

# 5/1 Fixed Arm Interest Only Buydown

The examples below illustrate how a simple seller credit towards the buyer's interest rate can produce significant monthly savings for the buyer:

	Full List Price	Price Reduction	Rate Reduction
Buydown Points		\$62,000	\$62,000
Sales Price	\$1,550,000	\$1,488,000	\$1,550,000
Down Payment %	25.00%	25.00%	25%
Loan Amount	\$1,125,000	\$1,116,000	\$1,125,000
Rate	5.000%	5.000%	4.250%
Payment	\$4,682	\$4,650	\$3,985
Income to Qualify	\$168,552	\$167,400	\$143,460
Monthly Savings		\$32	\$697
Seller Pd Closing Costs	0	0	\$0

In this example 4 points or \$62000 to buydown the interest rate from 5.00% to 4.25% resulting in a net savings of \$697 per month. This is a 30 day rate quote as of 10/30/09 based on a primary or second single family home. Payment does not include taxes or insurance. Program guidelines are subject to change due to market conditions. The points may be a tax deduction for the buyer - check with a CPA.

For more information call:

**Elagene Trostle**  
**Sr. Mortgage Consultant**  
**843-342-3900 x8 (O)**  
**843-338-9017 ©**  
**1-800-342-9808 eFax**  
[ET@TrostleTeam.com](mailto:ET@TrostleTeam.com)

