

Jeff Thomas

Your creative lending expert. Where advice does make a difference.

3900 University Drive, Suite 300 Fairfax, VA 22030

Tel:(703) 338-4020 Fax:(703) 383-6961

Tax Bracket
28%

Prepared by
Jeff O. Thomas

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

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.

Total Cost Analysis

Total Cost Example
2112 Plain View Drive
Fairfax, VA 22030

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.*

| | | 30 Fixed | 5/1 (1 Pt) | 5/1 (1/2 Pt) | 3/1 (2 Pts) |
|---------------|---------------|-----------|------------|--------------|-------------|
| 1st | Loan Amount | \$400,000 | \$400,000 | \$400,000 | \$400,000 |
| | Interest Rate | 7.500% | 6.750% | 6.875% | 6.250% |
| | Term (months) | 360 | 360 | 360 | 360 |
| | P&I | \$2,797 | \$2,594 | \$2,628 | \$2,463 |
| | MI | \$0 | \$0 | \$0 | \$0 |
| 2nd | Loan Amount | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | Interest Rate | 0.000% | 0.000% | 0.000% | 0.000% |
| | Term (months) | 180 | 180 | 180 | 180 |
| | P&I | \$0 | \$0 | \$0 | \$0 |
| Totals | Total Payment | \$2,797 | \$2,594 | \$2,628 | \$2,463 |
| | Net Savings | \$0 | \$202 | \$169 | \$334 |

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 Fixed | 5/1 (1 Pt) | 5/1 (1/2 Pt) | 3/1 (2 Pts) |
|----------------|-----------|------------|--------------|-------------|
| Total Payment | \$167,811 | \$167,664 | \$167,803 | \$153,772 |
| Principal Paid | \$21,530 | \$38,723 | \$36,041 | \$33,673 |
| Int / MI Paid | \$146,281 | \$128,940 | \$131,762 | \$120,099 |
| Balance Left | \$378,470 | \$361,277 | \$363,959 | \$366,327 |
| Closing & Pts. | \$4,600 | \$8,600 | \$6,600 | \$12,600 |
| Total Cost | \$150,881 | \$137,540 | \$138,362 | \$132,699 |
| Net Savings | \$0 | \$13,341 | \$12,519 | \$18,182 |

TERM REDUCTION

You can become debt free faster by applying a few more dollars each and every month towards the principal of your mortgage loan. Additionally, these consistent pre-payments may also save you thousands and thousands of dollars in interest savings over the life of your loan.*

| Equity Increase | 30 Fixed | 5/1 (1 Pt) | 5/1 (1/2 Pt) | 3/1 (2 Pts) | |
|-----------------|----------------|------------|--------------|-------------|-----------|
| 1st | Reduction | \$0 | \$200 | \$169 | \$100 |
| | 5 years | \$0 | \$14,226 | \$12,060 | \$7,022 |
| | 10 years | \$0 | \$34,145 | \$29,051 | \$16,612 |
| | 15 years | \$0 | \$62,033 | \$52,988 | \$29,710 |
| Totals | Debt Free in | 0.0 yrs. | 24.3 yrs. | 24.9 yrs. | 26.8 yrs. |
| | Interest Saved | \$0 | \$119,121 | \$108,096 | \$59,751 |

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: 28% | 30 Fixed | 5/1 (1 Pt) | 5/1 (1/2 Pt) | 3/1 (2 Pts) |
|---------------|----------|------------|--------------|-------------|
| 1st Mortgage | \$700 | \$630 | \$642 | \$583 |
| 2nd Mortgage | \$0 | \$0 | \$0 | \$0 |
| Property Tax | \$90 | \$90 | \$90 | \$90 |
| Total Monthly | \$790 | \$720 | \$731 | \$673 |
| Net Savings | \$117 | \$47 | \$58 | \$0 |

* NOTICE: Information provided is time-sensitive material. Rates, programs, fees and points are subject to change without notice. If you are applying for an Adjustable Rate Mortgage payments and interest rates will change. Payments, interest rates, and loan balances are estimates only. Your amount may be different. This is not a loan commitment, nor is it a guarantee of any kind. This comparison is based solely on estimated figures and information available at the time of preparation.

Jeff Thomas

Your creative lending expert. Where advice does make a difference.

3900 University Drive, Suite 300 Fairfax, VA 22030

Tel:(703) 338-4020 Fax:(703) 383-6961

Tax Bracket
28%

Prepared by
Jeff O. Thomas

Date prepared
2/8/2002

DETAIL

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

| | 30 Fixed | | 5/1 (1 Pt) | | 5/1 (1/2 Pt) | | 3/1 (2 Pts) | |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Value | \$550,000 | | \$550,000 | | \$550,000 | | \$550,000 | |
| Equity (%) | 27.273% | 0.000% | 27.273% | 0.000% | 27.273% | 0.000% | 27.273% | 0.000% |
| | 1st Mtg. | 2nd Mtg. | 1st Mtg. | 2nd Mtg. | 1st Mtg. | 2nd Mtg. | 1st Mtg. | 2nd Mtg. |
| Loan Amount | \$400,000 | \$0 | \$400,000 | \$0 | \$400,000 | \$0 | \$400,000 | \$0 |
| Loan Type | Fixed | Fixed | Fixed | Fixed | Fixed | Fixed | Fixed | Fixed |
| Interest Rat | 7.500% | 0.000% | 6.750% | 0.000% | 6.875% | 0.000% | 6.250% | 0.000% |
| Term | 360 | 180 | 360 | 180 | 360 | 180 | 360 | 180 |
| Closing | \$4,600 | \$0 | \$4,600 | \$0 | \$4,600 | \$0 | \$4,600 | \$0 |
| Points | 0.000% | 0.000% | 1.000% | 0.000% | 0.500% | 0.000% | 2.000% | 0.000% |
| Principal & Mtg. Ins. | \$2,797 | \$0 | \$2,594 | \$0 | \$2,628 | \$0 | \$2,463 | \$0 |
| Total P&I | \$2,797 | | \$2,594 | | \$2,628 | | \$2,463 | |
| Index | | | | | | | | |
| Margin | | | | | | | | |
| LifeCap | | | | | | | | |
| Scenario | | | | | | | | |
| First Adj Ca | | | | | | | | |
| First Adj Pe | | | | | | | | |
| Adj Cap | | | | | | | | |
| Adj Per | | | | | | | | |
| HOA | \$0 | | \$0 | | \$0 | | \$0 | |
| Haz Ins. | \$50 | | \$50 | | \$50 | | \$50 | |
| Prop Taxes | \$320 | | \$320 | | \$320 | | \$320 | |
| Other | \$0 | | \$0 | | \$0 | | \$0 | |
| Total Fees | \$370 | | \$370 | | \$370 | | \$370 | |
| Pymt. Adjus | | | | | | | | |
| Make Full Py | | | | | | | | |
| Adj Cap% | | | | | | | | |
| Adj Period (| | | | | | | | |
| Recast Pd/St | | | | | | | | |
| Max Balance | | | | | | | | |
| Total PITI | \$3,167 | | \$2,964 | | \$2,998 | | \$2,833 | |
| Term Reduction | \$0 | | \$200 | | \$169 | | \$100 | |
| PITI & Equit | \$3,167 | | \$3,164 | | \$3,167 | | \$2,933 | |
| Asset A. Int | 8.000% | | 8.000% | | 8.000% | | 8.000% | |
| Asset A. Ope | \$0 | | \$0 | | \$0 | | \$0 | |

NOTES

* NOTICE: Information provided is time-sensitive material. Rates, programs, fees and points are subject to change without notice. If you are applying for an Adjustable Rate Mortgage payments and interest rates will change. Payments, interest rates, and loan balances are estimates only. Your amount may be different. This is not a loan commitment, nor is it a guarantee of any kind. This comparison is based solely on estimated figures and information available at the time of preparation.