

A Quick Guide on Derogatory Credit Waiting Periods

Reference this chart to see typical waiting periods before your borrower can be approved for a mortgage.



	Foreclosure	Short Sale / Deed in Lieu	Chapters 7 & 11 Bankruptcy	Chapter 13 Bankruptcy
Conventional & Home Possible®	7 years	4 years	4 years	<ul style="list-style-type: none"> • 2 yrs from discharge date • 4 yrs from dismissal date
FHA	3 years prior to date of new case number assignment. Exceptions possible if due to divorce.		2 years from discharge date to new case # assignment date.	1 year payout has elapsed, payment performance is satisfactory, & discharged prior to closing
VA	2 years	2 years ^	2 years	1 year payout has elapsed, payment performance is satisfactory, & discharged prior to closing
USDA	3 years	3 years*	3 years	1 year
Dream Big Jumbo	7 years	4-7 years ^	4 years	4 years
Jumbo Series C	8 years	4-7 years ^	4 years	4 years. If discharged <7 years, all paperwork must be provided.
Jumbo Series D, Series I & Series F	7 years			
Jumbo Series J	4-7 years			
SmartEdge	4 years; 2-4 years with Plus program			
SmartSelf	4 years; 2-4 years with Plus program			
SmartTrac	2 years	1 year	1 year	1 year
SmartVest	3-4 years	2-4 years	2-4 years	2-4 years

*If an applicant was current at the time of short sale that occurred within the last three (3) years, they may be eligible for a new mortgage loan. The prior mortgage payment history must reflect all mortgage payments due were made on time for the 12 month period preceding the short sale and all installment debt payments for the same period were also made within the month due. ^ Exceptions may be made due to extenuating circumstances for short sales.