

# BUYDOWN

## WELCOME TO BUYER'S MARKET



### WHAT is the temporary **BUYDOWN** ?

#### **Pays a Lump Sum Upfront**

- Reduce Initial Interest Rate Temporarily for the Early Years of the Loan

#### **2/1 Buydown**

- 2% Lower Rate in Year 1
- 1% Lower Rate in Year 2
- Note Rate in Years 3-30

#### **1/0 Buydown**

- 1% Lower Rate in Year 1
- Note Rate in Years 2-30

### WHO can pay for the **BUYDOWN** cost?



Builder



Seller



Buyer



Third Parties

### WHY borrower choose the **BUYDOWN**?



Take Advantage of Buyer's Market & Seller Credit



Lower Interest Rate & Reduced Monthly Mortgage Payment Temporarily



Plan the Budget for Future & Increase Monthly Saving in a Volatile Market



No Extra Documents Needed from the Buyer & Lender Will Prepare the Loan