

Prepared For: **Frank First Time Buyer**
123 Low Down Payment Ave Central, MN 00000

SUMMARY

	Program Name	VA 30 yr Fixed	VA 3/1 ARM	VA 5/1 ARM	Program 4
1ST MTG.	Loan Amount	\$178,763	\$178,763	\$178,763	\$0
	Interest Rate	4.75%	3%	3.25%	0%
	Term (months)	360	360	360	0
	Payment	\$933	\$754	\$778	\$0
	Mtg. Ins.	\$0	\$0	\$0	\$0
	Monthly Pmt.	\$933	\$754	\$778	\$0
	Net Savings	\$0	\$179	\$155	\$0

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 \$175,000, appreciation assumption 2%

TOTAL COST ANALYSIS

	Program Name	VA 30 yr Fixed	VA 3/1 ARM	VA 5/1 ARM	Program 4
36 MONTHS ANALYSIS	Total Payment	\$33,570	\$27,051	\$28,007	\$0
	Principal Paid	\$8,684	\$11,592	\$11,095	\$0
	Int & MI Paid	\$24,887	\$15,459	\$16,912	\$0
	Balance Left	\$170,079	\$167,171	\$167,667	\$0
	Closing & Points	\$3,900	\$3,900	\$3,900	\$0
	Total Cost	\$28,787	\$19,359	\$20,812	\$0
	Net Savings	\$0	\$9,428	\$7,975	\$0

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.

MORTGAGE PLAN WITH ASSET ACCUMULATION

	Program Name	VA 30 yr Fixed	VA 3/1 ARM	VA 5/1 ARM	Program 4
	Opening Balance	\$0	\$0	\$0	\$0
	Monthly Amount	\$0	\$179	\$155	\$0
	Rate of Return	0%	5%	5%	0%
10 YEARS	Home Value	\$213,324	\$213,324	\$213,324	\$0
	Loan Balance	\$144,301	\$132,273	\$133,850	\$0
	Equity	\$69,023	\$81,051	\$79,474	\$0
	Accum. Total	\$0	\$36,076	\$30,837	\$0
	Net Worth	\$69,023	\$117,127	\$110,312	\$0
15 YEARS	Home Value	\$235,527	\$235,527	\$235,527	\$0
	Loan Balance	\$119,886	\$104,099	\$105,340	\$0
	Equity	\$115,641	\$131,428	\$130,187	\$0
	Accum. Total	\$0	\$64,006	\$56,760	\$0
	Net Worth	\$115,641	\$195,434	\$186,947	\$0
	Freedom Point	30.00 yrs.	18.17 yrs.	18.83 yrs.	0 yrs.

MORTGAGE PLAN WITH ASSET ACCUMULATION

This Mortgage Plan is designed to help you make an informed decision on a mortgage integrated with your overall financial plan. This example displays an estimated Real Estate value combined with potential investment account growth.

Based on the 2 metrics listed above, the Mortgage Plan in column titled 'VA 3/1 ARM' has the potential to create the most wealth in 10 yrs.

Based on the 2 metrics listed above, the Mortgage Plan in column titled 'VA 3/1 ARM' has the potential to create the most wealth in 15 yrs.

13355 10th Avenue N Plymouth, MN 55441

Tel (612) 701-6816

Fax (952) 314-4763

pboyle@summit-mortgage.com

www.peterboylehomeloans.com

TOTAL COST ANALYSIS

Prepared by Peter Boyle

December 18, 2010

Prepared For: **Frank First Time Buyer**
123 Low Down Payment Ave Central, MN 00000

PROGRAM DETAILS

	VA 30 yr Fixed		VA 3/1 ARM		VA 5/1 ARM		Program 4	
	1st Mtg	2nd Mtg	1st Mtg	2nd Mtg	1st Mtg	2nd Mtg	1st Mtg	2nd Mtg
Value	\$175,000		\$175,000		\$175,000		\$0	
Equity (%)	-2.150 %		-2.150 %		-2.150 %		100.000 %	
Loan Amount	\$178,763		\$178,763		\$178,763		\$0	
Loan Type	Fixed		ARM		ARM		Fixed	
Interest Rate	4.750 %		3.000 %		3.250 %		0.000 %	
Term	360		360		360		360	
Closing	\$3,900		\$3,900		\$3,900		\$0	
Points	0.000 %		0.000 %		0.000 %		0.000 %	
APR	4.938 %		2.458 %		2.617 %		0.000 %	
Principal & Int.	\$933		\$754		\$778		\$0	
Mtg. Ins.	\$0		\$0		\$0		\$0	
Total P&I	\$933		\$754		\$778		\$0	
Index			0.300 %		0.300 %			
Margin			1.750 %		1.750 %			
LifeCap			5.000 %		5.000 %			
Scenario			Best		Best			
First Adj Cap			1.000 %		1.000 %			
First Adj Mos			36		60			
Adj Cap			1.000 %		1.000 %			
Adj Month			12		12			
HOA	\$0		\$0		\$0		\$0	
Haz Ins.	\$82		\$82		\$82		\$0	
Prop Taxes	\$219		\$219		\$219		\$0	
Other	\$0		\$0		\$0		\$0	
Pymt. Adjust.								
Adj Cap %								
Adj Cap (Mos)								
Recast Prd/Stop								
Max Balance								
PITI	\$1,233		\$1,055		\$1,079		\$0	
Term Reduction	N/A		N/A		N/A		N/A	
Total PITI	\$1,233		\$1,055		\$1,079		\$0	
Mo. Asset Accu.	\$0		\$179		\$155		\$0	
Asset Accum. Int. Rate	0.000 %		5.000 %		5.000 %		0.000 %	
Asset Accum. Open	\$0		\$0		\$0		\$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.

