

Seller Credit Worksheet



One seller credit, four ways to use it. Fill in one page per offer and bring it to your lender call.

Use the zero-point rate and the bought-down rate your lender quotes on the same day. The online Rate Buydown Calculator at ontarget.mortgage does this math for you.

1 The loan

Purchase price \$ _____

Down payment (stays the same in every option) \$ _____

Loan amount \$ _____

Loan type: Conventional / FHA / VA Date quoted: _____ Zero-point rate _____%

2 The seller's money

Credit in the offer \$ _____

My seller contribution limit (see the table on page 2) \$ _____

Points the credit buys (credit ÷ loan amount × 100) and the quoted rate _____ pts at _____%

2-1 buydown cost (12 × year 1 gap + 12 × year 2 gap) \$ _____

My closing costs (Loan Estimate pages 2 and 3) \$ _____

3 Compare the four

	Lower price	Permanent buydown	2-1 buydown	Closing costs
Monthly principal and interest			Yr 1: Yr 2:	
Cash at closing changes by				
Ahead after ____ years				
Ahead after 10 years				

"Ahead" = payments saved + how much less you owe + closing cash you kept, compared with no seller money.

My call

Option I'm asking for: _____

Because I expect to keep the loan about ____ years.

Offer wording

Checked with my agent and lender:

How to read it

A worked example, the limits by loan type, and what to ask.



Worked example (example figures, not a quote)

\$400,000 price, 20% down, \$320,000 loan, 7.40% rate used as the zero-point example (Freddie Mac weekly average, Oct 15, 2026, a national average and not a quote), \$10,000 seller credit, 6.75% if the credit buys points (the example in Yahoo Finance's Oct 17, 2026 report). No credit: \$2,216 a month.

	Lower price	Permanent buydown	2-1 buydown	Closing costs
Monthly P&I	\$2,146	\$2,076	Yr 1 \$1,797, Yr 2 \$2,002, then \$2,216	\$2,216
Cash at closing	No change	No change	\$2,407 left for closing costs	\$10,000 less
Ahead after 7 years	\$14,986	\$14,689	\$10,000	\$10,000
Ahead after 10 years	\$16,969	\$20,978	\$10,000	\$10,000

The 2-1 cuts the year 1 payment the most, but the points pass it in month 58 and pass the lower price in month 87. Your own numbers will land somewhere else.

Seller contribution limits (home you'll live in)

- **Conventional:** 3% of the price with less than 10% down, 6% with 10% to 25% down, 9% with more than 25% down. Points and buydown money count, and the credit can't be more than your closing costs. (Fannie Mae Selling Guide B3-4.1-02)
- **FHA:** 6% of the sales price, covering closing costs, prepaids, discount points, and permanent or temporary buydowns. (HUD Handbook 4000.1)
- **VA:** 4% of reasonable value for concessions such as temporary buydown money. Normal discount points and usual closing costs don't count. (VA Pamphlet 26-7, chapter 8)
- **Temporary buydowns:** you qualify at the full note rate, so the year 3 payment has to fit. (Fannie Mae B2-1.4-04; HUD Handbook 4000.1)

Ask your lender for these

- ☐ The zero-point rate and the rate with the credit spent on points, quoted the same day. How far a point moves the rate depends on the lender, the loan, and the market. (CFPB)
- ☐ The 2-1 buydown cost on your loan amount, and what is left for closing costs.
- ☐ Your seller contribution limit for your loan type and down payment.
- ☐ Your total closing costs, including the doc stamps and intangible tax on a Florida mortgage.
- ☐ The break-even month on the points, in writing.

Educational estimate only. This worksheet is not a Loan Estimate, a rate quote, a lock, or an offer of credit, and it is not tax or legal advice. Rates and points change daily and depend on credit, down payment, property, loan type, and lender. Example rates are labeled with their public source. Your contract, Loan Estimate, and Closing Disclosure control the actual numbers.