

AMENDMENT TO H.R. _____
[FHA REFORM ACT OF 2010]
OFFERED BY MR. GARRETT OF NEW JERSEY

Page 2, after line 12, insert the following new section (and redesignate succeeding sections accordingly):

1 SEC. 3. DOWNPAYMENT REQUIREMENT FOR HIGHER-RISK
2 BORROWERS.

3 Subparagraph (A) of section 203(b)(9) of the Na-
4 tional Housing Act (12 U.S.C. 1709(b)(9)(A)) is amended
5 by inserting before the period at the end the following:
6 “; except that in the case of a mortgage for which the
7 mortgagor has a credit score equivalent to a FICO score
8 of less than 580, the mortgagor shall have paid, in cash
9 or its equivalent, on account of the property an amount
10 equal to not less than 10 percent of the appraised value
11 of the property or such larger amount as the Secretary
12 may determine, and in the case of a mortgage for which
13 the mortgagor has a credit score equivalent to a FICO
14 score of 580 or more but not exceeding 620, the mortgagor
15 shall have paid, in cash or its equivalent, on account of
16 the property an amount equal to not less than 5 percent

1 of the appraised value of the property or such larger
2 amount as the Secretary may determine”.

