

Paying rent consistently can get you one step closer to homeownership

Your rent payment history may help you qualify when applying for a mortgage to purchase your first home

Limited credit history can be a major obstacle for renters who want to buy their first home. But now that is changing. By including a history of consecutive rent payments in the application process, more renters may qualify for a mortgage.

You may be eligible if you:

- Are a first-time homebuyer purchasing a principal residence.
- Have a credit score of at least 620.
- Have been renting for at least 12 months with rent of at least \$300.
- Have bank accounts that document the most recent 12 months of rent payments.

Things to consider

- You must opt in to allow your lender to take advantage of digitally verifying consistent rent payments.
- Your lender will need to verify your history of rent payments through information in your bank account statements. But you don't need to provide paperwork; your lender can do this automatically.
- When completing your loan application, make sure to fill in the monthly rent amount that you pay.
- Your lender will verify that you have made recurring rent payments for the past 12 months. This applies to rent payments made by check or electronically via any digital payment platform like Venmo, PayPal, or Zelle as long as it appears in the payment history of your bank account statement.

Ready to get started

Your lender can explain the digital process to verify rent using bank statements. Paying your rent consistently may be a good indicator that you will pay your mortgage consistently, too, and opting in to a verification of assets report (e.g., bank statements) can help set you on the path to homeownership.

Talk to your lender to learn more.

