

Setting Up a Purchase Money Second Mortgage in MBOT

First make sure your borrower information screen is filled out properly:

Borrower Summary

Zip: LAFAYETTE IN TIPPECANOE
47905

Loan Information

Sales Price	Estimated Balance on Home	Property Type
\$120,000.00	\$0.00	Detached
Estimated/Appraised Value Same as Sales Price	Approx. Mtg Payment	Property will be
\$145,000.00	\$0.00	Primary Residence
Base Loan Amount	Is Employee Loan?	Purpose of Loan
\$6,000.00	<input type="radio"/> Yes <input checked="" type="radio"/> No	Purchase
Financed FHA MIP or VAFF	LTV	Product
\$0.00	5.000%	Z-APT Chenoa 10Yr Repay 2nd
Total Loan Amount	CLTV	Lien Type
\$6,000.00	5.000%	Second Mortgage
Down Payment	Subordinate Financing LIAB	Mortgage Applied For
95.000% % \$114,000.00	\$0.00	Conventional
Subordinate Financing DOT	New First Mortgage Amount	Number of Months
\$0.00	\$0.00	120
		Rate
		7.875%
	Closing Costs from 2nd Lien	Application Date
	\$0.00	11/30/2023

Construction/Construction Permanent Only

Second, make sure your loan details references both a refinance and cash out.

Loan Details

Base Loan Amount: \$ 6000

Appraised Value: \$ 6000 | Estimated Value

Financing Type: Conventional

Note Rate: 7.875

Lien Type: Second Lien Purchase Money 2nd

Is Escrowed: No | Escrow Waiver Type: All

Amortization Term: 120

Amortization Type: Fixed

\$ Sales Concession Amount

Loan Purpose

Loan Purpose: Refinance

Estimated Closing Date: 10/31/2024

HMDA Loan Purpose: Home Improvement

Refinance Type: Cash Out/Other

Subject Loan Refinances Temporary Financing

HMDA Loan Purpose: Purchase Another Property

Loan Features

Payment Frequency: Monthly

Other New Mortgage Details

+Add

Down Payment Details

+Add

Interviewer Details [Edit]

Interviewer: Joshua William Heinrich
NMLS# 334476

Additional Details

Interview Date: 11/30/2023 [Edit]
Loan Number: 0012077509 [Edit]

Third, make sure that your LE is showing that you are waiving escrows:

The screenshot shows the 'Loan Estimate' form in Finastra MortgageBotLOS. The 'Escrow Waiver' field is set to 'Yes', which is highlighted with a red arrow. Other fields include: Product: Z-APT Chenoa 10Yr Repay 2nd; Interest Rate: 7.875%; Estimated Closing Date: 10/31/2024; Estimated First Payment Date: 12/01/2024; Loan Purpose: Purchase; Occupancy: Primary Residence; Loan Amount: \$6,000.00; Purchase Price: \$120,000.00; Appraised Value: \$145,000.00; Property Type: Detached.

Fourth, make sure that no escrow amounts are showing in your LE. This will prevent your first mortgage loan from having an inaccurate DTI issue so your second mortgage payment reflects correctly to qualify on the first mortgage. Also make sure any closing fee is added.

The screenshot shows the 'Prepays' section of the 'Loan Estimate' form. The 'Mortgage Release Fee' is \$0.00. Other prepay items include: Flood Insurance Premium (\$0.00), Homeowners Association Dues (optional) (\$0.00), Homeowners Insurance Premium (\$0.00), Prepaid Interest (\$1,294.50), Prepaid Mortgage Insurance Premium (\$0.00), and Property Taxes (\$0.00).

The last step is to know your P&I payment to use to setup your first mortgage properly by adding a purchase money second mortgage into your down payment source on the first mortgage (*See instructions on “How to Setup First Mortgage with a Purchase Money Second”).

The screenshot displays the Finastra MortgageBotLOS interface for a loan identified as '0012077509 - ZAPTChenoa10Yrrepayable2nd Test'. The interface is divided into a left-hand navigation menu and a main content area. The navigation menu includes sections for Pipeline, Rates, Reports, and Resources, with sub-items like Forms & Docs, Lending Portal - URLA, Doc Packages, Closing Docs, Services, Status & Tracking, Actions, and Imaging. The main content area is titled 'Application Criteria' and 'Loan Details'. The 'Application Criteria' section lists various fields with green checkmarks indicating they are complete: Application Date (11/30/2023), Property Address, Name, Value of Property, Monthly Income, and Loan Amount. The 'Loan Details' section provides a comprehensive overview of the loan's financial parameters. The 'P & I' (Principal and Interest) payment is highlighted with a red circle, showing a value of \$72.40. Other details include a loan amount of \$6,000.00, an APR of 7.880%, and a closing date of 10/31/2024.

Application Criteria	
Application Date:	11/30/2023
Name	✓
Monthly Income	✓
Social Security Number	✓
Property Address	✓
Value of Property	✓
Loan Amount	✓

Loan Details	
Final:	Not Finaled
Loan Amount:	\$6,000.00
Loan Purpose:	Purchase
Institution:	Flanagan State Bank (38)
Loan Status:	
AU Status:	
Property Address:	1234 Fake Address LAFAYETTE, IN 47905
Appraised Value:	\$145,000.00
Product Code:	Z- APT Chenoa 10Yr Repay 2nd
Rate:	7.875%
APR:	7.880%
P & I:	\$72.40
PITI:	\$900.14
Lock Status:	Not Locked
Lock Expiration:	
Cash To Close:	\$107,688.09
Closing Date:	10/31/2024

*Note that the interest rate on “Forgivable” second mortgage’s is 0% which will mean there is not payment amount to enter (if applicable).