Temporary Buydown Job Aid

URLA – LENDER

* Make sure your Note Rate is your 30 year fixed rate.
* Check the box for Buydown, and use the pencil & paper to select the term of the buydown, and who is paying for the temporary buydown.

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BUYDOWN DISBURSEMENT SUMMARY

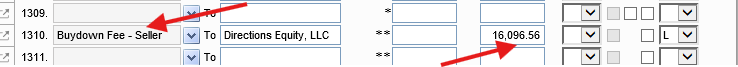
* Here you will find the details of your temporary buydown, including the monthly subsidy amount, and the total cost (amount the seller will be paying)

A screenshot of a report

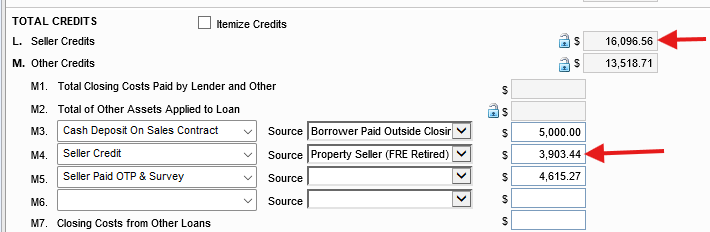
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2015 ITEMIZATION

* Add the seller contribution for the cost of the temporary buydown on the SELLER column of the 2015



* Putting the cost of the temporary buydown in the seller column will add the credit to Line L “seller credit” so you do NOT want to leave the total seller credit in section M. Subtract the temporary buydown cost from the total seller credit and enter the remaining balance in section M. In this example, the seller is contributing $20,000 total.



CLOSING DISCLOSURE PAGE 1

* A screenshot of a computer

  Description automatically generatedWhen trying to disclose the lock, you will come across this error:
* At the bottom of CD page 1, check the “customize” box and select EDIT

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* Select the appropriate number of columns (EX: for a 2-1-0 buydown, select 3)
* Make sure your “through 30 years” box is checked for “more than a year”

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* Fill in all the empty boxes. The P&I in box 1 will be your final fixed payment, so copy that number to your last column, and complete the remaining boxes with the information found on your Buydown Disbursement Summary and Lender page
* P&I boxes will be the fixed P&I (found on the lender page) minus the subsidy amount for the applicable year (found on the buydown disbursement page)
* Example: Fixed P&I = 4658.41. Monthly Subsidy for year 1 is $887.55, so Column 1 P&I will be $3770.86. Subsidy for year 2 is $453.83 so Column 2 P&I will be $4204.58

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POLLY

Select the dropdown & choose the applicable temporary buydown term

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MISC. THINGS TO KNOW

* Please note that any time you change your loan amount or fixed interest rate, your temporary buydown cost paid by the seller will change.
* A buydown agreement must be signed before the file gets to closing

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