

Location of Buydown Calculator

[TOOLS – Nations Direct Mortgage \(myndm.com\)](https://myndm.com)

Forms, Documents & Checklists

— Conventional

[Buydown Calculator Job Aid for Brokers](#)

[Buydown Calculator](#)

— FHA

[Buydown Calculator Job Aid for Brokers](#)

[Buydown Calculator](#)

— VA

[Buydown Calculator Job Aid for Brokers](#)

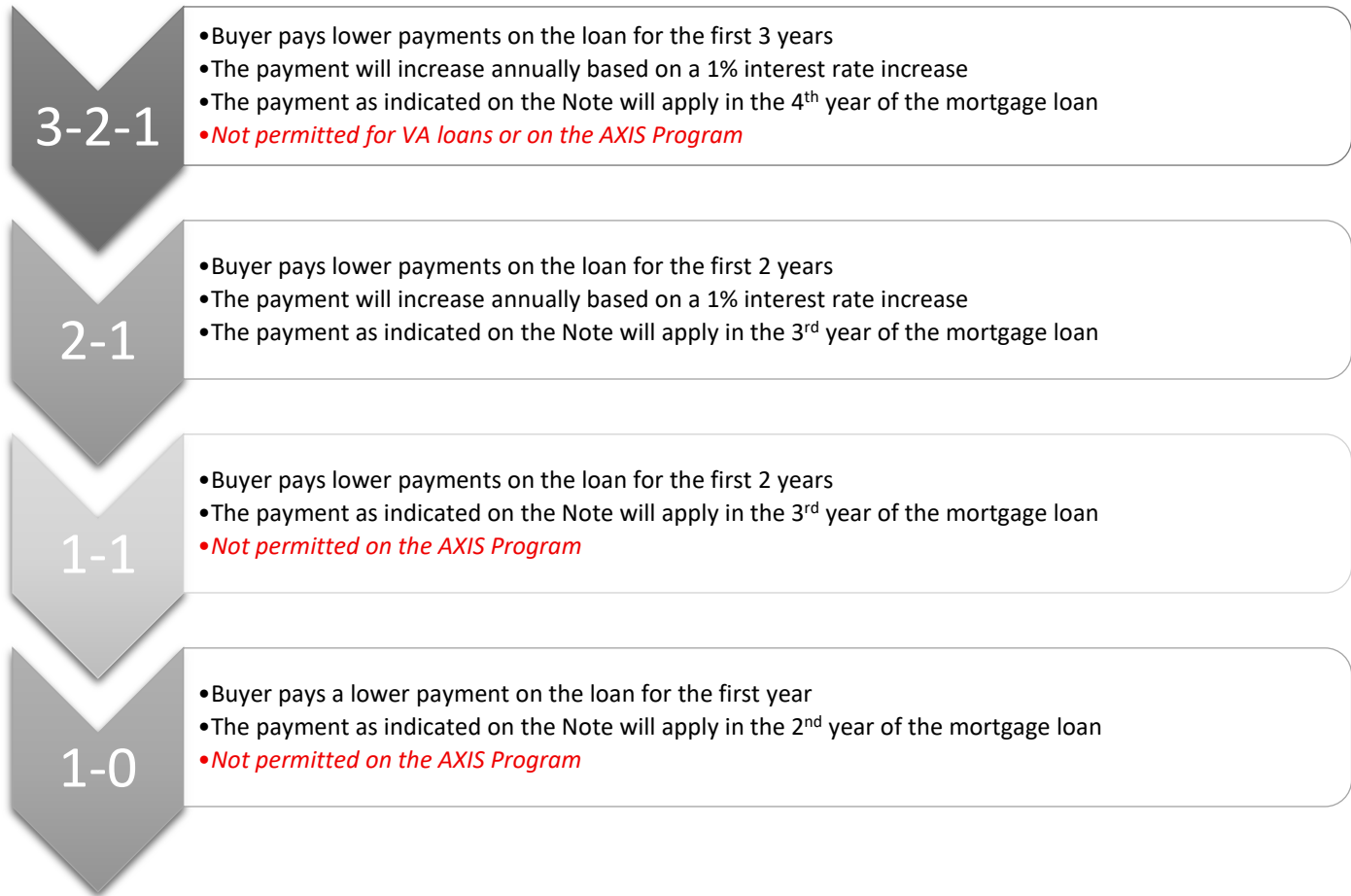
[Buydown Calculator](#)

Instructions to Complete

1. Enter Loan Amount, Interest Rate, and Loan Term (in years)
2. Review the Buydown Cost to determine the minimum Seller Credit required. This is different depending on the Buydown Option chosen (See next page for additional information on Buydown Options)

Loan amount	\$550,000			# of Payments	12
Interest Rate (Annual)	5.990%			Monthly Payment	\$3,293.99
Loan period in years	30			Total Payments	360
3/2/1 BUY DOWN					
Interest Rate	Payment	Payment	Monthly Subsidy	# of Payments	Annual Subsidy Pymnts
2.990%	\$3,293.99	\$2,315.86	\$978.13	12	\$11,737.56
3.990%	\$3,293.99	\$2,622.61	\$671.38	12	\$8,056.56
4.990%	\$3,293.99	\$2,949.16	\$344.83	12	\$4,137.96
3/2/1 Buydown Cost					\$23,932.08
2/1 BUY DOWN					
Interest Rate	Payment	Payment	Monthly Subsidy	# of Payments	Annual Subsidy Pymnts
3.990%	\$3,293.99	\$2,622.61	\$671.38	12	\$8,056.56
4.990%	\$3,293.99	\$2,949.16	\$344.83	12	\$4,137.96
2/1 Buydown Cost					\$12,194.52
1/1 BUY DOWN					
Interest Rate	Payment	Payment	Monthly Subsidy	# of Payments	Annual Subsidy Pymnts
4.990%	\$3,293.99	\$2,949.16	\$344.83	12	\$4,137.96
4.990%	\$3,293.99	\$2,949.16	\$344.83	12	\$4,137.96
1/1 Buydown Cost					\$8,275.92
1/0 BUY DOWN					
Interest Rate	Payment	Payment	Monthly Subsidy	# of Payments	Annual Subsidy Pymnts
4.990%	\$3,293.99	\$2,949.16	\$344.83	12	\$4,137.96
1/0 Buydown Cost					\$4,137.96

Buydown Options



Selling Tips

- Buydown must be Seller Paid only
- Available on Conventional (Fannie Mae, Freddie Mac, HomeReady, and HomePossible), FHA and VA loans
- Note Rate is used to calculate interest for the term of the loan, the lower interest rate is solely used for calculating the payment
- Loan is qualified using the Note Rate
- Seller credit must not exceed Interested Party Contributions for loan program chosen (refer to program matrix for applicable IPCs)