

**Credit Issues – Am I Ready to Buy?**

***If you have had a credit Issue in the past, you may wonder how long you need to wait to buy another home. These are the basic wait times, but there may be other factors so call me first!***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Issue** | **Conventional** | **FHA** | **VA** | **USDA** |
| **Charge Off -Mortgage** | • 4 Years OR • 2 Years with Extenuating Circumstances | None | None | None |
| **Deed-in-Lieu** | * 4 years OR
* 2 Years with Extenuating Circumstances
 | * 3 Years OR
* 1 Year with Extenuating Circumstances
 | * 2 Years OR
* 1 Year with Extenuating Circumstances
 | * 3 Years OR
* 1 Year with Extenuating Circumstances
 |
| **Foreclosure** | * 7 Years – No Bankruptcy
* 3 Years IF Extenuating Circumstance, but limited to 90% LTV
* House Incl. in Bankruptcy, Follow Bankruptcy Wait Time
 | * 3 Years OR
* 1 Year with Extenuating Circumstances
* House Incl. in Bankruptcy – Same Waiting Period as Foreclosure
 | * 2 Years OR
* 1 Year with Extenuating Circumstances
* House Incl. in Bankruptcy – Follow Bankruptcy Wait Time
 | * 3 Years OR
* 1 Year with Extenuating Circumstances
* House Incl. in Bankruptcy – Follow Bankruptcy Wait Time
 |
| **Bankruptcy –****Chapter 7** | * 4 Years\* OR
* 2 Years with Extenuating Circumstances
 | * 2 Years\* OR
* 1 Year with Extenuating Circumstances
 | * 2 Years\* OR
* 1 Year with Extenuating Circumstances
 | * 3 Years\* OR
* 1 Year with Extenuating Circumstances
 |
| **Bankruptcy –****Chapter 13** | * 2 Years from Discharge Date OR
* 4 Years from Dismissal Date
 | 12 Months into Pay-Out with Timely Payments & Court Permission | 12 Months into Pay-Out with Timely Payments & Court Permission | 12 Months into Pay-Out with Timely Payments & Court Permission |
| **Multiple Bankruptcies** | 5 Years from Discharge *if more than 1 in last 7 years* | 5 Years from Discharge *if more than 1 in last 7 years* | None Required | None Required |
| **Short Sale** | * 4 Years OR
* 2 Years with Extenuating Circumstances
 | * 3 Years OR
* 1 Year with Extenuating Circumstances
 | None but Likely to Require 12 Months of Satisfactory Credit After Event | * 3 Years OR
* 1 Year with Extenuating Circumstances
 |
| **Federal Tax Lien w/ Payment Agreement** | Agreement + 1 Payment | Agreement + 3 Payments (not pre-paid) | Agreement & Timely Payment | Agreement + 3 Payments (not pre-paid) |

***\*From Discharge***

***Extenuating Circumstances Definition:*** *Non-Recurring Events that are beyond a borrower’s control that result in a sudden, significant and prolonged reduction in income or a catastrophic increase in financial obligations. Examples: Divorce, Medical Issue, Job Layoff or Job Severance.*

***These are General Guidelines, So As With All Credit Related Issues, Contact Me First!***

Provided to you courtesy of:

Name Phone:

Title Fax:

Address Email:

City, State Zip Website:



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