



TRESIDIO HOMES

BUYDOWN SCENARIOS

\$600,000

\$800,000

The 3-2-1 buydown is a prepayment of interest on a mortgage for the first three years. The buydown rate is typically three percentage points lower during the first year, two percentage points lower during the second year, & one percentage point lower in the third year. Therefore, your payment will rise as the buydown funds are depleted.

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EXAMPLE 1

Conventional 20% Down 3-2-1 Buydown:

YEAR 1 RATE & PAYMENT
4.5% / **\$2,432**

YEAR 2 RATE & PAYMENT
5.5% / **\$2,725**

YEAR 3 RATE & PAYMENT
6.5% / **\$3,034**

YEARS 4-30 RATE & PAYMENT
7.5% / **\$3,356**

APR 7.576%

EXAMPLE 2

Conventional 20% Down 3-2-1 Buydown:

YEAR 1 RATE & PAYMENT
4.5% / **\$3,243**

YEAR 2 RATE & PAYMENT
5.5% / **\$3,634**

YEAR 3 RATE & PAYMENT
6.5% / **\$4,045**

YEARS 4-30 RATE & PAYMENT
7.5% / **\$4,475**

APR 7.565%



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Monthly payment is inclusive of estimated taxes, insurance, PMI, and is based off a 780+ FICO score. These loan estimates are not substitute for the expertise that your First Colony Mortgage consultant offers. The figures shown represent monthly principal & interest payments, and do not include homeowners insurance, monthly taxes, and mortgage insurance (when applicable). These are estimates only, not guaranteed payment amounts. Mortgage insurance is required on all conventional loans with a down payment of less than 20% & all FHA loans. Lender paid Mortgage Insurance results in a loan with a higher interest rate than one with other mortgage insurance options. Estimated payments & APR are based on a 780+ FICO credit score. Loans are subject to credit approval. Not all buyers qualify.