



# Click n' Close<sup>TM</sup>, Inc.

Correspondent Division  
SmartBuy - Down Payment Assistance (DPA) Program  
Update Announcement – 12/02/22

To All Participating Lenders:

Click n' Close, Inc. (CNC) is providing updates to its Correspondent Division's SmartBuy down payment assistance program.

1. Effective immediately, CNC has increased its maximum loan amount to \$726,200.00, subject to FHA loan limits.
2. In response to market conditions, the note rate on the SmartBuy repayable second lien option will increase from 8.00% to 8.99%. This new rate will become effective with new loan commitments beginning January 1, 2023.
3. CNC will allow 2-1 temporary buydowns to be used with the SmartBuy down payment assistance program, per FHA underwriting guidelines, effective with new loan commitments beginning January 1, 2023. A loan level price adjustment of 50 basis points will apply.

Temporary Buydowns are eligible subject to the following:

- 2-1 buydowns only
  - Borrower must qualify at the full note rate
  - Buydown funds may come from:
    1. the seller
    2. the lender
    3. the borrower, or
    4. any other interested party.Funds from the seller or any other interested third party are considered seller contributions, and must be included when considering the limit on seller contributions described in HUD 4155.1 2.A.3.
  - Closing package must include a fully executed buydown agreement.
4. As announced previously, Rosebud Economic Development Corporation (MERS Org ID – 1016709) is in MERS. Lenders should begin originating the second lien security instrument in MERS. For loans not originated in MERS, sellers will need to complete an assignment into MERS, then transfer the loan to Rosebud. This second lien requires its own unique MERS MIN number. This requirement will be effective with purchases as of April 1, 2023.

If you have any questions, please contact us at [TradeDesk@clicknclose.com](mailto:TradeDesk@clicknclose.com).