

REALTY **ONE** GROUP RESULTS

A SELLER GUIDE · TRIAD NC · FALL 2026

The 1.82% You're Already Paying

The median Triad concession is 1.82% of sale price.

*A 2-1 buydown costs 1.84%. Same check —
and one of them the buyer actually feels.*

TERESA OVERCASH

BROKER-IN-CHARGE · NCREC LICENSED INSTRUCTOR · CLHMS

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THE NUMBER

You're already writing the *check*.

Across 3,719 closed residential sales in Forsyth, Guilford, Davie, and Davidson counties over the 90 days ending September 11, 2026, 57.1% of transactions included a seller concession. The median was \$5,000 — 1.82% of sale price.

PRICE BAND	CLOSINGS	% WITH CONCESSION	MEDIAN	% OF PRICE	90TH PCT
Under \$250K	1,034	49.7%	\$5,000	2.22%	\$9,000
\$250K – \$400K	1,571	67.7%	\$6,000	1.95%	\$10,500
\$400K – \$600K	707	52.8%	\$5,000	1.18%	\$13,401
\$600K and up	407	43.0%	\$5,000	0.63%	\$16,580
All bands	3,719	57.1%	\$5,000	1.82%	\$11,000

The band that tells the story

\$250K to \$400K is where concessions are most common — **better than two in three closings**. That isn't an accident. It's the range where first-time buyers are stretching their cash reserves thinnest. Above \$600K the share falls but the dollar amounts climb.

When agents tell sellers to expect to give up one to two percent at the table, they're right on average. What most sellers don't hear is that the same two percent can either be a check the buyer barely notices or a payment reduction the buyer feels every month. That's a negotiation choice, not a market condition.

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THE WHOLE ARGUMENT

1.82%

MEDIAN CONCESSION
ALREADY PAID

1.84%

WHAT A 2-1
BUYDOWN COSTS

\$356

BUYER'S YEAR-ONE
MONTHLY RELIEF

\$33.52

SAME MONEY AS
A PRICE CUT

How a 2-1 buydown actually *works*.

A 2-1 buydown is a prepaid interest escrow. The seller writes a check at closing, and that money drops the buyer's rate two points below the note rate in year one, one point below in year two, then back to the note rate in year three.

The example below: median Triad home at \$350,000, 20% down (\$70,000), \$280,000 loan, 6.76% on a 30-year fixed. Rates move — this uses a snapshot to make the math concrete.

YEAR	EFFECTIVE RATE	P & I PAYMENT	MONTHLY SAVINGS	ANNUAL COST
Year 1	4.76%	\$1,462.30	\$355.64	\$4,268
Year 2	5.76%	\$1,635.78	\$182.15	\$2,186
Year 3 onward	6.76%	\$1,817.94	—	—
Seller's total cost, paid at closing \$6,453 — or 1.84% of the sale price				

Read that against the 1.82% median concession on the previous page. **The average Triad seller is already writing a buydown-sized check.** They're just calling it help with closing costs and letting it disappear into origination fees and prepaids that produce no visible payment relief.

The third option: permanent points

If the buyer plans to stay a while, discount points that lower the rate for the life of the loan usually beat the two-year version. One point on a \$280,000 loan costs **\$2,800** and takes 6.76% to 6.51% — a payment of \$1,771.63, or **\$46.30 a month, permanently**. Breakeven against the \$2,800 runs about **60 months**.

The decision tree, in one paragraph

Buyer staying **under five years** — the temporary buydown gives a bigger felt reduction while they're there. Staying **longer** — permanent points win. Buyer's real problem is **cash at closing** — the temporary buydown wins either way, because the seller pays it and the buyer brings nothing extra.

Same money. Three *structures*.

A seller hears “\$6,453 to the buyer” and instinctively counters with “fine, I’ll take \$6,453 off the price.” Watch what that actually does.

Drop the price from \$350,000 to \$343,547. The buyer still puts 20% down, so the loan falls to \$274,838 at the same 6.76%. New payment: **\$1,784.42**. Permanent savings against the un-cut payment: **\$33.52 a month**.

STRUCTURE	YEAR-ONE RELIEF	YEAR-THREE RELIEF	CASH THE BUYER NEEDS
2-1 buydown — \$6,453	\$356/mo	\$0 — rate resets	Unchanged; the seller covers it
Price cut — \$6,453	\$33.52/mo	\$33.52/mo	Slightly less down — but no closing help
Permanent point — \$2,800	\$46.30/mo	\$46.30/mo	Unchanged; seller covers it

\$33.52 a month is not nothing. Across thirty years it’s real money. But the two options are not experienced the same way from the buyer’s desk.

WHY THE BUYER FEELS ONE AND NOT THE OTHER

The buyer scraping together closing costs experiences \$356 a month in year one — while they’re also paying for boxes and blinds and the propane tank nobody told them was empty — very differently from \$33.52 spread across a thirty-year mortgage.

Cash at closing is the constraint. Payment is the reality check. Structure to both.

This is the entire argument in one line: the money is already leaving your side of the table. The only question is whether the buyer can feel it.

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Caps by loan *type*.

Concessions have ceilings, and they vary by program. If your buyer is using something outside this list — a HELOC, a portfolio product, a physician loan — the rules differ. Ask their lender.

LOAN PROGRAM	CAP	APPLIED AGAINST
Conventional — 25% down or more	9%	Lower of sale price or appraised value
Conventional — 10% up to 25% down	6%	Lower of sale price or appraised value
Conventional — less than 10% down	3%	Lower of sale price or appraised value
Conventional — investment property	2%	Lower of sale price or appraised value
FHA	6%	Sales price
USDA	6%	Sales price
VA — narrow concession list only	4%	Established reasonable value — see next page

Conventional tiers follow the Fannie Mae Selling Guide and are set by loan-to-value band, so the down payment brackets above are the practical translation. FHA follows HUD Handbook 4000.1; USDA follows HB-1-3555. Confirm current limits with the buyer's lender.

Three rules that apply to every program

- **Concessions can't exceed actual closing costs.** Excess is treated as a sales concession and comes off the price for loan-to-value purposes.
- **Concessions can't fund the down payment,** reserves, or the minimum borrower contribution. Fannie Mae says so directly.
- **Concessions can pay for buydowns.** Both temporary and permanent buydowns are eligible uses under conventional, FHA, USDA, and VA guidance — which is what makes this whole strategy work.

The VA quirk everybody gets *wrong*.

The 4% VA cap is the most misunderstood number in residential real estate, and misreading it costs sellers deals they could have closed.

Here's the trap: **the 4% applies only to a narrow list of items VA classifies as "concessions."** That list includes the buyer's VA funding fee, prorated taxes and insurance, points above what's appropriate to the market, temporary buydown points, and payoff of the buyer's credit balances or judgments.

COUNTS TOWARD THE 4% CAP	DOES NOT COUNT
The buyer's VA funding fee	Title insurance and title exam
Prorated taxes and insurance	Appraisal fee
Points above what's appropriate to the market	Origination fee
Temporary buydown points	MERS fee
Payoff of buyer's credit balances or judgments	Normal discount points

Ordinary seller-paid closing costs sit in the right-hand column, and VA lets the seller cover those separately. **So a VA buyer can end up with a seller covering six, seven, or eight percent of the price in total help** — as long as the "concession" category stays at or under 4%.

If someone tells you 4% is the total

They're reading the rule wrong. **Get a second opinion before you counter.** This single misunderstanding has killed VA offers that had plenty of room left in them — and the seller never knew.

Verify the current treatment with the buyer's VA lender for the specific file. The categories above describe VA's framework, not a guarantee for any transaction.

A concession doesn't fix a low appraisal.

This is where sellers get caught. The concession does not change the sale price on the contract — so the appraisal still has to reach the full price for the loan to fund.

Say the house goes under contract at **\$350,000 with a \$6,500 concession**, and the appraisal lands at **\$342,000**. The lender will loan against \$342,000, not \$350,000. That's an **\$8,000 gap** the buyer covers in cash, or the seller reduces the price to close, or the deal dies. The concession does nothing to solve that math.

Three situations where a price cut wins instead

SITUATION	WHY THE CUT BEATS THE CONCESSION
The appraisal is at risk	If comps are wobbly and you're a stretch on price, a cut solves the appraisal problem and the payment problem in one move. A concession only solves the payment.
The buyer is staying long-term	Ten, fifteen, twenty years in the house. A permanent lower basis compounds through every future refinance and resale. A two-year buydown is a rescue, not a foundation.
Your neighborhood comps are climbing	A price cut sets a comp; a concession doesn't. If the block is going up, the comp you leave behind matters to the next seller — and to your own equity math.

When the appraisal is the wobbly variable, read the room before you counter. A concession is the right tool for a cash-tight buyer. It is the wrong tool for a valuation problem.

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The reverse is also true: if the appraisal is solid and the buyer's constraint is purely cash and payment, a concession protects your sale price and your neighborhood comp in a way a cut never will.

Where it lives, and what the data *shows*.

In the contract

Seller concessions are negotiated in the **Terms and Definitions section at the front of the North Carolina Offer to Purchase and Contract, Form 2-T**, where “Seller Concessions” appears as its own defined term with a dollar figure. Two things follow from that:

- **It’s negotiated in the offer, not at closing.** Once signed, the amount is locked. It doesn’t float based on what the buyer actually needs at settlement — and if their costs come in lower, the excess reduces the sale price rather than becoming a rebate.
- **It’s credited to the buyer on the settlement statement.** Your net proceeds drop by the concession amount, exactly as if you’d cut the price — but the sale price on the contract stays intact, and so does the comp.

A caution on citations: NC REALTORS® revises these forms most years and the subparagraph lettering shifts when provisions move. Confirm the exact reference against the version you actually sign.

What the 90-day data shows — honestly

METRIC	WITH SELLER MONEY N = 2,125	WITHOUT N = 1,594
Median sale-to-list ratio	99.6%	98.3%
Median days on market	26	18
Cut price before closing	40.8%	33.2%

Concessions appear to preserve the headline sale price at the cost of time on market and a higher likelihood of a prior reduction. **That is correlation, not causation**, and it deserves saying plainly: homes that end up offering concessions may already be different homes. Slightly overpriced going in. A condition issue that surfaced. A cash-tight buyer pool for that specific house. One 90-day window can’t separate those.

The biggest mistake sellers make

Cutting price and paying closing costs in the same negotiation. Once you’re at the concession stage, you usually have room to hold the line on price. **Sellers who structured a clean concession-only counter still closed at 99.6% of list** — they gave the money without giving the sticker price.

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Send the address and your *target net*.

We'll model concession, price cut, and buydown side by side against your actual comps and your buyer's actual loan type — then tell you which one protects your sale price in this market. Every house is its own math problem, and a rule of thumb from a blog isn't the conversation you deserve. I answer my own phone.

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Concession figures are Triad regional MLS closed-sale data for the 90 days ending September 11, 2026, and describe closed transactions in aggregate — not a valuation, forecast, or guarantee for any property. Outcome comparisons are correlations observed in a single 90-day window and do not establish causation. Payment figures are illustrative amortization calculations of principal and interest only at the stated rate, term, and loan amount; they are not a quote, a Loan Estimate, or an offer of credit, and mortgage rates change weekly. Buydown availability, structure, escrow treatment, and qualifying requirements are set by the lender and the loan program. Contribution caps reflect current agency guidance and are summarized in plain language; verify current limits and eligible uses with the buyer's lender for the specific loan file. Contract provisions are summarized from the standard North Carolina forms, which are revised periodically. Not legal, tax, or lending advice. Information deemed reliable but not guaranteed.