

Title:

What is Bad Credit Mortgage LOan??

Word Count:

308

Summary:

If you wish to purchase a new home or refinance your existing mortgage to get cash-out, but are worried as to whether or not you will qualify for a loan due to a poor credit history, do not despair...bad credit mortgage loans are available for people just like you.

Keywords:

bad credit mortgage loan

Article Body:

If you wish to purchase a new home or refinance your existing mortgage to get cash-out, but are worried as to whether or not you will qualify for a loan due to a poor credit history, do not despair...bad credit mortgage loans are available for people just like you.

Bad credit mortgage loans also known as sub-prime home loans are offered by select lenders who specialize in these type of mortgage loan programs. These lenders do not follow the same hard core guidelines as traditional banks and credit unions. Their guidelines allow for credit mishaps that are considered taboo with traditional home loan lenders. What this means for you, the borrower, is that when you apply for your home loan with a sub-prime mortgage lender you have a great chance of receiving loan approval despite the fact that you have a less than stellar credit history.

Bad credit mortgage loan lenders are actively seeking out people with credit problems and they have buckets of money to lend! Sub-prime mortgage loan programs are available for people who have the following type of derogatory items in their credit history: bankruptcy, foreclosure, judgments, late payments and collection accounts.

Depending on the severity of your credit problems, you more than likely will have to pay a higher interest rate with a bad credit sub-prime mortgage as opposed to a traditional conventional loan. Many people with bad credit obtain a bad credit mortgage loan and use this as a stepping stone to rebuilding their credit history. Then, after 2 - 3 years, once they have cleaned up and re-

established their credit, they refinance to a lower rate conventional loan.

Not all lenders offer bad credit mortgage loans. Make sure the lender you are considering offers sub-prime mortgages before applying with them. You will save yourself time and keep unnecessary inquiries off of your credit report.