

Loan amount	\$ 308,655	enter the <b>Total</b> loan amount (including MIP/FF)
Term	360	select a term from the picklist (360 or 180 months)
Interest Rate	7.625	enter the <b>permanent</b> interest rate

Instructions: Enter the Loan Amount and the Interest Rate (locked / disclosed rate) in the yellow fields above. The rest of the fields will calculate automatically.

## SCROLL DOWN FOR ALL BUYDOWN OPTIONS

### 3/2/1 Buydown

3/2/1 Buydown is a temporary interest rate reduction of 3% less in Year 1, 2% less in Year 2, and 1% less in Year 3  
The total monthly savings are combined into an escrow account funded by seller at closing

1st yr buydown	4.625	this will calculate as 3% less than the Interest Rate
2nd yr buydown	5.625	this will calculate as 2% less than the Interest Rate
3rd yr buydown	6.625	this will calculate as 1% less than the Interest Rate

Months	12	12	12	Buydown Cost
Full payment	1st year	2nd year	3rd year	
	\$2,184.64	\$1,586.92	\$1,776.79	\$1,976.35
Monthly difference	(\$597.72)	(\$407.85)	(\$208.29)	
Annual savings	(\$7,172.64)	(\$4,894.20)	(\$2,499.48)	(\$14,566.32)
				<b>4.719%</b> total buydown cost (bps)

### 2/1 Buydown

2/1 Buydown is a temporary interest rate reduction of 2% less in Year 1 and 1% less in Year 2.  
 The total monthly savings are combined into an escrow account funded by seller at closing

1st yr buydown	5.625	this will calculate as 2% less than the Interest Rate
2nd yr buydown	6.625	this will calculate as 1% less than the Interest Rate

Months	12	12		Buydown Cost
Full payment	1st year	2nd year		
\$2,184.64	\$1,776.79	\$1,976.35		
Monthly difference	(\$407.85)	(\$208.29)		
Annual savings	(\$4,894.20)	(\$2,499.48)		<b>(\$7,393.68)</b>
				<b>2.395%</b> total buydown cost (bps)

## 1/1 Buydown

1/1 Buydown is a temporary interest rate reduction of 1% less in both Year 1 and Year 2.  
 The total monthly savings are combined into an escrow account funded by seller at closing

1st yr buydown	6.625	this will calculate as 1% less than the Interest Rate
2nd yr buydown	6.625	this will calculate as 1% less than the Interest Rate

Months	12	12		Buydown Cost
Full payment	1st year	2nd year		
\$2,184.64	\$1,976.35	\$1,976.35		
Monthly difference	(\$208.29)	(\$208.29)		
Annual savings	(\$2,499.48)	(\$2,499.48)		<b>(\$4,998.96)</b>
				<b>1.620%</b> total buydown cost (bps)

## 1/0 Buydown

1/0 Buydown is a temporary interest rate reduction of 1% for only Year 1  
 The total monthly savings are combined into an escrow account funded by seller at closing

1st yr buydown 6.625 this will calculate as 1% less than the Interest Rate

Months	12			Buydown Cost
Full payment	1st year			
\$2,184.64	\$1,976.35			
Monthly difference	(\$208.29)			
Annual savings	(\$2,499.48)			(\$2,499.48)
				<b>0.810%</b> total buydown cost (bps)