

QUICK REFERENCE GUIDE

FHA	Conv - Fannie Mae the waiting period begins on the completion date of the event	Conv - Freddie Mac
<p>1. Buyers are considered eligible for a new FHA-insured mortgage if:</p> <ul style="list-style-type: none"> they were current on their mortgage and other installment debts at the time of the short sale, and the proceeds from the short sale serve as payment in full 	<p>1. No extenuating circumstance (cause: "financial mismanagement"):</p> <ul style="list-style-type: none"> 2 year waiting period and minimum down payment requirement of 20% 4 - 7 year waiting period and minimum down payment of 10% 	<p>1. No extenuating circumstance (cause: "financial mismanagement"):</p> <ul style="list-style-type: none"> 4 year waiting period
<p>2. Buyers who were in default at the time of the short sale are not eligible for a new FHA-insured mortgage for 3 years after the date of the sale</p>	<p>2. Documented extenuating circumstances:</p> <ul style="list-style-type: none"> After 2 year waiting period, buyer is eligible with a min down payment of 10% 	<p>2. Documented extenuating circumstances:</p> <ul style="list-style-type: none"> 2 year waiting period
<p>Lenders may make exceptions to this rule if:</p> <ul style="list-style-type: none"> the default was due to circumstances beyond the buyer's control (such as death of primary wage earner, long term uninsured illness, etc), and the review of the credit report indicates satisfactory credit prior to the date of the extenuating circumstance 	<p>Credit must be re-established, meeting all of the following requirements:</p> <ul style="list-style-type: none"> the waiting periods listed above Application must receive automated underwriting approval, or, if manually underwritten, must meet the min credit score requirements The buyer must have traditional credit (non-traditional credit or "thin files" are not acceptable) 	
<p>NOTE: Our investors may allow for these exceptions; however, we are seeing various minimum waiting periods, larger down payments (as much as 10%), and other requirements dealing with credit.</p>		

SHORT SALES (also Deed-in-Lieu of Foreclosure and Preforeclosure Sale)

FORECLOSURES

FHA	Conv - Fannie Mae effective date: 10/1/2010	Conv - Freddie Mac
<ul style="list-style-type: none"> ▪ 3 year waiting period if no extenuating circumstances 	No extenuating circumstance <ul style="list-style-type: none"> ▪ 7 year waiting period 	No extenuating circumstance <ul style="list-style-type: none"> ▪ 5 year waiting period
<ul style="list-style-type: none"> ▪ With documented extenuating circumstances (serious illness or death of a wage earner) lender can grant an exception. The inability to sell the previous home is not an acceptable extenuating circumstance. 		
<ul style="list-style-type: none"> - Buyers must have re-established good credit 	Documented extenuating circumstances: <ul style="list-style-type: none"> ▪ 3 year waiting period <ul style="list-style-type: none"> - Min down payment of 10% - purchase of primary residence or or rate-term refi of primary home 	Documented extenuating circumstances: <ul style="list-style-type: none"> ▪ 3 year waiting period <ul style="list-style-type: none"> - credit must be re-established - min down payment of 10%

Agency guidelines can change at any time without notice.....

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