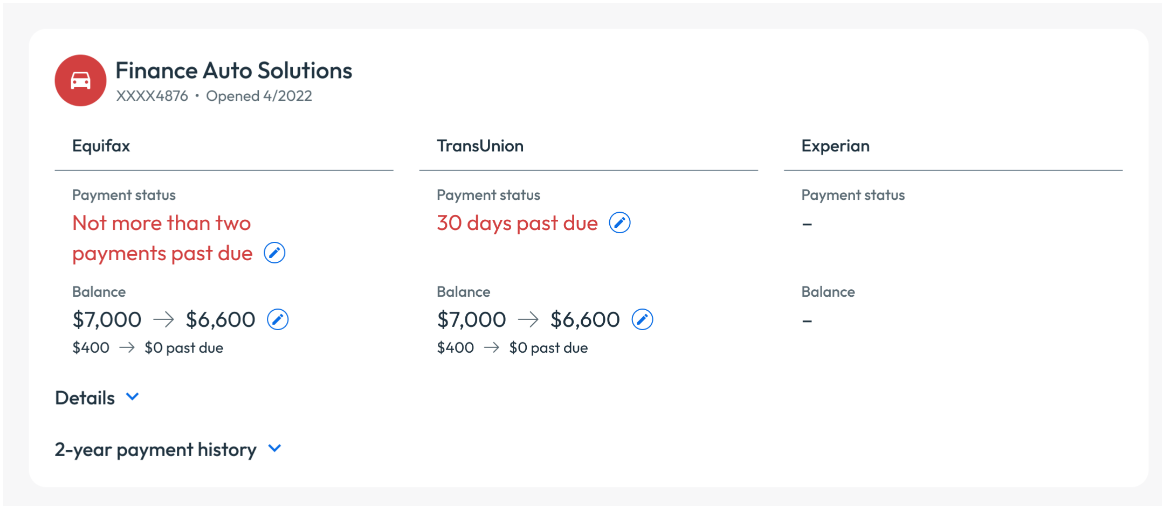
3. Search and Sort Bar
   Provides quick navigation to specific tradelines using:

- Search Box – Enter keywords to find accounts.
- Sort Options:
  - All Accounts (Open, Closed, Inactive, Disputed, Authorized User)
  - Account Type (Revolving/Open-Ended, Installment, Mortgage, Other)
  - Sorting Order (Newest First, Oldest First, By Name, By Balance, By Utilization Rate)



4. Credit Report Section
   Displays credit report details, divided into the following tabs:

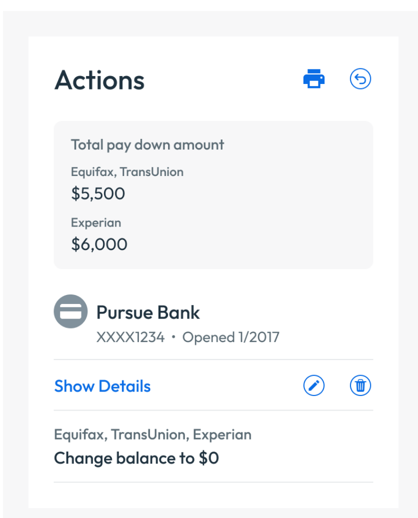
- Accounts – Information for all reported tradelines, including:
  - General tradeline information
  - 2-Year Payment History
  - More details



- Collections – List of all reported collections.
- Public Records – Details of all reported recorded public records (bankruptcies)
- Inquiries – List of all reported "hard" credit inquiries.

5. Action Plan Section

- Captures details of all the simulation actions enacted by the user.
- Allows users to print and start over the selected action plan
- Includes the total pay down amount



4. FICO® Score Mortgage Simulation Scenarios

FICO® Score Mortgage Simulator supports the following simulation scenarios:

4.1. Change tradeline balance

4.2. Delete third-party collections

4.3. Update derogatory tradeline to paid

4.4. Improve the status of a currently delinquent account

4.5. Remove account disputes

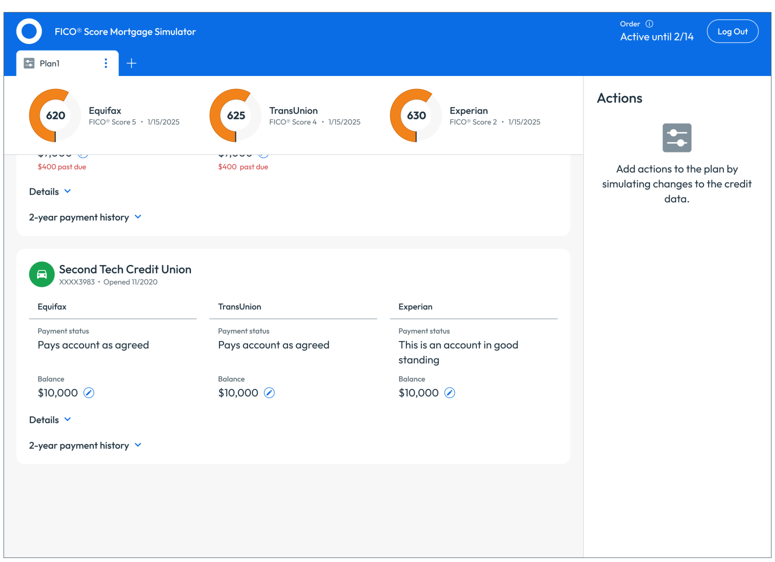
Important information: The simulated score is based on changes made to select underlying credit bureau report data elements as of the date the credit report was pulled.

4.1. Change tradeline balance

Overview: This simulation allows the user to change the current balance populated in the credit report for eligible tradelines. Eligible tradelines include revolving accounts, open ended and installment loans, etc. If there is an amount past due reported on the tradeline, reducing the balance with this action will also reduce the amount past due.

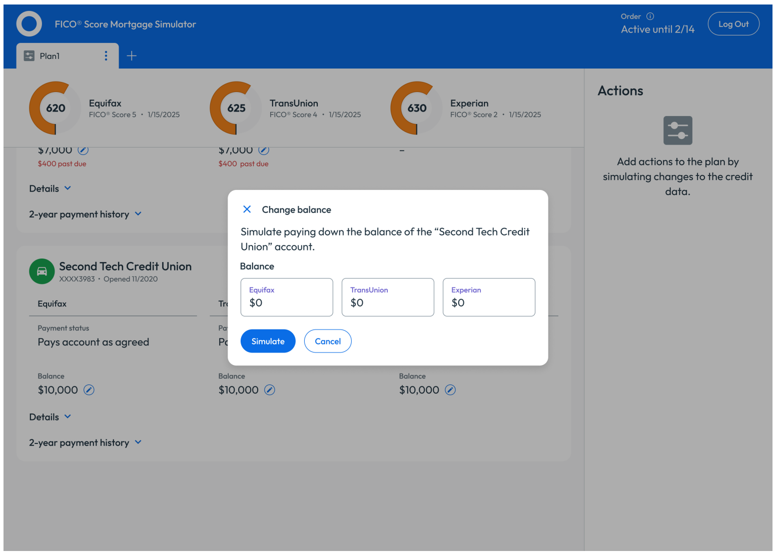
4.1.1. Simulation Steps

1. Navigate to the tradeline(s) of interest on which the balance can be changed



2. Click the pencil icon displayed next to the balance field

3. A modal window will open and the balances from the current report will be pre-populated



4. Update the balances to simulate for the new balance

5. Click the button to simulate this change

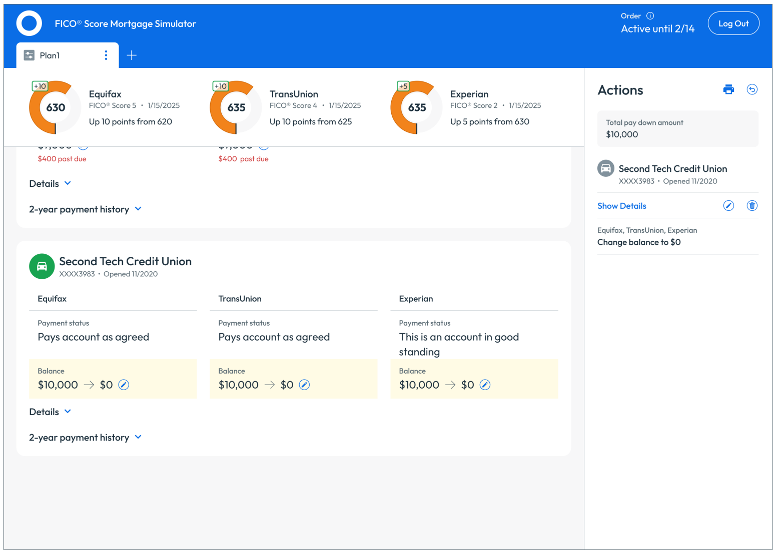
4.1.2. Simulation Results

1. The FICO® Scores section on the top of the display page will update to reflect the simulated score impact along with the Score Delta

2. The altered data values will be highlighted in the tradeline section

3. The plan section will reflect:

   - The action that was taken for the selected credit bureaus
   - The pay down amount required for this simulation action



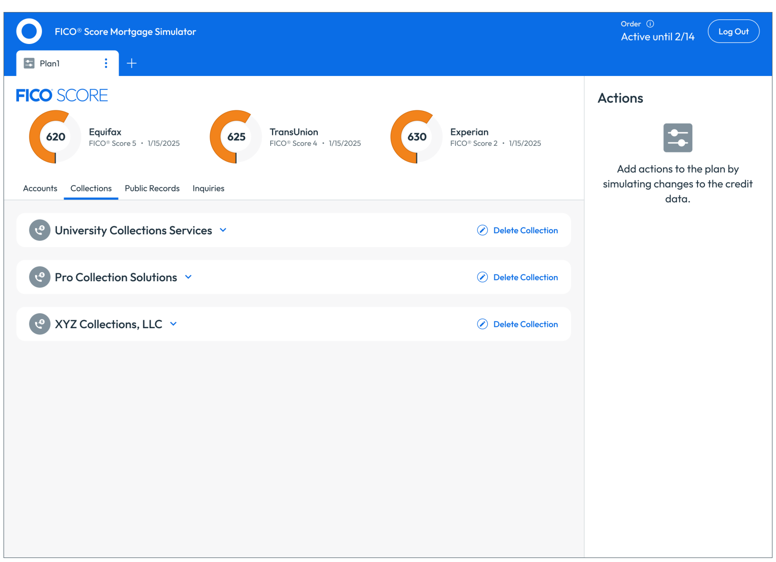
4.2. Delete third-party collections

This simulation allows the user to simulate the deletion of third-party collections from the Applicant's credit report.

Note, this simulates the complete removal of the collection from the credit report. A paid-off collection on the credit report is still considered as negative in the calculation of the classic versions of the FICO® Scores.

4.2.1. Simulation Steps

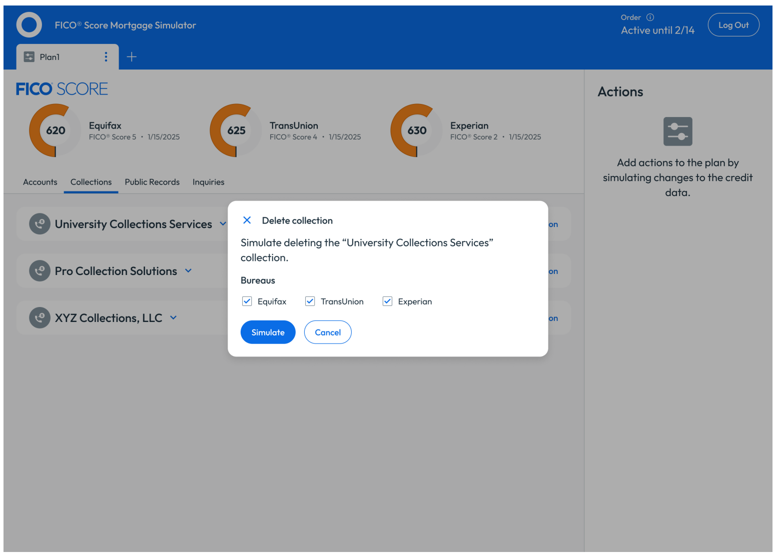
1. Click the Collections tab



2. Identify the collection to be deleted

3. Click the pencil icon to simulate for the collection deletion

4. A modal window will open and display the bureaus for which the collection is reported



5. Select the bureaus for which to perform this simulation action

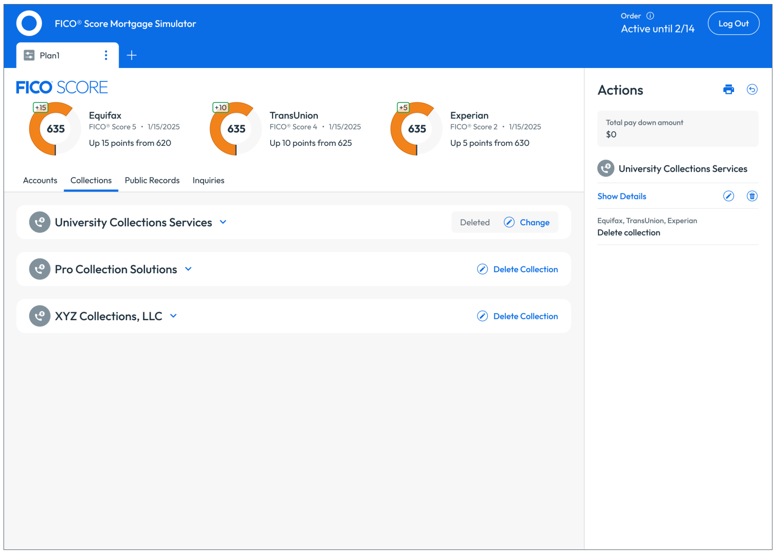
6. Click the button to simulate this change

4.2.2. Simulation Results

1. The scores section on the top of the display page will update to reflect the simulated score impact along with the Score Delta

2. The "Delete collection" text will be replaced with "Deleted" text if this action is taken across all reported bureaus or "Partially deleted" if this action is taken for a subset of bureaus

3. The plan section will reflect the action that was taken for the selected bureaus



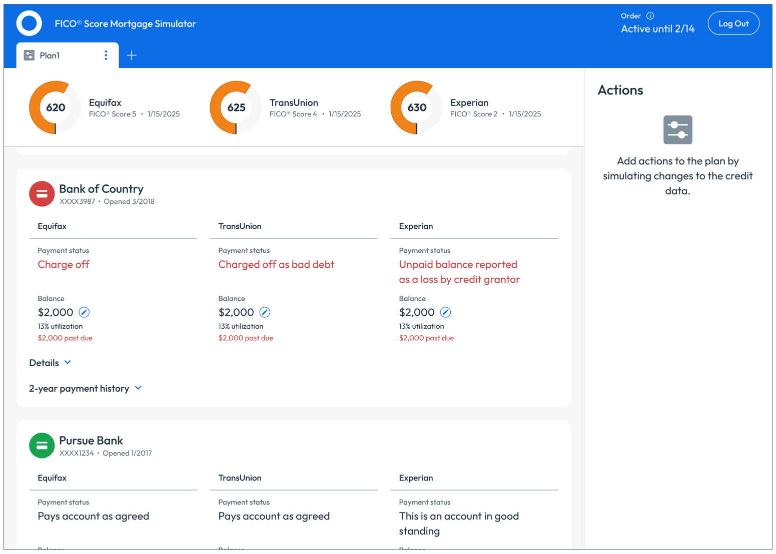
4.3. Update derogatory tradeline to paid

This simulation allows the user to update a derogatory tradeline with a balance to a zero/paid balance. If there is an amount past due reported on the tradeline, taking this action results in that amount being updated to reflect a $0 balance.

Note, the simulation will not remove historical delinquency/derogatory information.

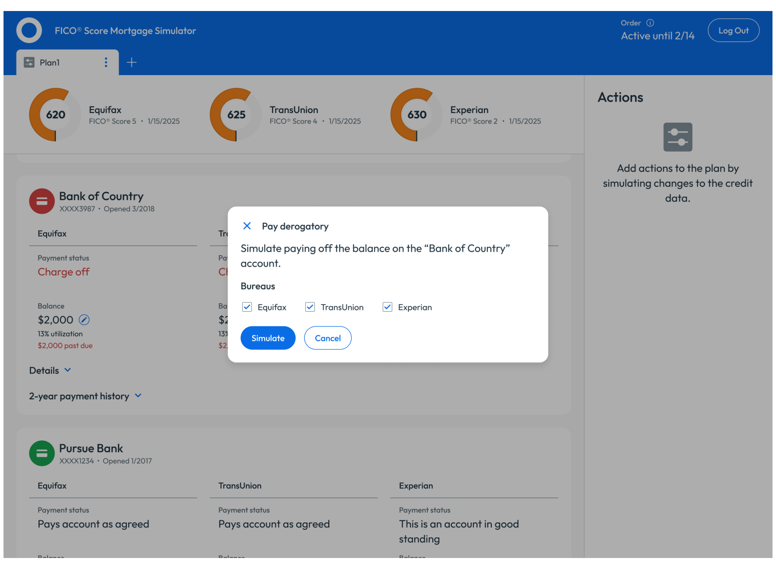
4.3.1. Simulation Steps

1. Locate the currently derogatory tradeline.



2. Click the pencil icon displayed next to the balance field

3. A modal window will open and display the bureaus for which the paid derogatory account is reported



4. Select the bureaus for which to perform this simulation action

5. Click the button to simulate this change

4.3.2. Simulation Results

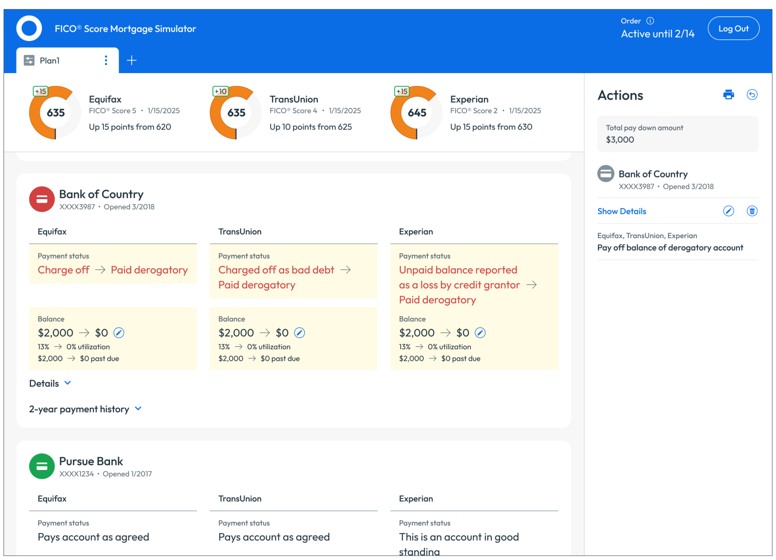
1. The scores section on the top of the display page will update to reflect the simulated score impact along with the Score Delta

2. The payment status for the tradeline will reflect a generic "Paid Derogatory" status value. Note that the actual payment status value differs by each bureau and the "Paid Derogatory" status is a generic placeholder value which is indicative of the simulated payment status.

3. The tradeline balance will simulate a $0 value, the amount past due will also simulate a $0 value.

4. The plan section will reflect:

    - the action that was taken for the selected bureaus
    - the pay down amount required for this simulation action
    - The plan section will reflect the action that was taken for the selected bureaus



4.4. Improve the status of a currently delinquent account

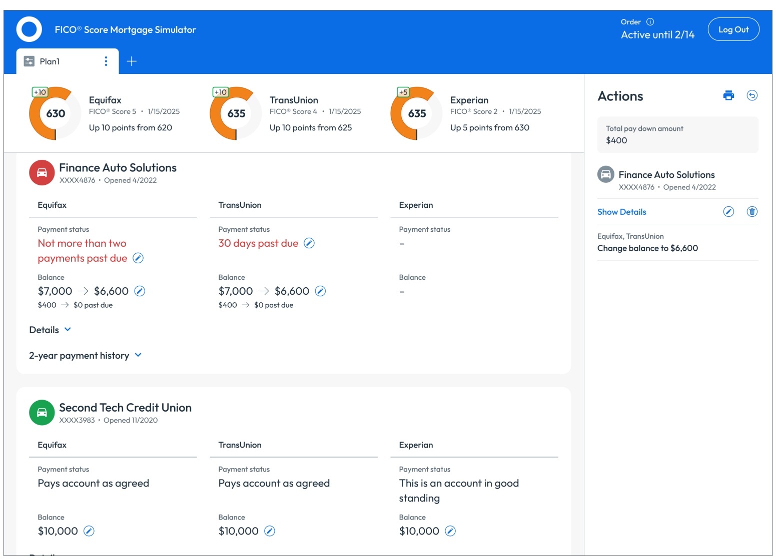
This simulation allows the user to update the status of a currently delinquent tradeline to a reduced delinquency status or current status. The new status value should be "less severe" than the current status (see table). The expectation is that a payment will be made to improve the status of the delinquency.

Original Status Level	Possible Simulated Status Level
30	Current
60	Current, 30
90	Current, 30, 60
120+	Current, 30, 60, 90

Historical delinquency/derogatory information will not be removed with this action. If the new status is updated, it is recommended to combine this action with a balance change simulation action to simulate the effect of making a payment to improve the status on the balance and amount past due.

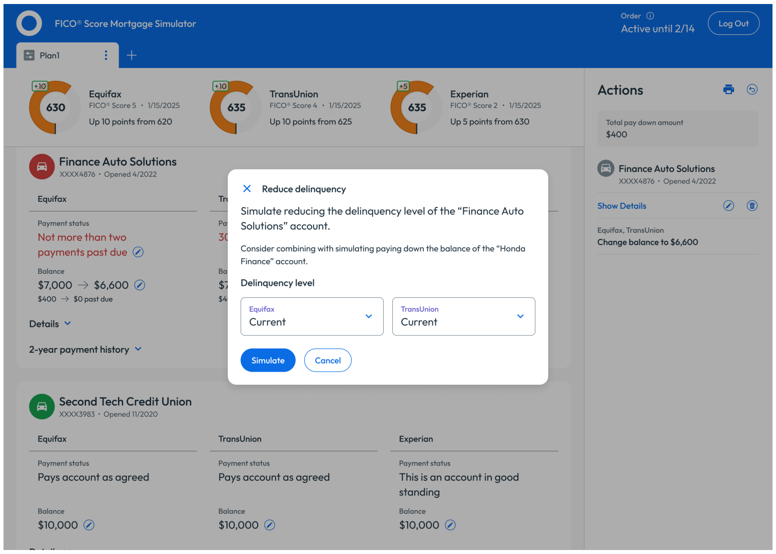
4.4.1. Simulation Steps

1. Locate the currently delinquent tradeline.



2. Click the pencil icon displayed next to the payment status field.

3. A modal window will open and display the payment status options eligible for the simulation



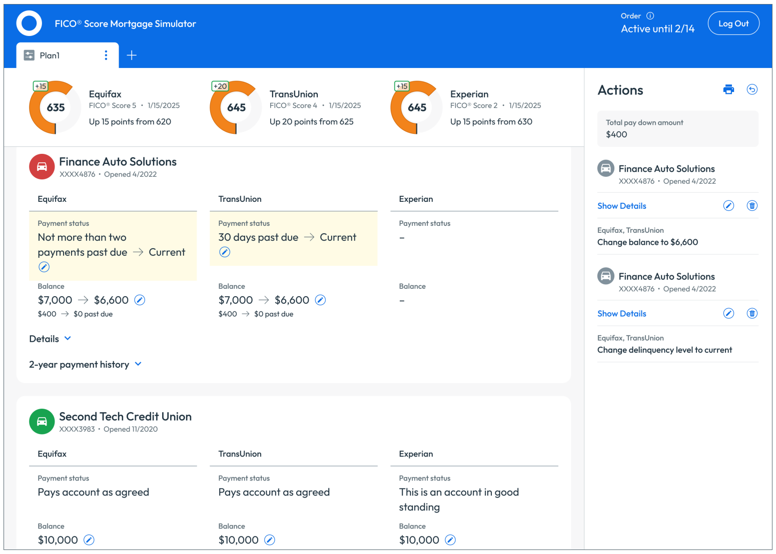
4. Click the tradeline status drop down and select the revised current status of the tradeline. Then click the Simulate button.

4.4.2. Simulation Results

1. The scores section on the top of the display page will update to reflect the simulated score impact along with the Score Delta

2. The payment status for the tradeline will reflect the old and simulated values

3. The plan section will reflect the action that was taken for the selected bureaus

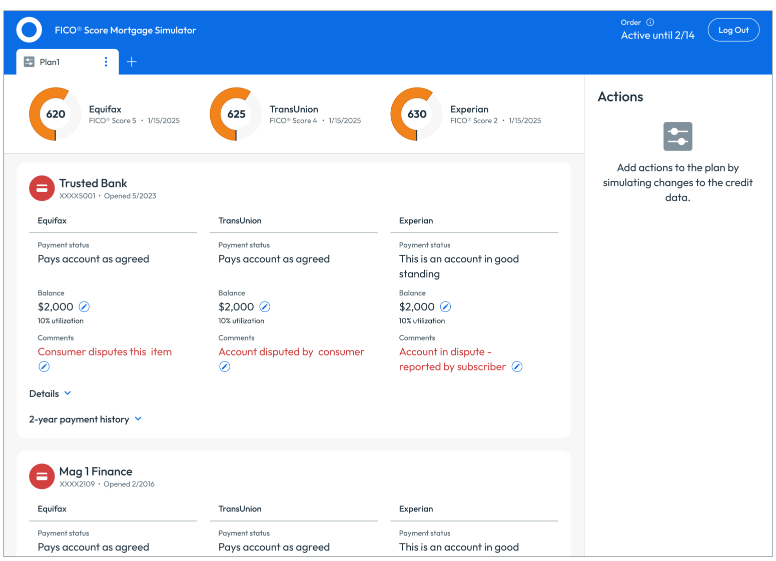


4.5. Remove account disputes

This simulation allows the user to simulate the removal of dispute indicators from tradelines, and third-party collections included in the credit report.

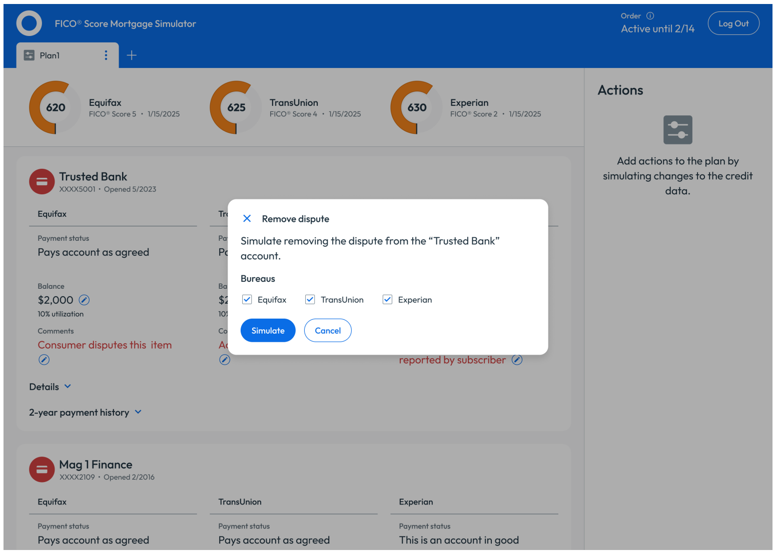
4.5.1. Simulation Steps

1. Navigate to the tradeline of interest



2. Click the pencil icon displayed next to the comments field

3. A modal window will display the bureaus for which the dispute is reported



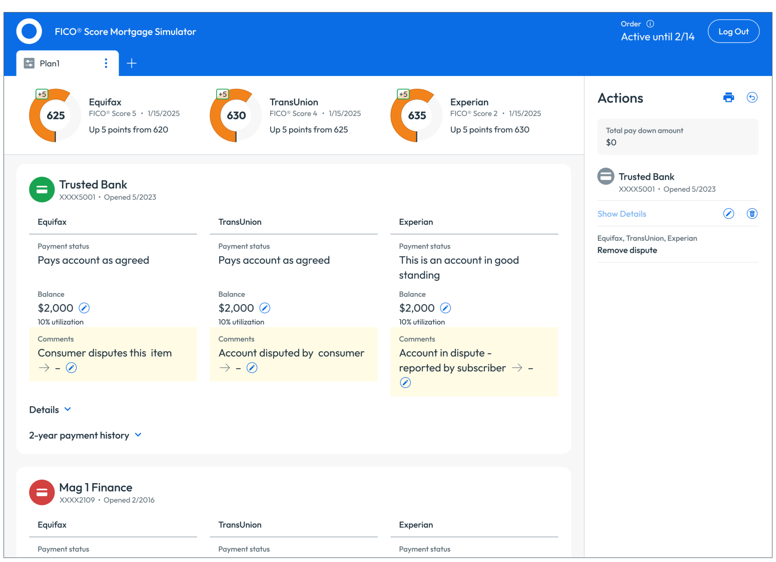
4. Select the bureaus for which to perform this simulation action

5. Click the button to simulate this change

4.5.2. Simulation Results

1. The scores section on the top of the display page will update to reflect the simulated score impact along with the Score Delta

2. The plan section will reflect the action that was taken for the selected bureaus



5. Action Plan

The Action Plan in the right panel enables the user to track in real time the simulation scenarios that have been run. Summary information is provided such as which simulation scenario was run, the credit bureaus where the actions were taken and information from the impacted tradeline.

Permitted users can run simulation scenarios for up to thirty days (from the Credit Report Pull Date of the oldest report in the order). After that, permitted users can access saved action plans for an additional period of 90 days.

The simulated FICO® Score and Score Delta displayed are always based on the cumulative simulation scenarios run. The Action Plan is interactive. Permitted users can easily delete any scenario entry within the Action Plan by clicking the trash can icon associated with that action plan, and the simulated FICO Score information will adjust automatically. Permitted users can also reset the action plan by clicking the start over button displayed next to the "Actions" text label.

Action plans are automatically saved and up to five action plans can be created at a given time. These saved action plans can be accessed for up to 120 days (from the Credit Report Pull Date of the oldest credit report in the order) through the same link you use to access the simulator.

There is also a print function that enables the user to print out a hard copy of the action plan that can be shared with the mortgage Applicant for the Applicant's own personal educational and informational use. The Action Plan output cannot be altered or changed in any manner unless FICO has approved the change in advance in writing.

The print version of the action plan contains two other sections of information - a list of general tips to consider for the mortgage Applicant and disclaimer content.

FICO® Score Mortgage Simulator

FICO SCORE

+10 630 **Equifax** FICO® Score 5 • 1/15/2025 Up 10 points from 620	+10 635 **TransUnion** FICO® Score 4 • 1/15/2025 Up 10 points from 625	+20 650 **Experian** FICO® Score 2 • 1/15/2025 Up 20 points from 630

Actions

Total pay down amount

Equifax, TransUnion
$5,500

Experian
$6,000

Pursue Bank
XXXX1234 • Opened 1/2017

Equifax, TransUnion, Experian
Change balance to $0

New balance	New credit utilization
$0	0%

Mag 1 Finance
XXXX2109 • Opened 2/2016

Equifax, TransUnion, Experian
Change balance to $1,500

New balance	New credit utilization
$1,500	8%

General educational items to consider

Here are some educational items to consider:

1. Avoid new credit inquiries: Refrain from applying for new credit. Credit inquiries can lower your credit.
2. Don't close accounts: Avoid closing any existing credit accounts.
3. Stay current on payments: Continue making timely payments on all your existing credit accounts.
4. Minimize credit utilization: Avoid new credit card charges.
5. Monitor your credit report: Regularly monitor your credit report.

Important information

The FICO® SCORE MORTGAGE SIMULATOR (and any simulated scores and output or other content) are provided for your own personal educational and informational use only and are intended to approximate potential impacts of various scenarios on your FICO® Scores – assuming all other factors stay the same. Your actual scores, and the impact of any actions taken, result from a complex interaction of FICO's scoring methodologies and the information on your credit report, some of which changes daily.

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6. FICO® Score Mortgage Simulator FAQs

Do I have to simulate an action across all three bureaus?

No. You have full control over the bureau for which you want to simulate an action. You can choose to simulate an action for one, two or all three bureaus.

Who should I contact if I have FICO® Score Mortgage Simulator questions?

Start off by contacting your own internal resources who are responsible for integration and support of FICO® Score Mortgage Simulator in your environment. Those contacts can review your questions and if needed, access the appropriate internal/external resources needed to respond to you.