

**Tax Liens (TOTAL and Manual)**

Tax liens may remain unpaid if the borrower has entered into a valid repayment agreement with the lien holder to make regular payments on the debt and the borrower has made timely payments for at least three months of scheduled payments. The borrower cannot prepay scheduled payments in order to meet the required minimum of three months of payments. The payment amount in the agreement must be included in the borrower's DTI. The lien holder must subordinate the tax lien to the FHA-insured mortgage.

**You must have the following documentation:**

- Written IRS payment plan confirmation**
- Proof from IRS that at least 3 payments were made on time (cannot be paid ahead)**
- All subsequent years tax returns are filed and paid (not 2022 yet since its not April 15<sup>th</sup>, but after that you will need 2022 as well)**
- Must be included in the DTI**
- Subordination agreement from credit holder**