

Bob Howe

"Know Howe For Your Next Loan"

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The purpose of this analysis is to help you make an informed decision when selecting your home loan.

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Total Cost Analysis

Valued Client

32 Miramar Lane

Irvine, CA 92620

FOLLOW THESE 3 SIMPLE STEPS:

1. Review the SUMMARY of your loans. Details for each program can be found on the second page.
2. Next, review the TOTAL COST ANALYSIS for each loan so that you can compare which program might be right for your financial situation.*
3. Finally, review the suggested Debt Free or Asset Accum. plan to see how you can save thousands on your loan. Also, you can review the MONTHLY TAX BENEFITS.

SUMMARY

This summary table displays information on up to four loan programs, including their respective fees and monthly payments.

Each program shows a first mortgage, and possibly a second mortgage.

Although this table will show you which loan will provide you the lowest payment, such a loan may not be the right loan for your financial situation.*

Current Property Value: **\$840,000.00**

		30 Yr Fix	7/1 Int Only	5/1 Int Only	
1st	Loan Amount	\$417,000	\$672,000	\$672,000	
	Interest Rate	6.250%	6.625%	6.500%	
	Term (months)	360	Int. Only	Int. Only	
	P&I	\$2,568	\$3,710	\$3,640	
	MI	\$0	\$0	\$0	
	MI Cut Off	N/A	N/A	N/A	
2nd	Loan Amount	\$255,000	\$0	\$0	
	Interest Rate	7.050%	0.000%	0.000%	
	Term (months)	Int. Only	Int. Only	Int. Only	
	P&I	\$1,498	\$0	\$0	
Totals	Total Payment	\$4,066	\$3,710	\$3,640	
	Net Savings	\$0	\$356	\$426	

TOTAL COST ANALYSIS

A true loan comparison cannot be made simply by comparing the payments that a loan offers. There are various other fees and issues which effect the overall cost of a loan. The table at the right analyzes the difference in total overall cost of your home loan.

Evaluating the total cost is the key to selecting the lowest cost mortgage for your individual needs.*

Months: 60	30 Yr Fix	7/1 Int Only	5/1 Int Only	
Total Payment	\$243,940	\$222,600	\$218,400	
Principal Paid	\$27,784	\$0	\$0	
Int / MI Paid	\$216,156	\$222,600	\$218,400	
Balance Left	\$644,216	\$672,000	\$672,000	
Closing & Pts.	\$3,200	\$3,200	\$3,200	
Total Cost	\$219,356	\$225,800	\$221,600	
Net Savings	\$6,444	\$0	\$4,200	

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.*

Years: 5

Years: 7

	30 Yr Fix	7/1 Int Only	5/1 Int Only	
Monthly Amount	\$0	\$356	\$426	
Int. Rate	0.00%	7.00%	7.00%	
Home Value	\$973,790	\$973,790	\$973,790	
Loan Balance	\$644,216	\$672,000	\$672,000	
Equity	\$329,574	\$301,790	\$301,790	
Accum. Total	\$0	\$25,487	\$30,499	
Net Worth	\$329,574	\$327,277	\$332,289	
Home Value	\$1,033,094	\$1,033,094	\$1,033,094	
Loan Balance	\$630,440	\$672,000	\$672,000	
Equity	\$402,654	\$361,094	\$361,094	
Accum. Total	\$0	\$38,448	\$46,008	
Net Worth	\$402,654	\$399,542	\$407,102	
Assets > Debts	30.00 yrs.	30.00 yrs.	30.00 yrs.	

MONTHLY TAX BENEFIT

Consider the tax benefits of your home mortgage. By consolidating your non-tax deductible debt (credit cards, etc.) into your mortgage, you can save \$\$\$ This is just an estimate - contact your tax consultant for advice.

Tax Brac: 32%	30 Yr Fix	7/1 Int Only	5/1 Int Only	
1st Mortgage	\$695	\$1,187	\$1,165	
2nd Mortgage	\$479	\$0	\$0	
Property Tax	\$280	\$280	\$280	
Total Monthly	\$1,454	\$1,467	\$1,445	
Net Savings	\$10	\$22	\$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.

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