



Fannie Mae Seasoning Policy

February 13, 2023

Subject: Fannie Mae Cash-out Refinance Transactions

To: All

FlexPoint Inc is aligning with Fannie Mae Announcement 2023-01 dated February 01, 2023, which announced new seasoning requirements on cash out refinance transactions for existing Mortgage being refinanced.

When proceeds of cash out refinance Mortgage are used to pay off a First Lien Mortgage, the First Lien Mortgage being refinanced must be seasoned for at least 12 months (i.e., at least 12 months must have passed between the Note Date of the Mortgage being refinanced and the Note Date of the cash-out refinance Mortgage), as documented in the Mortgage file (e.g., on the credit report or title commitment).

The new seasoning requirement does not apply when:

- To any existing subordinate liens being paid off through the transaction, or
- When buying out a co-owner pursuant to a legal agreement.

The new seasoning requirement is effective for all Fannie Mae loans with Note dates on or after April 01, 2023.

Reference Document:

[Fannie Mae Announces Updates to Cash-Out Refinance Eligibility | Fannie Mae](#)

[Fannie Mae Selling Guide 2023-01 \(fanniemae.com\)](#)

If you have any questions regarding this announcement, please contact your manager or your assigned Account Executive.

Thank you,

FlexPoint Inc Team