

Summit Mortgage Corporation

Your Lender For Life

13355 10th Ave N, Suite 100 Plymouth, MN 55441

Tel:(612) 701-6816 Fax:(952) 314-4763

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

Prepared by
Peter J. Boyle
Date prepared
10/20/2008

Total Cost Analysis

Joe the Plumber
1 Main Street
St Paul, MN 55105

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: **\$500,000.00**

		Standard	Price Reduction	Standard
1st	Loan Amount	\$400,000	\$387,200	\$400,000
	Interest Rate	5.625%	5.625%	4.375%
	Term (months)	360	360	360
	P&I	\$2,303	\$2,229	\$1,997
	MI	\$0	\$0	\$0
	MI Cut Off	N/A	N/A	N/A
2nd	Loan Amount	\$0	\$0	\$0
	Interest Rate	0.000%	0.000%	0.000%
	Term (months)	Int. Only	Int. Only	Int. Only
	P&I	\$0	\$0	\$0
Totals	Total Payment	\$2,303	\$2,229	\$1,997
	Net Savings	\$0	\$74	\$305

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	Standard	Price Reduction	Standard
Total Payment	\$137,828	\$133,417	\$119,770
Principal Paid	\$29,695	\$28,744	\$36,092
Int / MI Paid	\$108,133	\$104,673	\$83,678
Balance Left	\$370,305	\$358,456	\$363,908
Closing & Pts.	\$6,800	\$6,800	\$22,800
Total Cost	\$114,933	\$111,473	\$106,478
Net Savings	\$0	\$3,460	\$8,455

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

Freedom Point is when your assets exceed your mortgage balance and paying off your home becomes a strategic financial decision.

Years: 10

	Standard	Price Reduction	Standard
Monthly Amount	\$0	\$74	\$305
Int. Rate	0.00%	5.00%	5.00%
Home Value	\$579,637	\$561,089	\$579,637
Loan Balance	\$370,305	\$358,456	\$363,908
Equity	\$209,332	\$202,633	\$215,729
Accum. Total	\$0	\$5,351	\$20,800
Net Worth	\$209,332	\$207,985	\$236,529
Home Value	\$671,958	\$650,456	\$671,958
Loan Balance	\$323,064	\$312,726	\$317,482
Equity	\$348,895	\$337,730	\$354,476
Accum. Total	\$0	\$33,596	\$51,392
Net Worth	\$348,895	\$371,326	\$405,868
Freedom Point	30.00 yrs.	22.67 yrs.	21.83 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 35%	Standard	Price Reduction	Standard
1st Mortgage	\$656	\$635	\$510
2nd Mortgage	\$0	\$0	\$0
Property Tax	\$182	\$176	\$182
PMI	\$0	\$0	\$0
Total Monthly	\$839	\$812	\$693
Net Savings	\$146	\$119	\$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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DETAIL

The Detail table below discloses the financial information used to calculate the tables above. For further information, speak with your professional mortgage advisor.*

Existing Loan	
Start Date	9/19/2008
Original Balance	\$400,000

	Standard		Price Reduction		Standard		Program 4	
Value	\$500,000		\$484,000		\$500,000		\$0	
Equity (%)	20.000%	0.000%	20.000%	0.000%	20.000%	0.000%	0.000%	0.000%
	1st Mtg.	2nd Mtg.	1st Mtg.	2nd Mtg.	1st Mtg.	2nd Mtg.	1st Mtg.	2nd Mtg.
Loan Amount	\$400,000	\$0	\$387,200	\$0	\$400,000	\$0	\$0	\$0
Loan Type	Adjustable	HELOC	Adjustable	HELOC	Adjustable	HELOC	Fixed	HELOC
Interest Rate	5.625%	0.000%	5.625%	0.000%	4.375%	0.000%	0.000%	0.000%
Term	360	Int. Only	360	Int. Only	360	Int. Only	360	Int. Only
Closing	\$6,800	\$0	\$6,800	\$0	\$6,800	\$0	\$0	\$0
Points	0.000%	0.000%	0.000%	0.000%	4.000%	0.000%	0.000%	0.000%
APR	4.803%	0.000%	4.809%	0.000%	4.693%	0.000%	0.000%	0.000%
Principal & Int.	\$2,303	\$0	\$2,229	\$0	\$1,997	\$0	\$0	\$0
Mtg. Ins.	\$0		\$0		\$0		\$0	
Total P&I	\$2,303		\$2,229		\$1,997		\$0	
Index	1yr Tres		1yr Tres		1yr Tres			
Margin	2.750%		2.750%		2.750%			
LifeCap	10.625%		10.625%		10.625%			
Scenario	1		1		1			
First Adj Cap	2.000%		2.000%		2.000%			
First Adj Mos	60		60		60			
Adj Cap	2.000%		2.000%		2.000%			
Adj Mos	12		12		12			
HOA	\$0		\$0		\$0		\$0	
Haz Ins.	\$117		\$113		\$117		\$0	
Prop Taxes	\$521		\$504		\$521		\$0	
Other	\$0		\$0		\$0		\$0	
Pymt. Adjust.								
Adj Cap%								
Adj Per (Mos)								
Recast Pd/Stop								
Max Balance								
PITI	\$2,940	\$0	\$2,846	\$0	\$2,635	\$0	\$0	\$0
Term Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total PITI	\$2,940		\$2,846		\$2,635		\$0	
Mo. Asset A.	\$0		\$74		\$305		\$0	
Asset A. IntRate	0.000%		5.000%		5.000%		0.000%	
Asset A. Open	\$0		\$0		\$0		\$0	

NOTES

Total Cost Analysis

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