Adverse Credit History

A credit history is a summary of your financial strength, including your history of paying bills and your ability to repay future loans. To qualify for a PLUS loan, you cannot have an adverse credit history. Your credit history may be considered adverse if you are experiencing any of the following credit conditions:

- Bankruptcy discharge within the past 5 years.
- Voluntary surrender of personal property to avoid repossession within the last 5 years.
- Repossession of collateral within the last 5 years.
- Foreclosure proceedings started.
- Foreclosure within the last 5 years.
- Conveying your real property that is subject to a mortgage (by deed) to your lender to avoid foreclosure (deed in lieu of foreclosure).
- Accounts currently 90 days or more delinquent.
  - Unpaid collection accounts.
  - Charge offs/write offs of federal student loans.
- Wage garnishment within the last 5 years.
- Defaulting on a loan, even if the claim has been paid.
- Lease or contract terminated by default.
- County/State/Federal tax lien, within the past 5 years.