

Commission Changes With Loan Type*

Buyer/Broker agreement required, spelling out agreed-upon costs for all fees & commission, for every type of financing.

Fannie Mae & Freddie Mac	FHA	VA	USDA
Buyer may pay their Agent's reasonable or customary commission or negotiate the seller's or agent's contribution to commission.	FHA allows buyer to pay both sides of transfer tax, their agent's reasonable/customary commission, or negotiate the seller's or agent's contribution to commission.	After August 10th, 2024 Buyers may pay their Agent's reasonable & customary commission or negotiate the seller's or agent's contribution to commission.	Buyer may pay their Agent's reasonable or customary commission or negotiate the seller's or agent's contribution to commission.

Maximum Interested Party Contributions*

(Primary Purchases Only)

Fannie Mae, Freddie Mac & FHA specify limits on how much a seller or broker can contribute to the buyer to pay for services. These payments are called Interested Party Contributions.

LOAN TYPE	PROPERTY TYPE	DOWN PAYMENT	MAX. SELLER CONTRIBUTION	CONTRIBUTION TYPE
*CONVENTIONAL	Primary or Secondary	Less than 10%.....	3%	Closing costs, prepaid items, and discount points
		10% - up to 25%.....	6%	
		25% or more.....	9%	
	Investment	15% or more.....	2%	
*FHA	Primary	3.5% or more.....	6%	Closing costs, prepaid items, and discount points
*VA	Primary	N/A	Unlimited.....	Closing costs, prepaid items
			Up to 2.....	Discount points
			4%.....	Debt payoff
*USDA	Primary	N/A	6%	Closing costs, prepaid items, and discount points

*Seller concessions are funds from a seller to incentivize a buyer to purchase a home. They may include funding toward the buyer's mortgage financing costs or loan closing cost.

*FHA Borrowers may pay Agent Commission and fees as long as they're reasonable. **It must be disclosed on Initial Agreement of Sale, prior to creation of FHA Case Number. Gov't WILL NOT allow it to be added as an addendum after signing of the AOS.**

	#1	#2	#3	#4
	↓ As always with seller paying	↓ Raise loan amount to pay	↓ Raise sale price & pay seller concession	↓ Buyer pay in cash at closing
	500K- Seller Paid	500K- Financed in Loan	515K - Financed in Price	500K - Paid in Cash
Purchase Price:	\$500,000	\$500,000	\$515,000	\$500,000
Loan Amount:	\$450,000	\$465,000	\$463,500	\$450,000
LTV:	90%	93%	90%	90%
Interest Rate:	6.990%	6.990%	6.990%	6.990%
APR:	*7.272%	*7.417%	*7.270%	*7.272%
Term (mos):	360	360	360	360
Payment:	**\$3,839.59	**\$4,005.41	**\$3,951.77	**\$3,839.59
Cash To Close:	\$65,600.25	\$65,900.25	\$67,693.65	\$80,600.25
Monthly Difference:	\$0.00	\$165.82	\$112.18	\$0.00

** Taxes and Insurance are included in monthly payment. This is only an estimate until you are under contract and then will be giving you actual numbers.

*#2 Not available with max financing.



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