



# IMPORTANT UPDATE

## BULLETIN 17-02132023

**Issued to:** All Channels  
**Date:** February 13, 2023  
**Subject:** Fannie Mae Cash Out Refinance Update  
**Effective:** February 20, 2023

Fannie Mae updated the seasoning requirements for the Mortgage being refinanced on cash out refinance transactions. When the transaction will be utilized to pay off an existing first lien mortgage, it must be seasoned for at least 12 months (defined as the Note Date of mortgage being refinanced to the Note Date of the cash out refinance), except in the following circumstances.

**Please take note of the following Effective dates for cash-out transactions with DU findings:**

- New submissions/locks received on or after February 20, 2023 must comply with the new requirements.
- Existing pipeline loans underwritten to existing guidance must close by March 24, 2023 and fund by March 31, 2023
- Non-Delegated submissions underwritten to existing guidance must be purchased by March 31, 2023

Updates		
Section	Date	Update
Refinance of Mortgaged Property	02.08.2023	<b>Updated:</b> When proceeds of a cash-out refinance are used to pay off a first lien mortgage, the first lien mortgage being refinanced must be seasoned for at least 12 months (Between Note Date of the mortgage being refinanced and Note Date of the Cash-Out refinance).

Please contact your Account Executive with any questions.

We appreciate your business!