



# ANDERSON SCOTT

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## TOTAL COST ANALYSIS

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Prepared For: **Mr & Mrs. Borrower**  
 54321 Main Street Your Town, DE 19930 USA

### SUMMARY

	Program Name	30 Yr 5.0%	Reduction	Asset Accu.	Program 4
1ST MTG.	Loan Amount	\$417,000	\$417,000	\$417,000	\$0
	Interest Rate	5%	4.25%	4.25%	0%
	Term (months)	360	360	360	0
	Payment	\$2,239	\$2,051	\$2,051	\$0
	Mtg. Ins.	\$0	\$0	\$0	\$0
	Monthly Pmt.	\$2,239	\$2,051	\$2,051	\$0
	<b>Net Savings</b>	<b>\$0</b>	<b>\$187</b>	<b>\$187</b>	<b>\$0</b>
	Total Cash To Close	\$118,015	\$104,500	\$104,500	\$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 \$521,500, appreciation assumption 2%*

### TOTAL COST ANALYSIS

	Program Name	30 Yr 5.0%	Reduction	Asset Accu.	Program 4
360 MONTHS ANALYSIS	Total Payment	\$764,111	\$705,815	\$738,500	\$0
	Principal Paid	\$417,000	\$417,000	\$417,000	\$0
	Int & MI Paid	\$347,111	\$288,815	\$321,500	\$0
	Balance Left	\$0	\$0	\$0	\$0
	Closing & Points	\$11,715	\$0	\$0	\$0
	<b>Total Cost</b>	<b>\$358,826</b>	<b>\$288,815</b>	<b>\$321,500</b>	<b>\$0</b>
	<b>Net Savings</b>	<b>\$0</b>	<b>\$70,011</b>	<b>\$37,326</b>	<b>\$0</b>

### 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	30 Yr 5.0%	Reduction	Asset Accu.	Program 4
10 YEARS	Opening Balance	N/A	N/A	\$100	\$0
	Monthly Amount	\$100	\$100	\$100	\$0
	Rate of Return	N/A	N/A	3%	0%
	Home Value	\$635,706	\$635,706	\$635,706	\$0
	Loan Balance	\$323,668	\$316,358	\$331,278	\$0
Equity	\$312,037	\$319,348	\$304,427	\$0	
Accum. Total	N/A	N/A	\$14,109	\$0	
15 YEARS	<b>Net Worth</b>	<b>\$312,037</b>	<b>\$319,348</b>	<b>\$318,536</b>	<b>\$0</b>
	Home Value	\$701,870	\$701,870	\$701,870	\$0
	Loan Balance	\$256,347	\$247,572	\$272,690	\$0
	Equity	\$445,523	\$454,299	\$429,180	\$0
	Accum. Total	N/A	N/A	\$22,854	\$0
<b>Net Worth</b>	<b>\$445,523</b>	<b>\$454,299</b>	<b>\$452,034</b>	<b>\$0</b>	
Freedom Point	27.25 yrs.	27.42 yrs.	27.83 yrs.	0 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 'Reduction' 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 'Reduction' has the potential to create the most wealth for your situation in 15 yrs. The plan in column titled 'Reduction' will help you reach your Freedom Point the soonest.**