

Wednesday, August 31, 2022

Bulletin #2022-AC-019

NOTICE TO ALL CUSTOMERS

Temporary Interest Rate Buydowns

In this rising interest rate environment, FLCBank is pleased to announce, **effective today**, we are **offering Temporary Interest Rate Buydowns** to help Borrowers reduce their monthly payments in the **first year or the first 2-years** of their mortgage depending on the buydown term chosen.

Summary of Temporary Buydown Offer:

- 30 Years Fixed Rate
- Purchase of the Borrower(s) Primary Residences
- Single Family Residences and PUD
- FNMA, FHLMC, FHA, and VA
- Buydown Options
 - 2-1 Buydown: Initial interest rate is temporarily reduced by 2% below the Note Rate and increased by 1% annually for the first 2 years
 - 1-0 Buydown: Initial interest rate is temporarily reduced by 1% below the Note Rate for one (1) year
- The Borrower is qualified based off Note Rate
- Seller/Builder paid closing costs can be used to fund the buydown (subject to Interested Party Contribution limitations)
- Interim interest is charged at the Note Rate

For more information, please access the guidelines posted in our resource center.

Helpful Documentation

Browse through these [FAQs](#) to find answers to commonly asked questions.

We have updated documentation posted in the **FLC Bank Resource Center** to assist you with the buydown options. We have also provided the documentation via the links below:

[CLICK HERE](#) for the updated **Importing and Editing MB Lending Portal - ULRA documentation**. Once you import the loan per normal process you will access the MB Lending Portal - ULRA screens to update/add any data that did not populate. For buydown loans, you will access the Other Data Tab in the URLA and add the applicable buydown information.

[CLICK HERE](#) for the updated **OB Scenario documentation**; you will need to select the correct buydown option.

[CLICK HERE](#) for the updated **OB Register and Lock documentation**; you will need to select the correct buydown option.

[CLICK HERE](#) for the updated **OB Submit a Change Request**, when you need to update your current lock with the buydown option

[CLICK HERE](#) for the updated **Fee Entry Request Form**; for **Broker/Wholesale customers** you must indicate if the loan is a buydown, which term, payee, and buydown amount. Then FLCBank will key your fees and release the Initial Disclosure package per normal process.

[CLICK HERE](#) for the updated **LE/CD Buydown Helpful Tips** for our **Non-Delegated Correspondents** who draw their own docs.

[CLICK HERE](#) for the sample **Buydown Agreement (Conventional - VA)** and [CLICK HERE](#) for the sample **Buydown Agreement (FHA)** which will need to be included in the closing package; for our **Non-Delegated Correspondents** who draw their own docs.

To access our most recently updated **Temporary Policies Related to COVID-19 (version 47)** please [click here](#).

If you have any questions, please contact your [Account Executive or Client Relations Representative](#).