

Waiting Periods



Required for significant adverse credit events

Thousands of home owners were forced to foreclose, short sale or even declare bankruptcy as a result of the recession related hardships. Despite these hard times, there is a light at the end of the tunnel for borrowers looking to become homeowners once again. This list below is a general guide for those with past credit events to help determine eligibility.

	SCENARIOS	TIME
CONVENTIONAL	Short Sale/Deed-in-Lieu, (event to be seasoned prior to disbursement of new loan).	DU Loans: 4 years have elapsed since completion; LP Loans: Short Sale: 4 years from completion date.
	Foreclosure, (event to be seasoned prior to disbursement of new loan).	7 years if due to financial mismanagement.
	Mortgage Charge-off, (event to be seasoned prior to disbursement of new loan).	4 year waiting period after charge off date to disbursement of the new loan.
	Bankruptcy: 7 or 11	4 years from Discharge/Dismissal Date. (DU and LP Loans)
	Bankruptcy: 13	2 years from Discharge Date. (DU and LP Loans) 4 years from Dismissal Date. (DU and LP Loans)
	Multiple Bankruptcy Filings within the last 7 years, (event to be seasoned prior to disbursement of new loan).	5 years from the most recent Discharge/Dismissal Date.
FHA	Foreclosure, (3 years from the date of FHA Case number unless extenuating circumstances are documented).	3 years have elapsed since completion.
	Short Sale, Deed-in-Lieu of Foreclosure, Foreclosure, (3 year period begins on date of Short Sale title transfer).	3 years have elapsed since completion. If no delinquencies in past 12 months prior to event then no seasoning is required.
	Bankruptcy: 7 or 11 (FHA Case Number must be assigned after 2 years discharge date).	2 years from Discharge or Dismissal.
	Bankruptcy: 13 , (12 months of the pay-out period must have elapsed prior to FHA Case Number being assigned).	12 month pay history completed. <ul style="list-style-type: none"> all payments have been paid as agreed. approval from the court. loan will require manual UW if the BK has not been discharged 2 years.

Note: Extenuating circumstances are nonrecurring events that are beyond the borrower's control that result in a sudden, significant, and prolonged reduction in income or a catastrophic increase in financial obligations



Patty McLain
 Loan Officer | NMLS #460419
 pmclain@bayeq.com
 M - 612.801.6339
 F - 763.201.5687
bayeq.com/patty-mclain



20965 S. Diamond Lake Rd, Suite 104, Rogers, MN 55374

BE Educated. Watch my **FREE** homebuyer videos at: HomeBuyerEducationOnline.com



This piece of information was prepared for general informational purposes only. This information does not constitute as legal, tax, or financial advice. It cannot replace the advice of competent legal counsel or a tax advisor or finance professional licensed in your state. This information is provided "as is" without warranties, expressed, implied, or statutory. Any and all implied warranties of merchantability or fitness for a particular purpose are hereby disclaimed. This is not a commitment to lend or extend credit. Restrictions may apply. Rates may not be available at time of application. Information and/or data are subject to change without notice. All loans are subject to credit approval. Not all loans or products are available in all states. Bay Equity LLC, 28 Liberty Ship Way Suite 2800, Sausalito, CA 94965; NMLS ID#76988. Minnesota Residential Mortgage Originator License #MN-MO-76988.1; Minnesota Residential Mortgage Servicer License #MN-MS-76988.2; Wisconsin Mortgage Banker License #76988BA; NMLS consumer access: www.nmlsconsumeraccess.org

Waiting Periods



Required for significant adverse credit events

Thousands of home owners were forced to foreclose, short sale or even declare bankruptcy as a result of the recession related hardships. Despite these hard times, there is a light at the end of the tunnel for borrowers looking to become homeowners once again. This list below is a general guide for those with past credit events to help determine eligibility.

	SCENARIOS	TIME
VA	Short Sale, Deed-in-Lieu of Foreclosure	Standard VA Product: 2 years elapsed since completion. • High balance product: 5 years have elapsed since completion.
	Foreclosure	2 years have elapsed since completion.
	Bankruptcy: 7 or 11	2 years from discharge date.
	Bankruptcy: 13	12 month pay history completed. • all payments have been paid as agreed. • approval from the court.
USDA	Bankruptcy Chapter 7 or 11	3 years
	Bankruptcy Chapter 13	3 years or 1 year of BK payout period has elapsed - All Payments made on time. Written permission from BK court to enter into mortgage transaction.
	Deed in Lieu of Foreclosure	3 years - Credit waiver required
	Short Sale	3 years - Credit waiver required
	Foreclosure	3 years - Credit waiver required

Note: Extenuating circumstances are nonrecurring events that are beyond the borrower's control that result in a sudden, significant, and prolonged reduction in income or a catastrophic increase in financial obligations



Patty McLain
 Loan Officer | NMLS #460419
 pmclain@bayeq.com
 M - 612.801.6339
 F - 763.201.5687
bayeq.com/patty-mclain



20965 S. Diamond Lake Rd, Suite 104, Rogers, MN 55374

BE Educated. Watch my **FREE** homebuyer videos at: HomeBuyerEducationOnline.com



This piece of information was prepared for general informational purposes only. This information does not constitute as legal, tax, or financial advice. It cannot replace the advice of competent legal counsel or a tax advisor or finance professional licensed in your state. This information is provided "as is" without warranties, expressed, implied, or statutory. Any and all implied warranties of merchantability or fitness for a particular purpose are hereby disclaimed. This is not a commitment to lend or extend credit. Restrictions may apply. Rates may not be available at time of application. Information and/or data are subject to change without notice. All loans are subject to credit approval. Not all loans or products are available in all states. Bay Equity LLC, 28 Liberty Ship Way Suite 2800, Sausalito, CA 94965; NMLS ID#76988. Minnesota Residential Mortgage Originator License #MN-MO-76988.1; Minnesota Residential Mortgage Servicer License #MN-MS-76988.2; Wisconsin Mortgage Banker License #76988BA; NMLS consumer access: www.nmlsconsumeraccess.org