

How to Prepare Encompass to Support Arch MI's RateStar Buydown



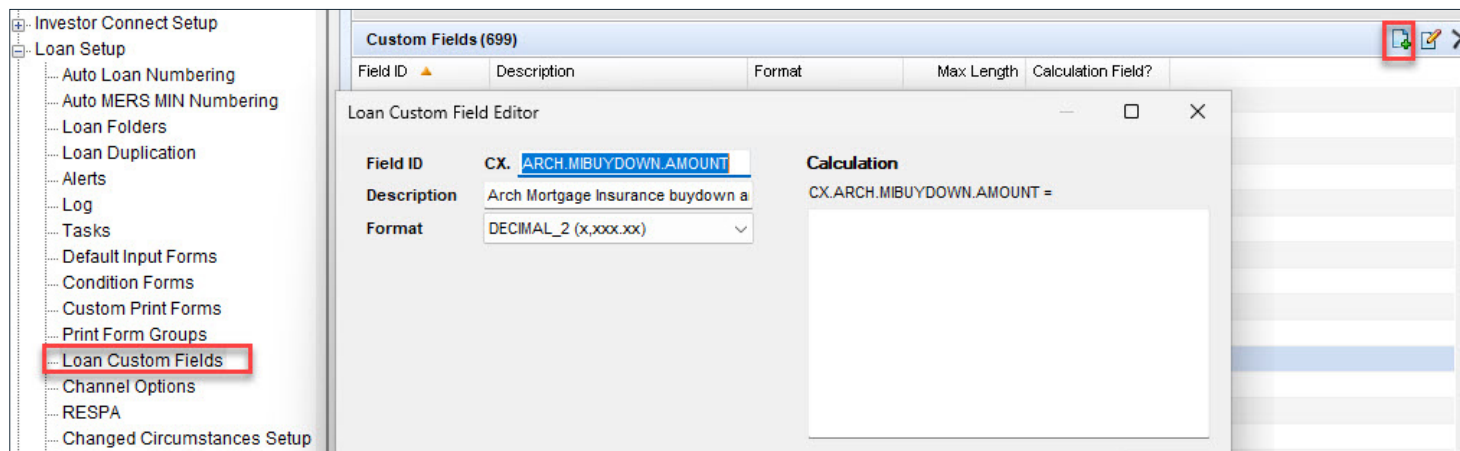
RateStar BuydownSM is a unique tool that allows lenders to lower the borrower's ongoing monthly mortgage insurance premium payment by using excess funds from the borrower, seller or lender at closing to make an advance payment on the MI policy.

This job aid provides step-by-step instructions for Encompass® System Administrators to prepare their systems for processing and closing loans with Arch MI RateStar Buydown dollars that are due and payable at closing. The setup steps include:

- a. Creating a custom field to receive buydown dollars from the Arch EPC MI Order response payload whenever the MI order includes a quote reference ID with buydown dollars.
- b. Mapping the custom field to receive the buydown dollars from the Arch EPC MI Order response.
- c. Assisting operational staff with identifying and collecting the buydown dollars at closing by creating reports, alerts, e-folder document headers or automatically mapping buydown dollars elsewhere in the Encompass system.

1. Create a Custom Field in Your Instance of Encompass:

- a. Navigate to **Encompass Settings** and choose **Loan Custom Fields** within the **Loan Setup** section.
- b. Click the  icon in the right-hand corner to define a custom Encompass field.
- c. Complete the following fields:
 - i. **Field ID** = "ARCH.MIBUYDOWN.AMOUNT"
 - ii. **Description** = "Arch Mortgage Insurance buydown amount"
 - iii. **Format** = Decimal_2 (x.xxx.xx)
- d. Click **OK**.
- e. You have now created a custom Encompass field called CX.ARCH.MIBUYDOWN.AMOUNT.



Field ID	Description	Format	Max Length	Calculation Field?
CX. ARCH.MIBUYDOWN.AMOUNT	Arch Mortgage Insurance buydown a	DECIMAL_2 (x.xxx.xx)		

Loan Custom Field Editor

Field ID CX. ARCH.MIBUYDOWN.AMOUNT

Description Arch Mortgage Insurance buydown a

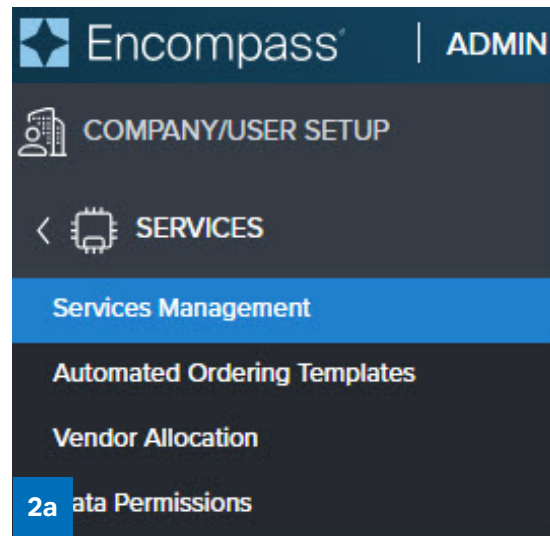
Format DECIMAL_2 (x.xxx.xx)

Calculation CX.ARCH.MIBUYDOWN.AMOUNT =

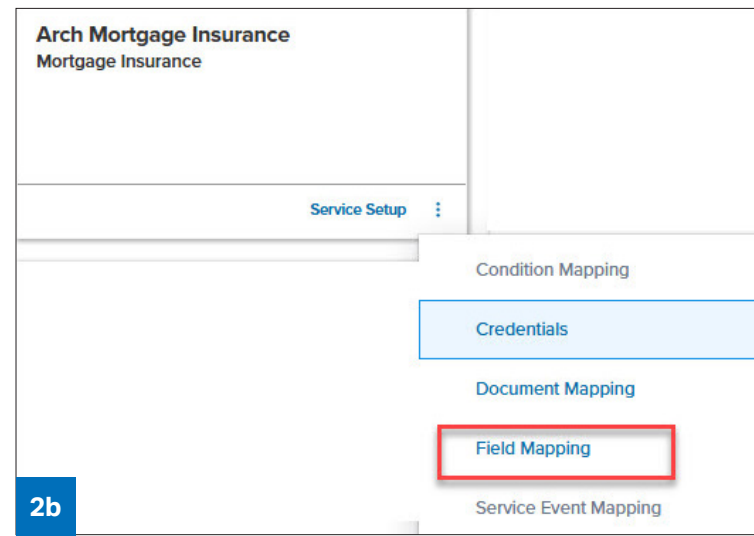
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2. Map Your Custom Field to the Arch MI provider field name in Encompass Partner Connect (EPC):

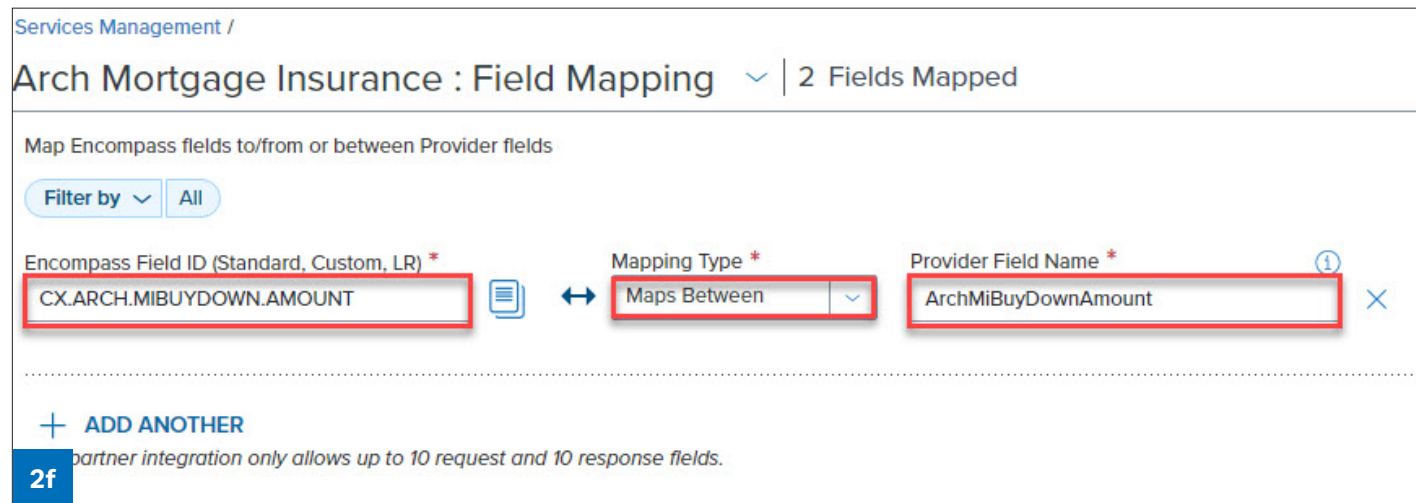
- Navigate to **Services Management**.
- Click on the ellipsis in the Arch Mortgage Insurance section and select **Field Mapping**.
- Enter the custom field name created in Step 1 into the Encompass Field ID field.
- In the **Mapping Type** drop-down, elect "Maps Between."
- Enter "ArchMiBuyDownAmount" into the **Provider Field Name**, and
- Click **Save**.



2a



2b



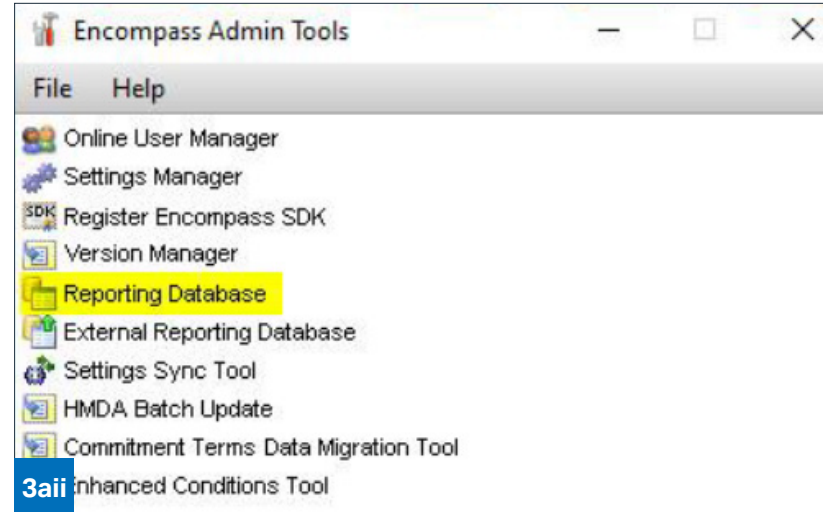
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3. Identify Loans with Buydown Dollars

By default, buydown dollars due at closing are displayed on the Arch MI EPC MI order screen and also listed on the MI Certificate in the Premium Due now section. It is best practice to implement tools or methods to assist your Operations group in identifying and tracking loans that require collection of buydown dollars at closing.

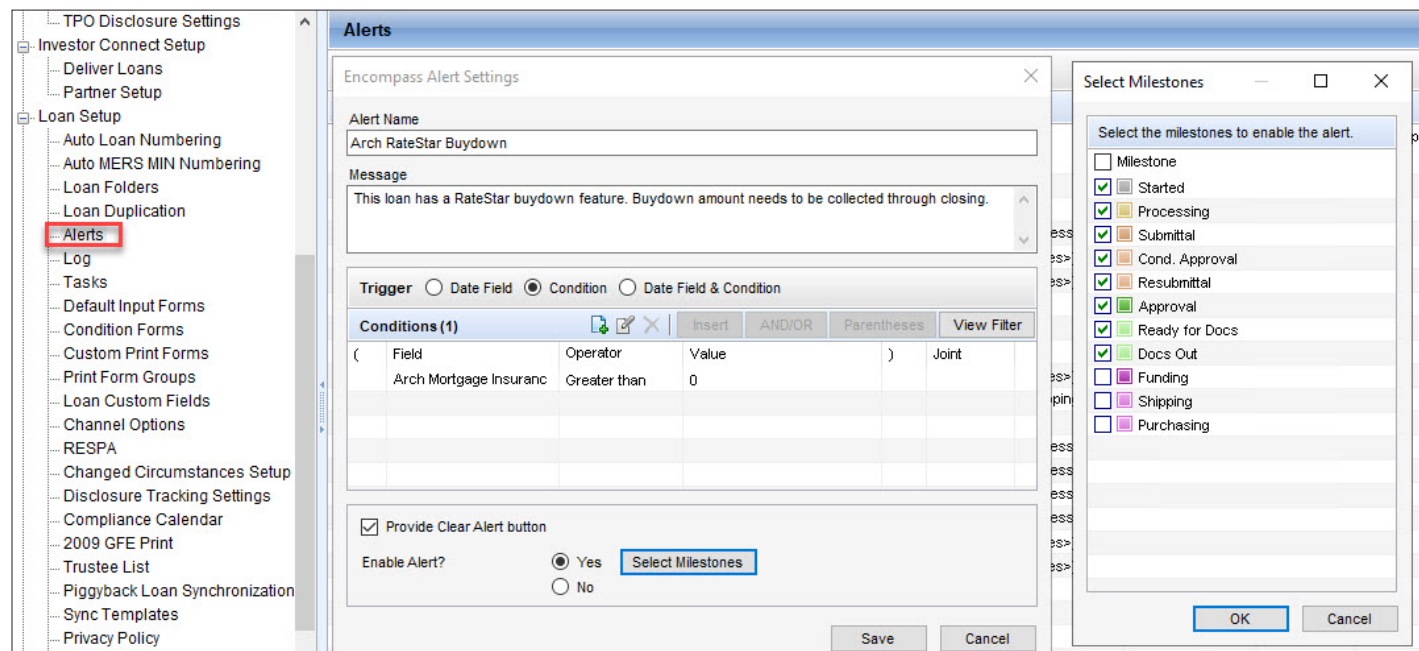
a. Create a Report

- i. Navigate to the **ICE Mortgage Technology** folder from your computer.
- ii. Open the Admin Tools app to access the **Reporting Database**.
- iii. Add CX.ARCH.MIBUYDOWN.AMOUNT by highlighting it on the left side and clicking **Add**.
- iv. The field can now be added to reports, pipelines and dashboards.



b. Create a Custom Alert

- Navigate to **Encompass Settings** and choose **Alerts** within the **Loan Setup** section.
- Create a custom alert using the condition CX.ARCH.MIBUYDOWN.AMOUNT > 0.
- Use the **Select Milestones** option in the drop-down menu to select the applicable event for your organization and save the condition.



Notes

- Since Arch MI RateStar Buydown dollars can be contributed by the borrower, lender or seller, it's difficult to auto-map the inclusion of buydown dollars in the closing statement.
- Therefore, the best practice is to create a method for Operations users to identify loans that include buydown dollars.
- Once identified, users can manually adjust closing documentation to account for collection of the buydown dollars from the correct contributing party.