

**MPF Announcement:**

2023-23

**Date:**

April 13, 2023

**Alert:**

Clarification  
New Policy  
**Policy Update**  
Reminder  
Training Information

**Audience:**

Compliance/Legal  
Program Management  
**Origination**  
Quality Control  
Servicing  
**Underwriting**

**Product:**

MPF Government MBS  
**MPF Traditional**  
MPF Xtra<sup>®</sup>

**Effective Date:**

**Immediately** (unless otherwise noted)

## MPF Traditional Selling Guide Updates

### Reference

Please note you can access the [MPF Guides](#) and [MPF Announcements](#) on our [MPF Website](#).

Visit the [MPF Website](#) to review and register for upcoming complimentary [MPF Webinars](#).

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Updates have been made to the MPF Traditional Selling Guide regarding the eligibility requirements for cash-out refinances. The updated Guides will require that any existing first mortgage being paid off through the cash-out refinance, on or after May 1, 2023 be at least **12 months old** as measured from the note date of the existing loan to the note date of the new loan. For additional guidance, refer to the MPF Traditional Selling Guide 2.6.2.2.

PFIs are to maintain all documentation used in the origination in the mortgage file AND if the loan is picked for a QC review, they will be required to provide reliable documentation utilized during underwriting to establish the 12 months seasoning requirements of the loans being refinanced.

**Effective:** PFIs are encouraged to implement these changes immediately but must do so for all cash-out refinance transactions with note dates on or after May 1, 2023.