

**Mortgage Tidbits**

**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 OR
* 2 years with Extenuating Circumstances
 | * 2 years discharge date OR
* 1 year with Extenuating Circumstances
 | * 2 years from discharge date OR
* 1 year with Extenuating Circumstances
 | * 3 years from discharge date OR
* 1 year with Extenuating Circumstances
 |
| 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)
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 | * Follow standard requirements for type of bankruptcy last filed
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 |
| Foreclosure – Deed In Lieu | * 7 years – No Bankruptcy
* 3 years IF Extenuating Circumstances, but limited to 90% LTV
* House included in BK, follow BK wait time
* Deed In Lieu – 4 years
 | * 3 years OR
* 1 year with Extenuating Circumstances
* If house was included in CH BK, treated as 2 separate events
 | * 2 years OR
* 1 year with Extenuating Circumstances
* If house was included in BK, follow BK wait time
 | * 3 years OR
* 1 year with Extenuating Circumstances
* 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
 |

*Extenuating Circumstance is defined as a non-recurring event(s) that are out of the borrower’s control that result in a sudden, significant and prolonged reduction in income or a catastrophic increase in financial obligations. Examples are death of a wage earner, medical issues, job severance, etc.*

**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!**

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: