UNDERWRITING MANUAL

REvised
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FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C.
1693. **Credit Characteristics of Mortgagor**

**Characteristics and Mortgagor**

The characteristics of the mortgagor are of particular importance in the evaluation of the mortgage loan. These characteristics include the mortgagor's financial stability, credit history, income, employment, and the value of the property securing the mortgage. The mortgagor's ability to meet the obligations of the mortgage is critical to the decision-making process. If the mortgagor has a strong financial background, a history of prompt payment, and a significant equity in the property, the mortgage is likely to be more secure. Conversely, if the mortgagor has a history of default or low income, the mortgage may be considered riskier.

**Conclusion**

In conclusion, the evaluation of a mortgage loan involves a comprehensive analysis of the mortgagor's characteristics, the condition of the property, and the overall market conditions. This analysis helps in determining the risk associated with the mortgage and ensuring that the loan is made to only those individuals who can reasonably be expected to repay the debt. The process is crucial in maintaining the stability and value of the mortgage market.