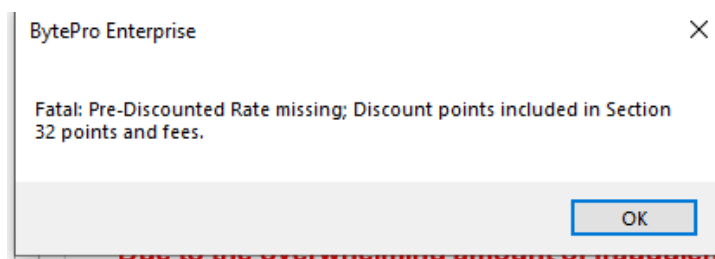


The following process is only applicable when an applicant elects to buy down their rate. If the fields noted below are not completed, a fatal error will populate and prevent the drawing of documents.



Accordingly, the proper fields need to be completed in the “Points and Fees” section on the Compliance Screen by the Doc Drawer or Funder (“representative”) in order to proceed with drawing documents. The representative will complete the “Discount Points Bona Fide” section to reflect the proper selection of “Bona Fide For All Tests”.

POINTS AND FEES	
Points and Fees Total	22,057.50
Discount Points	
Discount Points Bona Fide	Bona Fide For All Tests

Additionally, the “Par/Undiscounted Rate” field needs to be completed by the representative.

Discount Points Bona Fide	Bona Fide For All Tests	
Total Discount Points	1.500 %	\$7,365.00
Bona Fide Discounts - Federal	1.500 %	!
Note Rate	5.999 %	
Par / Undiscounted Rate	6.490 %	!
Par / Undiscounted Price		%

Note: The “Par/Undiscounted Rate” consists of the current rate that will be reflected on the NOTE less the amount of the rate that was bought down. **The “Par /Undiscounted Rate” does not include the cost of the buydown.** The amount bought down can be verified on the final underwriting worksheet, see below.

CSC ADD-ON FEE		0.000
Lender Paid	0.000	
		0.000
Buydown	-0.500	1.500
Add Ons Sum	0.000	
FINAL	5.999	1.500
Underwriter:	Barry D	
Date:	09/05/2019	

Formula:

$$(\text{Note Rate}) - (\text{Bought Down Rate}) = (\text{Par/Undiscounted Rate})$$

Example:

$$\text{Note Rate} = 5.999\%$$

$$\text{Bought Down Rate} = -0.500$$

$$(5.999\%) - (-0.500) = 6.49\%$$

Upon completion of these fields, the fatal error will be cleared and the representative may proceed accordingly.