ARBOR FINANCIAL GROUP

Rate Buy Down Options

1 Baya, Rancho Santa Margarita, CA 92688

CONVENTIONAL

What is a temporary buydown? A lump sum credit at closing lowers the rate and payment for the first one to three years, then the payment adjusts to the full note rate.

Purchase price	**$595,000.00**	Down payment (5%)	**$29,750.00**
Loan amount	**$565,250.00**	Rate / term	**7.25% · 30-yr fixed**
Principal & interest	**$3,856.00**	Mortgage insurance (PMI)	**$179.00**
Property taxes (1.25%)	**$619.79**	Homeowners insurance	**$110.00**

Total monthly payment at note rate

$4,764.79

P&I + MI + property taxes + insurance

3-2-1 Buy Down

Seller credit: $26,227.69 **Concession: 4.408%**

Year	Rate	Buydown P&I	Monthly savings	Annual savings	Total payment
Year 1	4.25%	**$2,780.69**	$1,075.31	**$12,903.73**	**$3,689.48**
Year 2	5.25%	**$3,121.33**	$734.67	**$8,816.04**	**$4,030.12**
Year 3	6.25%	**$3,480.34**	$375.66	**$4,507.92**	**$4,389.13**

2-1 Buy Down

Seller credit: $13,323.96 **Concession: 2.239%**

Year	Rate	Buydown P&I	Monthly savings	Annual savings	Total payment
Year 1	5.25%	**$3,121.33**	$734.67	**$8,816.04**	**$4,030.12**
Year 2	6.25%	**$3,480.34**	$375.66	**$4,507.92**	**$4,389.13**

1-0 Buy Down

Seller credit: $4,507.92 **Concession: 0.758%**

Year	Rate	Buydown P&I	Monthly savings	Annual savings	Total payment
Year 1	6.25%	**$3,480.34**	$375.66	**$4,507.92**	**$4,389.13**

Note rate P&I is $3,856.00. Annual savings are based on 12 payments per year. Buydown savings apply to principal and interest only; mortgage insurance, taxes and insurance stay the same.

ARBOR has solutions to help with your financing. Contact us to learn more.



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