



# FNMA Delayed Financing

Delayed financing is a special type of cash-out refinance where borrowers are exempt from the 6-month waiting period typically required to enter into a cash-out refinance transaction. The main requirement? The borrower must have purchased the home with their own funds and there cannot be any liens secured against the property.

## Delayed Financing Advantages:

- Sellers favor a cash offer over just about any other offer.
- Offers from cash buyers are more often accepted than offers requiring traditional financing.
- Stronger negotiating power.
- Creates an opportunity to draw upon financial assets, such as retirement and savings funds, with the option to quickly restore these assets through a delayed financing cash-out refinance in as little as 30 days of closing on the original purchase.

## Guidelines to consider using delayed financing:

- A title search must show no liens exist on the property.
- Homebuyers must prove where all cash came from to purchase the property.
- The new mortgage may not exceed the documented property purchase price.
- The original purchase must have been arms-length.

