

**Mortgage Tidbits**

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**Keeping you informed and in the know….**

**How to Know When Negative Credit is Really in the Past!**

Having credit issues is stressful and confusing. Most consumers have no idea when they might be able to apply for a new mortgage loan. This handy chart will give consumers the information to help them know the soonest they could apply for a mortgage loan.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Credit Event | Conventional | FHA | VA | USDA |
| Bankruptcy – Chapter 7 | * 4 years from discharge date
 | * 2 years discharge date
 | * 2 years from discharge date
 | * 3 years from discharge date
 |
| Bankruptcy – Chapter 13 | * 2 years from discharge date OR
* 4 years from Dismissal Date
 | * 12 months into repayment period – must have timely payments and court permission
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 |
| Multiple Bankruptcies | * 5 years from last Discharge date (if more than 1 BK in last 7 years)
 | * 5 years from last Discharge date (if more than 1 BK in last 7 years)
 | * Follow standard requirements for type of bankruptcy last filed
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 |
| Foreclosure – Deed In Lieu | * 7 years – No Bankruptcy
* House included in BK, follow BK wait time
* Deed In Lieu – 4 years
 | * 3 years OR
* If house was included in CH 7 BK, treated as 2 separate events
 | * 2 years OR
* If house was included in BK, follow BK wait time
 | * 3 years OR
* If house was included in BK, follow BK wait time
 |
| Short Sale | * 4 years
 | * 3 years
 | * None, but 12 months satisfactory credit after event is needed
 | * 3 years
 |
| Federal Tax Lien | * Payment agreement + 1 month history of payment
 | * Payment agreement + 3-month history of payment
 | * Payment agreement + 3-month history of payment
 | * Payment agreement + 3-month history of payment
 |

**These are general guidelines and with all credit related issues please contact me to help figure out the best way to accomplish a mortgage loan! Borrowers who have experienced this type of negative credit will need to be prepared to provide documentation such as bankruptcy papers, foreclosure documents, etc.**

**Call us today for the best answers to the mortgage questions!**

Insert photo here or delete box when ready to use

**~ Provided to you by ~**

Name: Phone:

Title: Email:

Address: City, State, Zip

Apply Now Link: