

A REAL ESTATE **AGENT'S** MORTGAGE BUYDOWN PLAYBOOK

Before your buyer walks away or your seller lowers the price, there may be another way.

One strategy. Two sides of the transaction.
More ways to create opportunity.



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Equal Housing Lender

BUYER STRATEGY

THE RIGHT HOUSE. THE WRONG PAYMENT.

What if there's another way?

THE MOMENT EVERY AGENT RECOGNIZES

Your buyer loves the house. The location works. The layout is right. Then they see the monthly payment, and suddenly the house is off the list.

WHAT IF THE PROBLEM ISN'T THE HOUSE OR EVEN THE PRICE?

What if it's the payment? Before your buyer walks away, explore whether a seller-funded temporary buydown could help.

WHY THIS MATTERS

A \$10,000 price reduction may save roughly \$51 per month in the example on the next page. A similarly sized seller concession toward a buydown may deliver hundreds in temporary monthly relief.

WHAT TO SAY

"Is it the price of the house holding you back, or the monthly payment?"

If it's the payment, would you be open to having Kevin or Logan Martini with Martini Mortgage Group at Rate run the numbers before we cross this house off your list?"

REMEMBER

Buyers must understand and be comfortable with the full payment after the temporary assistance ends.

PROOF IN THE NUMBERS

PRICE REDUCTION VS. 2-1 BUYDOWN

A \$500,000 home. 20% down. A hypothetical 6.5% fixed note rate.

OPTION 1: \$10,000 PRICE REDUCTION

Price: \$490,000 • Loan: \$392,000 • Monthly P&I: \$2,477.71
Savings: \$50.56/month. Buyer also puts \$2,000 less down.

OPTION 2: SELLER-FUNDED 2-1 BUYDOWN

Price: \$500,000 • Loan: \$400,000 • Fixed note rate: 6.5%

YEAR 1	4.5%	\$2,026.74
YEAR 2	5.5%	\$2,271.16
YEAR 3+	6.5%	\$2,528.27

SELLER COST: APPROXIMATELY \$9,104

Compared with the price reduction, the buydown payment is \$450.97 lower in Year 1 and \$206.55 lower in Year 2.

WHICH IS BETTER?

Neither automatically wins. A price reduction permanently lowers the loan amount; a buydown creates larger temporary relief. Compare both against the buyer’s goals.

Illustrative principal and interest only; excludes taxes, insurance and HOA. Actual eligibility, terms and limits vary.

SELLER STRATEGY

BEFORE YOU REDUCE THE PRICE...

...consider changing the payment.

THE SITUATION

The listing is getting views. Buyers are touring. Offers aren't coming. Your seller asks: "Should we lower the price?"

MAYBE. BUT FIRST, COMPARE THE OPTIONS.

A buydown won't fix an overpriced listing. But if monthly payment is the obstacle, a seller-funded incentive may give buyers another reason to act.

THREE MOMENTS TO USE THE STRATEGY

BEFORE LISTING — Differentiate the property.

AFTER SHOWINGS — Give interested buyers a new reason to revisit.

DURING NEGOTIATION — Compare concession vs. price reduction.

WHAT TO SAY TO YOUR SELLER

"Before we reduce the price, can I show you another option? What if a similar amount could help a qualified buyer lower the initial payment? Let's compare both before deciding."

THE OPPORTUNITY

Don't just market the home's price. Help buyers see what the payment could look like.

THE FUNDAMENTALS

WHAT IS A TEMPORARY MORTGAGE BUYDOWN?

Lower payments today. A fixed rate for tomorrow.

1 / FUNDED UPFRONT

A seller funds the temporary payment subsidy at closing.

2 / LOWER INITIAL PAYMENTS

The subsidy covers part of the buyer's monthly principal and interest payment during the buydown period.

3 / THE SUBSIDY ENDS

The homeowner then makes the full payment based on the original note rate. On a fixed-rate mortgage, that note rate has not changed.

IMPORTANT: REFINANCING IS NOT A PROMISE

If refinancing becomes beneficial, unused subsidy funds may reduce the outstanding mortgage balance, depending on the agreement. The buyer must still be ready for the full payment.

THE TAKEAWAY

The payment assistance is temporary. The fixed note rate remains unchanged.

THE OPTIONS

FIVE TYPES OF TEMPORARY BUYDOWNS

Different timelines. Different levels of payment assistance.

1-0

Year 1: 1% below note rate. Year 2 onward: full payment.

1.5-0.5

Year 1: 1.5% below. Year 2: 0.5% below. Year 3 onward: full.

2-1

Year 1: 2% below. Year 2: 1% below. Year 3 onward: full.

1-1-1

Years 1–3: 1% below. Year 4 onward: full.

3-2-1

Year 1: 3% below. Year 2: 2% below. Year 3: 1% below. Year 4 onward: full.

WHICH IS BEST?

The better question: Which structure makes sense for this buyer, seller and transaction?

These are payment-equivalent rates, not changes to the fixed note rate. Availability varies by program and lender.

WHAT DOES A BUYDOWN COST?

Illustrative cost per \$100,000 financed at a hypothetical 8% fixed note rate, 30-year term.

BUYDOWN	COST / \$100K	% OF LOAN
1-0	\$822	0.82%
1.5-0.5	\$1,635	1.63%
2-1	\$2,432	2.43%
1-1-1	\$2,465	2.46%
3-2-1	\$4,795	4.80%

QUICK MATH: \$400,000 LOAN

Multiply the per \$100,000 estimate by four. 1-0 $\approx$ \$3,288. 2-1 $\approx$ \$9,728.

REMEMBER

These are estimates, not fixed costs. Actual costs depend on the mortgage note rate, loan amount, and buydown structure.

Want to know what a buydown would actually cost for your listing or buyer?

Call Kevin or Logan Martini at Martini Mortgage Group at Rate at **(919) 238-4934**. We'll run the numbers using current mortgage pricing and help you explore the options.

AGENT MARKETING / PART ONE

DON'T JUST MARKET PRICE. MARKET PAYMENT.

Two ways to get buyers looking before lowering the price.

01 / MLS DESCRIPTION

“The seller is offering financing assistance toward an eligible [BUYDOWN OPTION] temporary mortgage buydown, with payment options available through the seller’s preferred lender, Martini Mortgage Group at Rate.

For qualified buyers, that could mean lower monthly principal and interest payments during the initial years of homeownership.

Curious what that could mean for your payment? Call Kevin or Logan Martini at (919) 238-4934 to run the numbers.”

02 / SOCIAL MEDIA — CREATE CURIOSITY

WHAT IF THE SELLER PAID PART OF YOUR MORTGAGE FOR THE NEXT [1, 2, OR 3] YEARS?

Not a typo. And no, we’re not talking about lowering the asking price.

The seller at [PROPERTY ADDRESS] is offering assistance toward an eligible [BUYDOWN OPTION] temporary mortgage buydown. Qualified buyers could enjoy lower initial principal and interest payments.

Same house. Same asking price. A potentially smaller initial payment.

Curious how much smaller? Call Kevin or Logan Martini at Martini Mortgage Group at Rate, the seller’s preferred lender, at (919) 238-4934.

THE TAKEAWAY / A price reduction changes the asking price. A buydown changes the initial payment conversation.

AGENT MARKETING / PART TWO

DON'T WAIT FOR BUYERS. FIND THE OPPORTUNITY.

Two outreach emails to find buyers and revive interest.

03 / REVERSE MARKETING — FIND THE AGENTS

Use MLS reverse prospecting, where available, to find agents with saved buyer searches matching the area, price and features.

SUBJECT: Have a buyer looking in [AREA] around [PRICE]?

Hi [Agent Name],

Quick question. Do you have a buyer looking in [AREA] around [PRICE RANGE] who keeps running into the same problem — the monthly payment?

If so, I may have something worth a closer look. The seller at [PROPERTY ADDRESS] is offering assistance toward an eligible [BUYDOWN OPTION] temporary mortgage buydown.

Same house. A potentially smaller initial mortgage payment.

We've teamed up with the seller's preferred lender, Kevin and Logan Martini at Martini Mortgage Group at Rate, to help you see the numbers.

Have a buyer in mind? Reply or call (919) 238-4934, and let's explore the possibilities.

04 / RETARGETING — PREVIOUS SHOWINGS

SUBJECT: Something has changed at [PROPERTY ADDRESS]

Hi [Agent Name],

Your buyer has already seen [PROPERTY ADDRESS]. And while I don't know what kept them from making an offer, I wanted to share something that might change the conversation.

The seller has authorized a new mortgage payment incentive: assistance toward an eligible [BUYDOWN OPTION] temporary mortgage buydown.

Same house. Same asking price. A different payment opportunity.

The seller's preferred lender, Kevin and Logan Martini at Martini Mortgage Group at Rate, can help illustrate the potential savings.

If your buyer liked the home but hesitated because of the payment, would this be worth another conversation? Reply or call (919) 238-4934.

THE TAKEAWAY / Give interested buyers a new reason to reconsider.

FIVE THINGS EVERY REALTOR SHOULD KNOW

The strategy is powerful. The details matter.

01 BUYERS QUALIFY AT THE FULL PAYMENT

A temporary buydown generally does not lower the qualifying payment.

02 NOT EVERY LOAN IS ELIGIBLE

Structures and availability vary by program and lender.

03 SELLER CONTRIBUTIONS HAVE LIMITS

Limits depend on program, down payment, occupancy and other rules.

04 THE FIXED RATE STAYS FIXED

The subsidy ends; the original fixed note rate remains.

05 REFINANCING IS NOT GUARANTEED

Buyers must be comfortable with the full payment even without a refinance.

THE BOTTOM LINE

You don't need to become a mortgage expert.

You need a mortgage partner who can help you explore the options before your client makes a decision.

That's where Kevin and Logan Martini with Martini Mortgage Group at Rate come in.

Because the right strategy starts with the right numbers.

Call (919) 238-4934. Let's run the numbers.

YOUR NEXT MOVE

TELL ME THE HOUSE AND THE PRICE.

We'll run the numbers.

REPRESENTING A SELLER?

Send the property address, asking price and seller concession you're considering. We'll explore whether a temporary buydown could create a payment story worth marketing.

REPRESENTING A BUYER?

Send the address, proposed purchase price and what your buyer wants to accomplish. We'll compare a price reduction, concession and available buydown options.

STRATEGY BEFORE STRUCTURE

Every buyer is different. Every seller is different. So why would the mortgage strategy be the same?

At Martini Mortgage Group at Rate, Kevin and Logan don't start by recommending a mortgage product.

We start by understanding what your client wants to accomplish. Then we explore the options, compare the numbers, and help you identify a strategy that makes sense.

Because the right mortgage isn't just about getting the deal done. It's about getting it done right.

**Sometimes the answer isn't a lower price.
It's a better strategy.**