

Wednesday, December 13, 2022

Bulletin #2022-AC-034

NOTICE TO ALL CUSTOMERS**Great News on Temporary Interest Rate Buydown Options**

FLC Bank is pleased to announce the acceptance of **3-2-1 Temporary Interest Rate Buydowns** on Conventional Loans effective **December 15, 2022**, to help Borrowers reduce their monthly payments in the **first 3 years** of their mortgage.

- Summary of Temporary Buydown Offer on Conventional Transactions:
- 30 Years Fixed Rate
- Purchase of the Borrower(s) Primary Residences
- Single Family Residences and PUD
- FNMA and FHLMC Conforming and High Balance/Super Conforming Loan Amounts
- Temporary Interest Rate Buydown Options
 - **3-2-1 Temporary Buydown: Initial interest rate is temporarily reduced by 3% below the Note Rate and increased by 1% annually for the first 3 years**
 - 2-1 Temporary 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 Temporary Buydown: Initial interest rate is temporarily reduced by 1% below the Note Rate for one (1) year
- The Borrower is qualified based on Note Rate
- The Seller/Builder/Realtor can pay for the temporary interest rate buydown cost in whole, or by splitting the cost (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

To assist you with the buydown options we have the following 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 must select the correct buydown option.

[CLICK HERE](#) for the updated **OB Register and Lock documentation**; you'll need to select the right 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 FLC Bank will key your fees and release the Initial Disclosure package per the 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** which will need to be included in the closing package; for our **Non-Delegated Correspondents** who draw their own docs.

[CLICK HERE](#) for **FAQs** to find answers to commonly asked questions.

[CLICK HERE](#) to download our **Temporary Interest Rate Buydown Calculators**.

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](#).