



## ***Fannie Mae Vs Freddie Mac Waiting Periods For Derogatory Credit***

Derogatory Event	<b>FANNIE MAE</b>		<b>FREDDIE MAC</b>	
	Waiting Period Requirements	Waiting Period with Extenuating Circumstances	Waiting Period Requirements Credit Score 680	Waiting Period with Extenuating Circumstances
<b>Bankruptcy Chapter 7 or 11</b>	4 years	2 years	4 years	2 years
<b>Bankruptcy Chapter 13</b>	<ul style="list-style-type: none"> <li>• 2 years from discharge date</li> <li>• 4 years from dismissal date</li> </ul>	<ul style="list-style-type: none"> <li>• 2 years from discharge date</li> <li>• 2 years from dismissal date</li> </ul>	<ul style="list-style-type: none"> <li>• 2 years from discharge date</li> <li>• 4 years from dismissal date</li> </ul>	<ul style="list-style-type: none"> <li>• 2 years from discharge date</li> <li>• 2 years from dismissal date</li> </ul>
<b>Multiple Bankruptcy Filings</b>	5 years if more than one filing within the past 7 years	3 years from the most recent discharge or dismissal date	5 years if more than one filing within the past 7 years	3 years from the most recent discharge or dismissal date
<b>Foreclosure</b>	7 years	3 years up to 7 years:: <ul style="list-style-type: none"> <li>• 90% maximum LTV ratios</li> <li>• Purchase, principle residence</li> <li>• Limited cash-out refi, all occupancy types</li> </ul>	5 years	3 years
<b>Deed-in-Lieu Preforeclosure Short Sale</b>	<ul style="list-style-type: none"> <li>• 2 years – 80% maximum LTV ratios</li> <li>• 4 years – 90% maximum LTV ratios</li> <li>• 7 years – LTV ratios per the Eligibility Matrix</li> </ul>	2 years – 90% maximum LTV ratios	4 years	2 years



**TODD SWANSON**

MORTGAGE CONSULTANT

*"Semper Fidelis"*

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### **Additional Fannie Rules:**

The maximum LTV ratios permitted are the lesser of the LTV ratios in this table or the maximum LTV ratios for the transaction per the Eligibility Matrix.

### **Additional Freddie requirements for Financial Mismanagement – but you may see this for Fannie too:**

- Must re-establish credit 24 months – must have housing payment history
- Must be current on all credit (12 months)
  - No new derogatory public record
  - No 60 day lates
  - No more than 2 30 day lates
  - No housing lates
  - Limited revolving debt utilization
- Borrower Explanation leading to reasonable conclusion that borrower has re-established an acceptable credit reputation