

## CREDIT POLICY

### FORECLOSURE GUIDELINES

INVESTOR/ AGENCY	FORECLOSURE	FORECLOSURE (extenuating circumstances)	DEED-IN-LIEU OF FORECLOSURE	DEED-IN-LIEU OF FORECLOSURE (extenuating circumstances)	SHORT SALE
FHA	3 years	3 years otherwise exception basis only	3 years	3 years otherwise exception basis only	Case by case basis – UW must review with FHA
VA	2 years	1 year	2 years	1 year	Case by case basis – UW must review with VA
Fannie Mae (conforming product only)	5-year time period from completion date  Additional requirements that apply after 5 years up to 7 years following completion date: <ul style="list-style-type: none"> <li>The purchase of a principal residence is permitted with a minimum 10 percent down payment and minimum representative credit score of 680</li> </ul>	3-year time period from completion date  Additional requirements that apply after 3 years up to 7 years following completion date:  The same additional requirements apply as for other foreclosures except the minimum credit score of 680 is not required.	4-year time period from completion date (date deed-in- lieu executed)  Additional requirements that apply after 4 years up to 7 years following completion date: <ul style="list-style-type: none"> <li>Borrower may purchase a property secured by a principal residence, second home, or investment property with the greater of 10 percent</li> </ul>	2-year time period from completion date  The same additional requirements noted for deed-in- lieu apply after 2 years up to 7 years following completion date.	2-year time period from completion date.  Note: No exceptions are permitted to the 2-year time period due to extenuating circumstances.

	<ul style="list-style-type: none"> <li>• Purchase of a second home or investment property is not permitted.</li> <li>• Limited cash-out refinances are permitted for all occupancy types pursuant to the eligibility requirements in effect at that time.</li> <li>• Cash-out refinances are not permitted for any occupancy type.</li> </ul>		<p>minimum down payment or the minimum down payment required for the transaction.</p> <ul style="list-style-type: none"> <li>• Limited-cash-out and cash-out refinance transactions secured by a principal residence, second home, or investment property are permitted pursuant to the eligibility requirements in effect at that time.</li> </ul>		
Freddie Mac	<p>5-year time period from completion date</p> <p>Additional requirements</p> <ul style="list-style-type: none"> <li>• Purchase transaction secured by a primary residence with a maximum loan-to-value/total LTV/Home Equity Line of Credit ratio of 90% or</li> <li>• A “no cash-out” refinance mortgage</li> </ul>	<p>3-year time period from completion date</p> <p>Additional requirements</p> <ul style="list-style-type: none"> <li>• Purchase transaction secured by a primary residence with a maximum loan-to-value/total LTV/Home Equity Line of Credit ratio of 90% or</li> <li>• A “no cash-out” refinance mortgage</li> </ul>	<p>4-year time period from completion date (date deed-in-lieu executed)</p> <p>Additional requirements</p> <ul style="list-style-type: none"> <li>• Purchase transaction with a maximum LTV/TLTV/HTLVT ratio of 90% or the maximum LTV/TLTV/HTLTV ratio permitted or</li> <li>• A “no cash-out” and cash-out refinance mortgage</li> </ul>	<p>2-year time period from completion date (date deed-in-lieu executed)</p> <p>Additional requirements</p> <ul style="list-style-type: none"> <li>• Purchase transaction with a maximum LTV/TLTV/HTLVT ratio of 90% or the maximum LTV/TLTV/HTLTV ratio permitted or</li> <li>• A “no cash-out” and cash-out refinance mortgage</li> </ul>	<p>4-year time period from completion date.</p>
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NOTE: Any instance of extenuating circumstance must be fully documented with third party evidence that the situation was beyond the borrowers control and not likely to recur.

\*\*\*For Jumbo loans, see your loan officer for details, as it will be subject to loan type and size\*\*\*

**CREDIT POLICY**

**BANKRUPTCY REQUIREMENTS**

INVESTOR/AGENCY	CHAPTER 7 EXTENUATING CIRCUMSTANCES	CHAPTER 7 FINANCIAL MISMANAGEMENT	CHAPTER 13 EXTENUATING CIRCUMSTANCES	CHAPTER 13 FINANCIAL MISMANAGEMENT
FHA	1 year	2 years	1 year of the payout period; all required payments made on time and permission from the court to enter into the mortgage transaction.	1 year of the payout period; all required payments made on time and permission from the court to enter into the mortgage transaction.
VA	1 year with evidence borrower has obtained consumer items on credit subsequent to	2 years	12 months worth of satisfactory payments and the Trustee or Bankruptcy Judge	12 months worth of satisfactory payments and the Trustee or Bankruptcy Judge

	the bankruptcy and has satisfactorily made the payments over a continued period		approves of the new credit	approves of the new credit
FANNIE MAE** And other investors (Conforming product only)	2 years from the discharge or dismissal date	4 years from discharge or dismissal date	2 years from discharge or dismissal date	2 years from discharge date or 4 years from dismissal date
FREDDIE MAC	2 years from the discharge or dismissal date***	4 years from the discharge or dismissal date****	2 years from the discharge or dismissal date	2 years from the discharge or dismissal date

\*\*5-year time period from most recent dismissal or discharge date required for borrowers with more than one bankruptcy filing within the past 7 years. 3-year time period from the most recent discharge or dismissal date for extenuating circumstances (the most recent bankruptcy filing must have been the result of extenuating circumstances).

\*\*\*3-year time period from discharge or dismissal when the borrower has filed more than one bankruptcy petition in the past seven years.

\*\*\*\*5-year time period from most recent dismissal or discharge date required for borrowers with more than one bankruptcy filing within the past 7 years.

# Time elapsed after multiple bankruptcy filings within the last seven years:

- Extenuating circumstances 3 years from the most recent discharge or dismissal date and the most recent bankruptcy must have been the result of extenuating circumstances otherwise they must meet the 5 year requirement for financial mismanagement
- Financial mismanagement must be 5 years from the most recent discharge or dismissal date