

Temporary Buydown Example

3-2-1 Buydown Example:

Payments by Borrowers and Payments From Escrow Accounts on a \$100,000 30-Year 7.00% Mortgage, with a 3-2-1 Temporary Buydown

Year	Interest Rate	Payment Received by Lender	3-2-1 Buydown	
			Payment by Borrower	Payment From Escrow
1	4.0%	\$665.31	\$477.42	\$187.89
2	5.0%	\$665.31	536.83	128.48
3	6.0%	\$665.31	599.56	65.75
4-30	7.0%	\$665.31	665.31	0
		Total Escrow		\$4586