

**SELLER BUYDOWN**

**Your New Home MN | In today's market both sellers and buyers need to evaluate the best approach. \$500,000**

**Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing a loan.**

In today's market both sellers and buyers need to evaluate the best approach.

This example illustrates how a simple seller credit towards the buyer's interest rate can produce significant monthly savings for the buyer, while limiting the costs to the seller. Points are deductible in the year the property is purchased for the buyer. *Please consult your CPA for specific information.*

 MortgageCoach Analysis

Quote Date - 04/05/2019

	List Price	Seller \$ Reduction	Seller Buydown	Buyer \$ Reduction
<b>Sales Price:</b>	\$500,000	\$475,000	\$500,000	\$457,005
<b>Down Pymt %</b>	20.000%	20.000%	20.000%	20.000%
<b>Loan Amount:</b>	\$400,000	\$380,000	\$400,000	\$365,604
<b>Rate:</b>	4.500%	4.500%	3.750%	4.500%
<b>APR %:</b>	*4.543%	*4.545%	*3.791%	*4.547%
<b>Term: (months):</b>	360	360	360	360
<b>Cash To Close:</b>	\$106,210.25	\$101,210.25	\$106,210.25	\$97,611.16
<b>Total Mo. Pymt:</b>	\$2,026.74	\$1,925.40	\$1,852.46	\$1,852.46
<b>Income to Qualify:</b>	\$56,560	\$53,732	\$51,697	\$51,697
<b>Monthly Savings:</b>	<b>\$0.00</b>	<b>\$101.34</b>	<b>\$174.28</b>	<b>\$174.28</b>
<b>Price Reduction:</b>	\$0	\$25,000	\$0	\$42,995
<b>Cost to Seller:</b>	\$0.00	\$25,000.00	\$8,080.00	\$42,995.44
<b>Seller Net Proceeds:</b>	\$500,000.00	\$475,000.00	\$491,920.00	\$457,004.56

**Andy Hubbell**

American Mortgage Equity Consultants

[andy@andyhubbell.com](mailto:andy@andyhubbell.com) NMLS ID: 452431

7760 France Ave South, Ste. 1010 Edina MN 55435

Cell: 952-201-3888 Fax: 952-400-5833

[www.AndyHubbell.com](http://www.AndyHubbell.com)
**Seller Buy-down Example**

\* DISCLAIMER: The results above are based on (i) information provided by you, (ii) estimates of interest rates, your ability to save, your tax bracket, closing costs and amounts, (iii) currently available loan programs and (iv) information and assumptions discussed with your advisor, all of which might change over time.

