



## Bulletin 18-02

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### **Fannie Mae Cash-Out Seasoning Requirement for Property Held in an LLC**

Fannie Mae clarified their requirements regarding cash-out refinance seasoning when the property securing the refinance is owned by an LLC in [Fannie Mae Announcement 2017-10](#) issued December 19, 2017.

Fannie Mae will now allow the time the property was held in the LLC to count towards the 6 month seasoning required for cash-out transactions as long as the borrower is 100% owner or the majority-owner of the LLC. Previously, only individual ownership could be applied to the 6 month seasoning requirement

**The property must be transferred out of the LLC prior to funding/loan disbursement of the cash-out refinance.**

This update applies to loans currently in the pipeline and new submissions.

HomeBridge will update the Fannie Mae guidelines in the near future and post them on the HomeBridge website at [www.HomeBridgeWholesale.com](http://www.HomeBridgeWholesale.com)

If you have any questions, please contact your Account Executive.