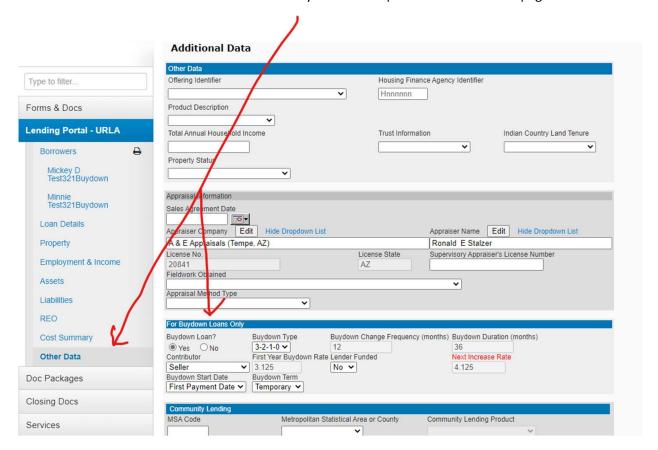# How to Setup Mortgage Bot for Temporary Buydowns

Note – The example in the below screen shots is for a 3/2/1 Buydown. In addition, it is VERY important to note that in this example the seller is contributing ALL the buydown points, and the borrower is buying down the initial final note rate.

Step #1:

First, set up your loan like a normal 30-year fixed product (CF30, FHA30, VA30, USDA30). Do NOT setup your LE discount points and do NOT register or lock the loan until you have finished the remaining steps. In addition, please know that we are in the process of establishing new product codes for Buydowns later once rates are tied to those products (Buydown-Conv30, Buydown-FHA30, Buydown-VA30, Buydown-USDA30).

Step #2:

Once you have setup your loan completely ready for disclosures, please go to the "Other Data tab" within the URLA. A Screen shot is below. You may want to keep a screen shot of this page on each loan.
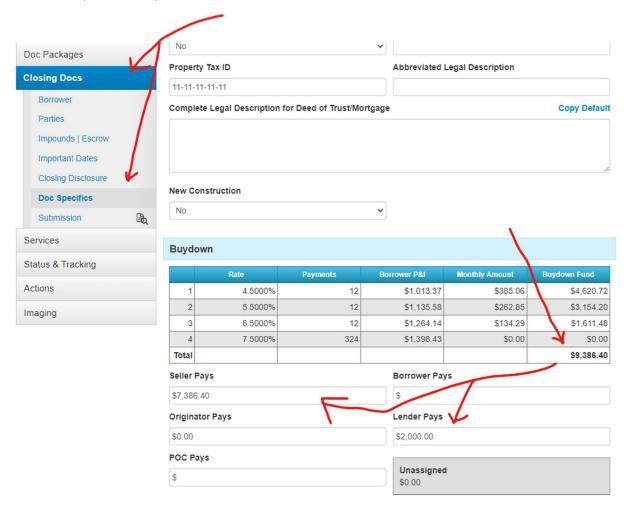
Step #3:

Please complete the buydown setup. The example above is to help you.

Note - Please make sure that you do NOT go back to the borrower summary screen after you have marked the "Yes" field above on this page within the URLA. If you do, it will default back to "No".

Step #4:

Once you have setup the basic terms of the buydown, then go to the Closing Docs "Docs Specifics" page within MBOT. This page creates a nice table for the loan officer to see the total required buydown funds required for each transaction. See screen shot below. Remember, FSB does not allow for any Borrower buy-down funds, only seller and lender funded buydowns.

NOTE – Before you exist this page, please make sure to copy the total amount of the buydown to make the next step easier for you.
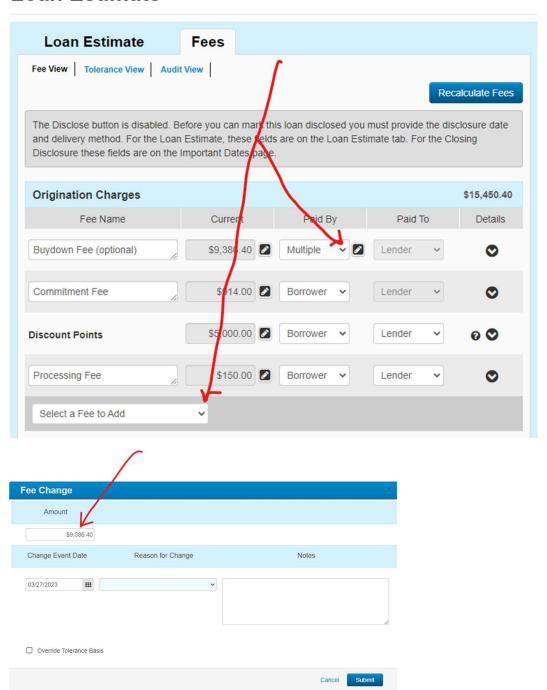
Step #5:

Now it is time to setup your total buydown funds on the Loan Estimate.

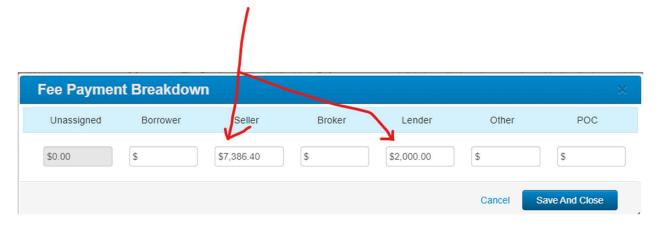First, add the buydown fee from the drop-down within MBOT.

Second, Paste the total amount of the buydown funds from the "Doc Specifics" page into the total buydown fee field by hitting the pencil. See the two screen shots below.
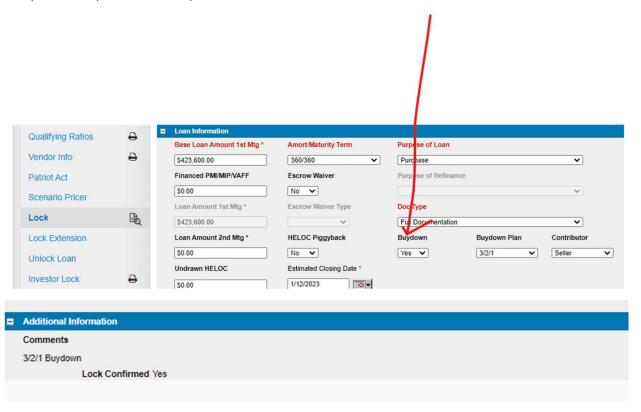
Step #6:

In this example there are two parties contributing to the buydown fee, the seller and the lender. For proper ATR calculations, you must change the "Paid By" drop-down to "Multiple" and enter the correct amounts accordingly. Please see the screen Shot below.

Step #7:

Now remember to "Register" or "Lock" your loan. However, make sure on the registration or lock screen to hit the button that says "Buydown" Yes or No. A Screen Shot is below. In addition, please make sure to make a note at the bottom of this page on the type of buydown as a double check. This step will go away eventually once the new product codes are activated.

Step #8:

Please fill out the Adobe "Buydown" agreement and upload to Image on your loan. Please make sure to NOT filled out any of the date fields. The agreement will be signed at time of closing always by the borrowers, and by all parties that are contributing to the buydown.

Step #9:

Now you simply complete your normal steps in order to disclose each loan.

PLEASE REMEMBER TO CHECK ALL THE TEMPORATY BUYDOWN OVERLAYS AT TIME OF DISCLOSURE!