

Loan amount	\$ 319,014	enter the Total loan amount (including MIP/FF)
Term	360	select a term from the picklist (360 or 180 months)
Interest Rate	7.125	enter the permanent 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	4.125	this will calculate as 3% less than the Interest Rate
2nd yr buydown	5.125	this will calculate as 2% less than the Interest Rate
3rd yr buydown	6.125	this will calculate as 1% less than the Interest Rate

Months	12	12	12	Buydown Cost
Full payment	1st year	2nd year	3rd year	
	\$2,149.26	\$1,546.10	\$1,736.99	\$1,938.36
Monthly difference	(\$603.16)	(\$412.27)	(\$210.90)	
Annual savings	(\$7,237.92)	(\$4,947.24)	(\$2,530.80)	(\$14,715.96)
				4.613% 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	5.125	this will calculate as 2% less than the Interest Rate
2nd yr buydown	6.125	this will calculate as 1% less than the Interest Rate

Months	12	12		Buydown Cost
Full payment	1st year	2nd year		
\$2,149.26	\$1,736.99	\$1,938.36		
Monthly difference	(\$412.27)	(\$210.90)		
Annual savings	(\$4,947.24)	(\$2,530.80)		(\$7,478.04)
				2.344% 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	6.125	this will calculate as 1% less than the Interest Rate
2nd yr buydown	6.125	this will calculate as 1% less than the Interest Rate

Months	12	12		Buydown Cost
Full payment	1st year	2nd year		
\$2,149.26	\$1,938.36	\$1,938.36		
Monthly difference	(\$210.90)	(\$210.90)		
Annual savings	(\$2,530.80)	(\$2,530.80)		(\$5,061.60)
				1.587% 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 6.125 this will calculate as 1% less than the Interest Rate

Months	12			Buydown Cost
Full payment	1st year			
\$2,149.26	\$1,938.36			
Monthly difference	(\$210.90)			
Annual savings	(\$2,530.80)			(\$2,530.80)
				0.793% total buydown cost (bps)