



13355 10th Avenue N Plymouth, MN 55441
 Tel (612) 701-6816 pboyle@summit-mortgage.com
 Fax (952) 314-4763 www.peterboylehomeloans.com

TOTAL COST ANALYSIS

Prepared by Peter Boyle
 June 19, 2010

Prepared For: **Caren Conforming**
 123 FHA Conventional Street Suburban, MN 11111

SUMMARY

Program Name	FHA Fixed	Conv 5% Dn	Conv. 10% Dn	Con 20% Dn
1ST MTG. Loan Amount	\$337,750	\$332,500	\$315,000	\$280,000
Interest Rate	4.75%	4.75%	4.75%	4.75%
Term (months)	360	360	360	360
Payment	\$1,762	\$1,734	\$1,643	\$1,461
Mtg. Ins.	\$155	\$216	\$168	\$0
Monthly Pmt.	\$1,917	\$1,951	\$1,811	\$1,461
Net Savings	\$34	\$0	\$139	\$490
Total Cash To Close	\$20,650	\$25,600	\$42,900	\$77,500

SUMMARY

This Section overviews your monthly payments for each prospective Mortgage Plan. Please note, the payments shown do not include any Escrows that may be collected with your payment.

Current value \$350,000, appreciation assumption 2%

TOTAL COST ANALYSIS

Program Name	FHA Fixed	Conv 5% Dn	Conv. 10% Dn	Con 20% Dn
120 MONTHS ANALYSIS Total Payment	\$228,142	\$230,182	\$209,783	\$175,274
Principal Paid	\$65,110	\$64,098	\$60,724	\$53,977
Int & MI Paid	\$163,032	\$166,084	\$149,058	\$121,296
Balance Left	\$272,640	\$268,402	\$254,276	\$226,023
Closing & Points	\$8,400	\$8,100	\$7,900	\$7,500
Total Cost	\$171,432	\$174,184	\$156,958	\$128,796
Net Savings	\$2,752	\$0	\$17,226	\$45,388

TOTAL COST ANALYSIS

One of the most important metrics to consider when selecting the right Mortgage Plan for you, is how long you plan on living in the home or what is your loan retention time going to be. The table on the left compares the true total cost of each mortgage plan based on a pre determined comparison period.

ACCUMULATION vs. REDUCTION

Program Name	FHA Fixed	Conv 5% Dn	Conv. 10% Dn	Con 20% Dn
10 YEARS Opening Balance	\$56,850	\$44,600	\$34,600	\$0
Monthly Amount	\$34	\$0	\$139	\$490
Rate of Return	6%	6%	6%	6%
Home Value	\$426,648	\$426,648	\$426,648	\$426,648
Loan Balance	\$272,640	\$268,402	\$254,276	\$226,023
Equity	\$154,008	\$158,246	\$172,372	\$200,625
Accum. Total	\$109,005	\$81,145	\$85,730	\$80,301
15 YEARS Net Worth	\$263,013	\$239,391	\$258,103	\$280,926
Home Value	\$471,054	\$471,054	\$471,054	\$471,054
Loan Balance	\$226,510	\$222,989	\$211,252	\$187,780
Equity	\$244,544	\$248,065	\$259,801	\$283,274
Accum. Total	\$149,403	\$109,453	\$125,335	\$142,501
Net Worth	\$393,947	\$357,518	\$385,137	\$425,775
Freedom Point	18.58 yrs.	20.83 yrs.	19.08 yrs.	16.92 yrs.

ACCUMULATION vs. REDUCTION

Different mortgage strategies can create different results. The illustration to the left compares 2 unique strategies. One strategy assumes prepaying your mortgage, the other shows investing in some type of investment vehicle TBD by your financial advisor.

Based on the assumptions in this analysis the Mortgage Plan in column titled 'Con 20% Dn' has the potential to create the most wealth for your situation in 10 yrs.

Based on the assumptions in this analysis the Mortgage Plan in column titled 'Con 20% Dn' has the potential to create the most wealth for your situation in 15 yrs. The plan in column titled 'Con 20% Dn' will help you reach your Freedom Point the soonest.



13355 10th Avneue N Plymouth, MN 55441
 Tel (612) 701-6816 pboyle@summit-mortgage.com
 Fax (952) 314-4763 www.peterboylehomeloans.com

TOTAL COST ANALYSIS

Prepared by Peter Boyle
 June 19, 2010

Prepared For: **Caren Conforming**
 123 FHA Conventional Street Suburban, MN 11111

PROGRAM DETAILS

	FHA Fixed		Conv 5% Dn		Conv. 10% Dn		Con 20% Dn	
	1st Mtg	2nd Mtg	1st Mtg	2nd Mtg	1st Mtg	2nd Mtg	1st Mtg	2nd Mtg
Value	\$350,000		\$350,000		\$350,000		\$350,000	
Equity (%)	3.500 %		5.000 %		10.000 %		20.000 %	
Loan Amount	\$337,750		\$332,500		\$315,000		\$280,000	
Loan Type	Fixed		Fixed		Fixed		Fixed	
Interest Rate	4.750 %		4.750 %		4.750 %		4.750 %	
Term	360		360		360		360	
Closing	\$8,400		\$8,100		\$7,900		\$7,500	
Points	0.000 %		0.000 %		0.000 %		0.000 %	
APR	4.964 %		4.960 %		4.966 %		4.980 %	
Principal & Int.	\$1,762		\$1,734		\$1,643		\$1,461	
Mtg. Ins.	\$155		\$216		\$168		\$0	
Total P&I	\$1,917		\$1,951		\$1,811		\$1,461	
Index								
Margin								
LifeCap								
Scenario								
First Adj Cap								
First Adj Mos								
Adj Cap								
Adj Month								
HOA	\$0		\$0		\$0		\$0	
Haz Ins.	\$155		\$155		\$155		\$155	
Prop Taxes	\$438		\$438		\$438		\$438	
Other	\$0		\$0		\$0		\$0	
Pymt. Adjust.								
Adj Cap %								
Adj Cap (Mos)								
Recast Prd/Stop								
Max Balance								
PITI	\$2,509		\$2,544		\$2,404		\$2,054	
Term Reduction	\$0		\$0		\$0		\$0	
Total PITI	\$2,509		\$2,544		\$2,404		\$2,054	
Mo. Asset Accu.	\$34		\$0		\$139		\$490	
Asset Accum. Int. Rate	6.000 %		6.000 %		6.000 %		6.000 %	
Asset Accum. Open	\$56,850		\$44,600		\$34,600		\$0	

NOTICE AND DISCLAIMER : The results above are based on (i) information provided by you, (ii) estimates of interest rates, your ability to save, your tax bracket, closing costs and other amounts, (iii) currently available loan programs and (iv) information and assumptions discussed with your advisor; all of which might change over time. If the information or assumptions are not correct or change, then the results above will change. Your advisor will provide additional information about costs, fees and other information required by state and federal law.

