

Setting Up a Purchase Money Second Mortgage in MBOT

First make sure your borrower information screen is filled out properly:

Enter the total sales price, loan amount of the second mortgage, select proper product code, make sure to select second lien position, select "Other as loan type", and enter the total amount of the first mortgage (with UFMIP/Guaranty Fee). See below:

The screenshot displays the 'Borrower Summary' form in the MBOT system. The form is titled 'Borrower Summary' and shows the following information:

- Subject Property Address:** 3309 Sioux Lane
- Address Fields:** Address Number (3309), Address Street (Sioux Lane), Address Unit (), City (SAINT JOSEPH), State (MO), County (BUCHANAN), Zip (64503), Zip Ext. ()
- Loan Information:**
 - Sales Price:** \$194,900.00
 - Estimated Balance on Home:** \$0.00
 - Property Type:** Detached
 - Estimated/Appraised Value Same as Sales Price:** \$195,000.00
 - Approx. Mtg Payment:** \$0.00
 - Property will be:** Primary Residence
 - Purpose of Loan:** Purchase
 - Base Loan Amount:** \$6,821.00
 - Is Employee Loan?** No
 - Product:** Z-Chenoe 10Yr Repay 2nd
 - Financed FHA MIP or VAFF:** \$0.00
 - LTV:** 3.500%
 - Lien Type:** Second Mortgage
 - Mortgage Applied For:** Other
 - Total Loan Amount:** \$6,821.00
 - CLTV:** 101.688%
 - Number of Months:** 120
 - Rate:** 7.750%
 - Down Payment:** 96.500% (\$188,079.00)
 - Subordinate Financing LIAB:** \$0.00
 - Subordinate Financing DOT:** \$0.00
 - New First Mortgage Amount:** \$191,369.00
 - Closing Costs from 2nd Lien:** \$0.00
 - Application Date:** 11/25/2024
- Construction/Construction Permanent Only:** (Section header)

Second, make sure your loan details tab under the URLA section is filled out properly: Make sure that the lien position states “second lien” and you select “Purchase Money Second”, and your amortization term is correct, and your rate is entered (if applicable).

The screenshot shows the MortgagebotLOS web application interface. The browser address bar displays the URL: <https://flanagansstatebank.mortgagebotlos.com/lf/loan-details>. The application header includes the FINASTRA logo and the text "MORTGAGEBOTLOS". The left sidebar contains a navigation menu with the following items: Pipeline, Rates, Reports, Resources, Lending Portal - URLA, Borrowers, Loan # 4398, Loan Details (highlighted with a red circle), Property, Employment & Income, Assets, Liabilities, REO, Cost Summary, and Other Data. The main content area is titled "Loan Details" and displays the following information:

Loan Details	
Base Loan Amount	Sales Price
\$ 6821	\$ 194900
\$ Appraised Value	Estimated Value
\$ 195000	\$ 195000
Financing Type	
Conventional	
Note Rate	
7.75	
Lien Type	
Second Lien	<input checked="" type="checkbox"/> Purchase Money 2nd
Is Escrowed	Escrow Waiver Type
No	All
Amortization Term	
120	
Amortization Type	
Fixed	

Other sections visible in the main content area include:

- Loan Purpose:** Purchase, Is Preapproval
- Loan Features:** Seller provided below market sub. financing
- Other New Mortgage Details:** +Add
- Down Payment Details:** +Add
- Interviewer Details [Edit]:** Interviewer: Gage Michael Hayes, Company: FLANAGAN, NMLS#: 1368591, NMLS#: 4...
- Additional Details:** Interview Date: 11/25/2024 [Edit], Application: 11/25/2024, Loan Number: 1312084398 [Edit]

Third, make sure that the first page of your LE is setup properly:

The “Existing Loan(s) Assumed or Taken Subject To” field must be entered and must match the total purchase price.

The screenshot displays the MortgagebotLOS web application interface. The browser address bar shows the URL: <https://flanaganstatebank.mortgagebotlos.com/lf/loan-estimate>. The application header includes the FINASTRA logo and the text "MORTGAGEBOTLOS". The user profile on the left indicates "Levi Wartner" with "Loan #1312084398". The main content area is titled "Loan Estimate" and contains a form with the following fields:

- Loan: Z- Chenoa 10Yr Repay 2nd
- Interest Rate: 7.750%
- Interest Rate Expiration Date: MM/DD/YYYY
- Estimated Closing Date: 12/23/2024
- Estimated First Payment Date: 02/01/2025
- Loan Purpose: Purchase
- Occupancy: Primary Residence
- Loan Amount: \$6,821.00
- Purchase Price: \$194,900.00
- Appraised Value: \$195,000.00
- Property Type: Detached
- Number of Units: 1 Unit
- Existing Loan(s) Assumed or Taken Subject To: \$194,900.00

At the bottom of the form, there is a checkbox for "Simultaneous Mortgages" and a "Compliance Details" section. The form includes "Disclose", "Cancel", and "Save" buttons.

Fourth, make sure that no escrow amounts are showing in your LE. This will prevent your first mortgage loan from having an inaccurate DTI issue so your second mortgage payment reflects correctly to qualify on the first mortgage. Also make sure any closing fee is added.

The last step is to know your P&I payment to use to setup your first mortgage properly by adding a purchase money second mortgage into your down payment source on the first mortgage (*See instructions on “How to Setup First Mortgage with a Purchase Money Second”) if there is a payment on the second mortgage.

*Note that the interest rate on “Forgivable” second mortgage’s is 0% which will mean there is not payment amount to enter (if applicable).