

When completing an LE or CD for a loan that contains a temporary buydown, consider these sections of the document.

Loan Terms > Monthly Principal & Interest

This section should reflect the principal and interest payment as reflected on the Note. In the CD example below, the principal and interest payment on the Note is \$2,807.41.

Loan Terms		Can this amount increase after closing?
Loan Amount	\$450,000	NO
Interest Rate	6.375%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$2,807.41	NO

Projected Payments > Payment Calculation > Principal & Interest

This section should reflect a fixed payment stream. As disclosed within the Temporary Buydown Agreement, the Borrower is responsible to make the full monthly principal and interest payment required by the Note if buydown funds cannot be obtained from the escrow account

The buydown plan will be cancelled upon the occurrence of any one of the following: (1) your loan is paid in full, (2) the Property is foreclosed upon or transferred to the Note Holder by a deed-in-lieu, or (3) for any reason the buydown funds cannot be obtained from the escrow account.

If the buydown plan is cancelled due to the reason stated in 1 above, any unused portion of buydown funds will be applied to reduce your debt. If cancelled due to the reason stated in 2 above, any unused portion of the buydown funds will be applied to reduce the mortgage insurance claim. If cancelled due to the reason stated in 3 above, you will be responsible for full loan payments.

LE/CD Example below is for a Temporary Buydown

Projected Payments		Years 1-30
Payment Calculation		
Principal & Interest		\$2,807.41
Mortgage Insurance	+	0.00
Estimated Escrow <i>Amount can increase over time</i>	+	568.75
Estimated Total Monthly Payment		\$3,376.16

Other Costs > H. Other

The Buydown fee is placed in Section H of the LE and CD. This fee is not required by the Lender. In the CD example below, the Seller is paying the Buydown fee.

Non-Split Fee CD Example:

H. Other	Borrower-Paid		Seller-Paid	
	At Closing	Before Closing	At Closing	Before Closing
	\$500.00			
01 BUYDOWN FUNDS to FLORIDA CAPITAL BANK, N.A.			\$9,458.28	
02 TITLE - OWNER'S TITLE POLICY (OPTIONAL) to STEWART TITLE OF OKLAHOMA, INC.	\$500.00			

Split Fee CD Example:

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
H. Other	\$500.00				
01 BUYDOWN FUNDS to FLORIDA CAPITAL BANK, N.A.			\$9,996.90		\$9,996.90
02 TITLE - OWNER'S TITLE POLICY (OPTIONAL) to 1ST SERVICE TITLE & CLOSING	\$500.00				

If the Temporary Buydown fee is placed in the incorrect section of the Final CD, a Post-Closing corrective CD will be required prior to purchase by FLCBank.