



MID AMERICA MORTGAGE

Mid America Mortgage, Inc. - Correspondent Division

Down Payment Assistance Program

Revised Update Announcement - July 26, 2021

To All Participating Lenders:

Mid America Mortgage (MAM) is clarifying changes made to its Correspondent Division's down payment assistance program on July 21, 2021. These changes are intended to strengthen the pricing structure for this program. Please see the list of changes below. **All changes are effective with reservations made on or after August 1, 2021 except changes to collateral instructions.**

- Revised second lien note, "Second Lien Down Payment Assistance 30 Year Note (5 Year Forgiveness)".
 - The new note is still fully forgivable after 5 years. The underlying term has been increased to 30 years to match the term on the first lien loan.
 - The unpaid principal balance of the second lien will not be gradually forgiven on a pro rata basis. The original balance will remain unchanged until the 60th month.
- Minimum FICO revision.
 - The program's minimum FICO has increased to 650 as stated on the "Mid America Mortgage, Inc. – Correspondent Division Down Payment Assistance Program Matrix".
- Loan lock extension fee policy change.
 - Locks will be extended at 2 bps (.02%) per day. We will continue to automatically extend locks in 15-day increments as needed, for a maximum of 30 days, before the lender must provide an update on the loan's status or cancel the lock.
- New guidance on how to handle the second lien allonge/endorsement and assignment, as described on the "Mid America Mortgage Collateral Cover Letter".
 - Both loans should close in the name of the originating lender. Post close, lender should deliver to MAM a properly endorsed Note or allonge and assignment for the second lien in the name of **Rosebud Economic Development Corporation**. **This change will be retroactive for all loans.**
- Collateral and funding instructions.
 - All collateral for the first and second liens must be shipped directly to Mid America Mortgage, Inc. Attention: **Correspondent Trade Desk**, 15301 Spectrum Drive, Suite 405, Addison, TX 75001, as is listed on the "Mid America Mortgage Collateral Cover Letter".
 - **Collateral will be required to be received by MAM prior to loan purchase.**
- Thank you for your attention to these updates. If you have any questions, please contact us at TradeDesk@MidAmericaMortgage.com.