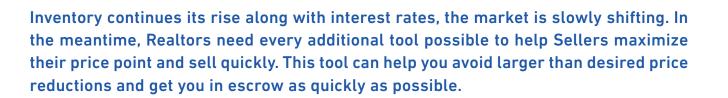
THE 2/1 BUYDOWN IS BACK! WHAT IS THAT? AND HOW IS IT RELEVANT FOR REALTORS AND SELLERS?



EXAMPLE LOAN SCENARIO	TEMPORARY RATE BUYDOWN
\$1.05m Sales Price	3.625% Year 1 Rate (\$1,131 a month lower)
10% Down	4.625% Year 2 Rate (\$581 a month lower)
\$945k Loan Amount	5.625% Year 3 to 30 Rate

\$20,544 Total Cost to Seller, which equals the difference in buyer payment amounts in the first 2 years

Max total rate reduction 2%, max increase per year 1%
FNMA, FHLMC, FHA, VA, USDA eligible
Owner Occupied / Purchase Transactions only

Fixed rate only Borrower funded buydown accounts are ineligible Single Family Residences, PUD and Condos

FAQ ?

THE EXAMPLE LOAN AND BUYDOWN SCENARIO IS PROVIDED FOR ILLUSTRATION PURPOSES ONLY. ACTUAL RATE AND/OR TERMS MAY DIFFER.

Why not a price reduction instead?

Why not give a seller credit towards closing costs instead?

Price reduction is significantly less powerful than a 2/1 buydown.

Sellers can only credit the total traditional closing costs. 2/1 buydown allows the seller to credit more.

Work With a **Team You Can Trust.** Let Me Know How I Can Help.

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