

# Standard Waiting Periods for Derogatory Credit Events



|                    | Bankruptcy |  |   | Foreclosure                                     | DIL, Short sale, pre-foreclosure sale   | Other significant adverse or derogatory credit info   |
|--------------------|------------|--|---|---|---|---|
|                    | Ch 7       | Ch 13  | Multiple Filings                                |   |   |   |
| <b>Fannie Mae</b>  | 4 years    | 2 years from discharge<br>4 years from dismissal | 5 years from most recent discharge or dismissal | 7 years or<br>4 years if included in Bankruptcy | 4 years   |   |
| <b>Freddie Mac</b> |            |  |   |   | 4 years: if occurrence within past 7 years then must be either, 1. purchase of primary residence with max LTV of 90% or less if product max, or "no cash-out" refi that meets requirements of Ch 24 of Freddie Mac Seller Guide. Credit package must also contain evidence of the completion of the foreclosure, DIL or short sale. |   |
| <b>FHA</b>         | 2 years    | 1 year from beginning of payout period           | Not Allowed                                     | 3 years to approval date of new loan            | 3 years   | If HUD has paid a claim on the borrower's behalf, the borrower isn't eligible for FHA-insured financing for 3 years after the claim is paid. ** |
| <b>VA</b>          | 2 years    | 1 year from beginning of payout period           | 2 years   | 2 years   | DIL: 2 years  | 1 year of reestablished credit at a minimum after date judgments, other derogs paid   |
| <b>USDA</b>        | 3 years    | 1 year from discharge                            | Case by Case                                    | 3 years   | 3 years   |   |

\* FHA dates are from previous event date to case assignment date on new loan, unless otherwise indicated.

\*\* Must call FHA to determine borrower's 'eligibility date' if there is a CAIVRS claim or default reported.

