

HOW TO SAVE THOUSANDS ON YOUR MORTGAGE

We've created this mortgage comparison guide to help you better understand how mortgages work and how you can save thousands of dollars and pay off your mortgage much faster!

**WHAT WILL YOU DO
WITH ALL THAT EXTRA
MONEY?**



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SCENERIO #1

Many clients ask if renegotiate their current mortgage is a good idea?

RENEGOTIATING YOUR CURRENT MORTGAGE

Caution should be considered allowing for personal comfort and affordability for any monthly mortgage payments

The following is an example based on a 5 year fixed mortgage at 3.39% with 2 ½ years remaining on the term with an estimated \$12,000 penalty.



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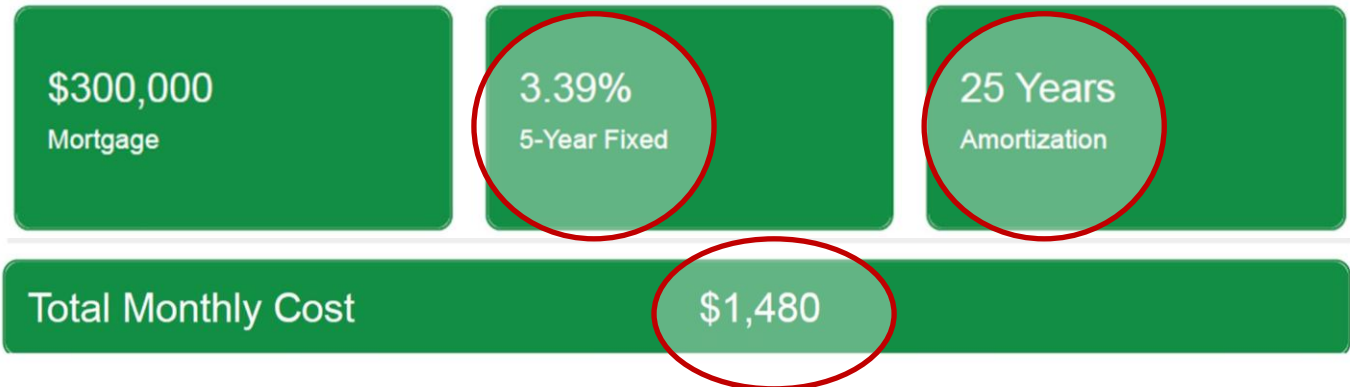
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Consider this example below of how much you could save based on a 5 year fixed mortgage at 3.39% with 2 ½ years remaining on the term and an estimated \$12,000 penalty added to the new mortgage.

Current Mortgage

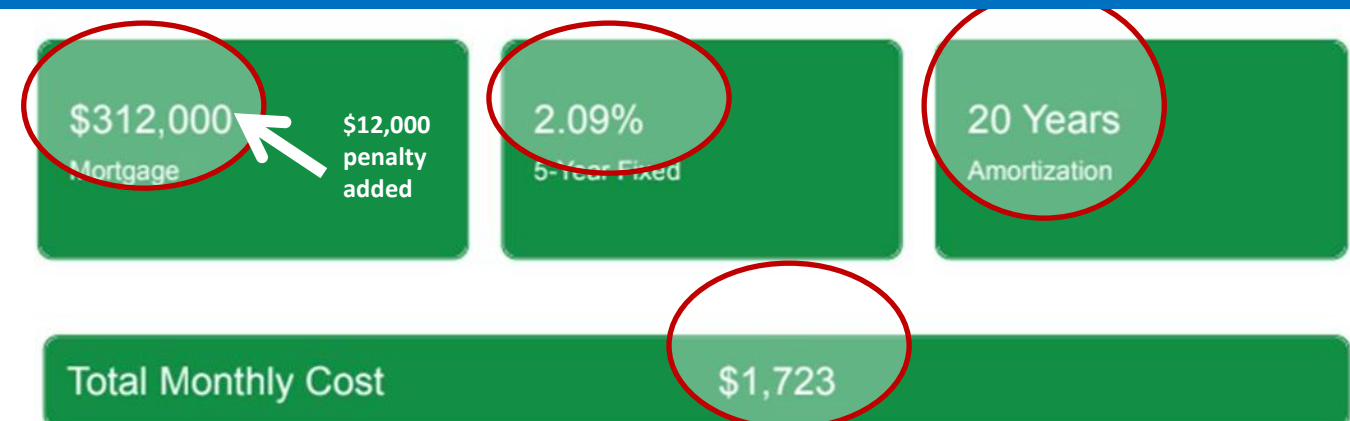


Renegotiated Refinance at 2.09%

This example below is based on a new 2.09% 5 year fixed mortgage with Monthly Payments, FYI, we added the \$12,000 penalty to the new mortgage and reduced the amortization to 20 years.



Notice in this example below the interest rate is lower, however the monthly payment is higher because we added a \$12,000 (estimated) discharge penalty (for renegotiating the current mortgage and changed to an Accelerated Bi-Weekly Payment FYI, and 20 year amortization.



*example only. Amounts may fluctuate

Compare Savings Over Time

We Recommend accelerated bi-weekly payment

3.39%

Monthly payment

Amortization

Year	Loan Remaining	Principal reduction
1	\$292,214	\$8052/yr
2	\$284,162	\$8327/yr
3	\$275,835	\$8612/yr
4	\$267,223	
5	\$258,316	
6	\$249,105	
7	\$239,579	
8	\$229,728	
9	\$219,540	
10	\$209,003	
11	\$198,106	
12	\$186,837	
13	\$175,182	
14	\$163,129	
15	\$150,664	
16	\$137,773	
17	\$124,441	
18	\$110,653	
19	\$96,394	
20	\$81,647	
21	\$66,396	\$15772/yr
22	\$50,624	\$16311/yr
23	\$34,313	\$16869/yr
24	\$17,444	\$17444/yr
25	\$0.00	

2.09%

Monthly payment

Amortization

Year	Loan Remaining	Principal reduction
1	\$299,288	\$12980/yr
2	\$286,308	\$13252/yr
3	\$273,056	\$13531/yr
4	\$259,525	
5	\$245,710	
6	\$231,605	
7	\$217,204	
8	\$202,500	
9	\$187,487	
10	\$172,159	
11	\$156,508	
12	\$140,529	
13	\$124,214	
14	\$107,557	
15	\$90,549	
16	\$73,184	\$17730/yr
17	\$55,454	\$18102/yr
18	\$37,352	\$18482/yr
19	\$18,870	\$18870/yr
20	\$0.00	

2.09%

Accel bi-weekly payment

Amortization

Year	Loan Remaining	Principal reduction
1	\$297,672	\$14628/yr
2	\$283,044	\$14936/yr
3	\$268,108	\$15250/yr
4	\$252,858	
5	\$237,288	
6	\$221,391	
7	\$205,159	
8	\$188,587	
9	\$171,667	
10	\$154,391	
11	\$136,752	
12	\$118,742	
13	\$100,355	
14	\$81,581	
15	\$62,412	\$19571/yr
16	\$42,841	\$19983/yr
17	\$22,858	\$20402/yr
18	\$2,456	
18.1	\$0.00	

Save almost \$80,000 & Takes 5 years off your mortgage

Save almost \$112,000 Takes 7 years off your mortgage

HOW TO SAVE THOUSANDS ON YOUR MORTGAGE

NOTICE: The purpose of this guide is to provide a simple example for information purposes only. This example is based on a new (for Purchase) mortgage in the amount of \$300,000 at a fixed 5 year term and at a 1.89% interest rate.

Disclaimer: Please be aware that these are examples only and should not be construed as actual cases. Amounts can vary based upon discharge penalties (if applicable), rate type (fixed or variable), and terms. Please consult a mortgage professional for any information specific to your financial situation.

I hope you find this information useful!



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SCENERIO #2

COMPARING AMORTIZATION

The next scenario compares savings by changing the amortization (the number of years it takes to pay off your mortgage)

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Payment Frequency Comparison

\$300,000
 Mortgage

1.89%
 5-Year Fixed

25 Years
 Amortization

Compare Payments

Frequency	Payment	Increased Payment	Annual Prepayment	Total Payment
Monthly	\$1,254	-	-	\$1,254
Bi-Weekly	\$579	-	-	\$579
Acc. Bi-Weekly	\$627			\$627
Weekly	\$289	-	-	\$289
Acc. Weekly	\$314	-	-	\$314
Semi-Monthly	\$627	-	-	\$627

Compare Term and Time Savings

Frequency	Term Interest	Term Savings	Principal Paid	Balance	Actual Time	Time Savings
Base (Monthly)	\$25,995	-	\$49,275	\$250,725	25 yrs	-
Monthly	\$25,995	-	\$49,275	\$250,725	25 yrs	-
Bi-Weekly	\$25,963	\$32	\$49,274	\$250,726	25 yrs	-
Acc. Bi-Weekly	\$25,660	\$335	\$55,882	\$244,118	22 yrs 7 mo	2 yrs 5 mo
Weekly	\$25,950	\$45	\$49,274	\$250,726	25 yrs	-
Acc. Weekly	\$25,644	\$351	\$55,897	\$244,103	22 yrs 7 mo	2 yrs 5 mo
Semi-Monthly	\$25,965	\$30	\$49,275	\$250,725	25 yrs	-

Payment Frequency Comparison

\$300,000


Mortgage

1.89%

5-Year Fixed

20 Years

Amortization



Compare Payments

Frequency	Payment	Increased Payment	Annual Prepayment	Total Payment
Monthly	\$1,501	-	-	\$1,501
Bi-Weekly	\$692	-	-	\$692
Acc. Bi-Weekly	\$751	→		\$751
Weekly	\$346	-	-	\$346
Acc. Weekly	\$375	-	-	\$375
Semi-Monthly	\$750	-	-	\$750

Compare Term and Time Savings

Frequency	Term Interest	Term Savings	Principal Paid	Balance	Actual Time	Time Savings
Base (Monthly)	\$25,289	-	\$64,773	\$235,227	20 yrs	-
Monthly	\$25,289	-	\$64,773	\$235,227	20 yrs	-
Bi-Weekly	\$25,251	\$38	\$64,773	\$235,227	20 yrs	-
Acc. Bi-Weekly	\$24,888	\$401	\$72,678	\$227,322	18 yrs 2 mo	1 yrs 10 mo
Weekly	\$25,235	\$54	\$64,772	\$235,228	20 yrs	-
Acc. Weekly	\$24,869	\$420	\$72,698	\$227,302	18 yrs 2 mo	1 yrs 10 mo
Semi-Monthly	\$25,254	\$35	\$64,773	\$235,227	20 yrs	-

Payment Frequency Comparison

\$300,000
Mortgage

1.89%
5-Year Fixed

15 Years
Amortization

Compare Payments

Frequency	Payment	Increased Payment	Annual Prepayment	Total Payment
Monthly	\$1,914	-	-	\$1,914
Bi-Weekly	\$883	-	-	\$883
Acc. Bi-Weekly	\$957			\$957
Weekly	\$442	-	-	\$442
Acc. Weekly	\$479	-	-	\$479
Semi-Monthly	\$957	-	-	\$957

Compare Term and Time Savings

Frequency	Term Interest	Term Savings	Principal Paid	Balance	Actual Time	Time Savings
Base (Monthly)	\$24,106	-	\$90,755	\$209,245	15 yrs	-
Monthly	\$24,106	-	\$90,755	\$209,245	15 yrs	-
Bi-Weekly	\$24,057	\$48	\$90,755	\$209,245	15 yrs	-
Acc. Bi-Weekly	\$23,594	\$512	\$100,839	\$199,161	13 yrs 8 mo	1 yrs 4 mo
Weekly	\$24,036	\$69	\$90,756	\$209,244	15 yrs	-
Acc. Weekly	\$23,570	\$535	\$100,863	\$199,137	13 yrs 8 mo	1 yrs 4 mo
Semi-Monthly	\$24,061	\$45	\$90,755	\$209,245	15 yrs	-

Payment Frequency Comparison

\$300,000
Mortgage

1.89%
5-Year Fixed

10 Years
Amortization

Compare Payments

Frequency	Payment	Increased Payment	Annual Prepayment	Total Payment
Monthly	\$2,745	-	-	\$2,745
Bi-Weekly	\$1,266	-	-	\$1,266
Acc. Bi-Weekly	\$1,372			\$1,372
Weekly	\$633	-	-	\$633
Acc. Weekly	\$686	-	-	\$686
Semi-Monthly	\$1,372	-	-	\$1,372

Compare Term and Time Savings

Frequency	Term Interest	Term Savings	Principal Paid	Balance	Actual Time	Time Savings
Base (Monthly)	\$21,729	-	\$142,951	\$157,049	10 yrs	-
Monthly	\$21,729	-	\$142,951	\$157,049	10 yrs	-
Bi-Weekly	\$21,659	\$89	\$142,951	\$157,049	10 yrs	-
Acc. Bi-Weekly	\$20,995	\$734	\$157,408	\$142,592	9 yrs 2 mo	10 mo
Weekly	\$21,629	\$99	\$142,951	\$157,049	10 yrs	-
Acc. Weekly	\$20,961	\$768	\$157,441	\$142,559	9 yrs 2 mo	10 mo
Semi-Monthly	\$21,664	\$85	\$142,951	\$157,049	10 yrs	-

SUMMARY

BELOW ARE ALL BASED ON 5 YEAR FIXED AT 1.89 % WITH BI-WEEKLY ACCELERATED PAYMENTS

25 YEARS		20 YEARS		15 YEARS		10 YEARS	
Year	Loan Remaining	Year	Loan Remaining	Year	Loan Remaining	Year	Loan Remaining
1	\$289,240	1	\$286,006	1	\$280,584	1	\$269,692
2	\$278,276	2	\$271,746	2	\$260,799	2	\$238,808
3	\$267,104	3	\$257,216	3	\$240,638	3	\$207,337
4	\$255,719	4	\$242,409	4	\$220,094	4	\$175,269
5	\$244,118	5	\$227,322	5	\$199,161	5	\$142,592
6	\$232,297	6	\$211,947	6	\$177,829	6	\$109,294
7	\$220,252	7	\$196,281	7	\$156,093	7	\$75,365
8	\$207,978	8	\$180,318	8	\$133,944	8	\$40,790
9	\$195,470	9	\$164,051	9	\$111,374	9	\$5,560
10	\$182,726	10	\$147,475	10	\$88,376	9.2	\$0.00
11	\$169,739	11	\$130,585	11	\$64,941		
12	\$156,505	12	\$113,374	12	\$41,061		
13	\$143,021	13	\$95,836	13	\$16,728		
14	\$129,280	14	\$77,965	13.7	\$0.00		
15	\$115,278	15	\$59,755				
16	\$101,011	16	\$41,199				
17	\$86,472	17	\$22,290				
18	\$71,657	18	\$3,022				
19	\$56,562	18.2	\$0.00				
20	\$41,179						
21	\$25,504						
22	\$9,532						
22.6	\$0.00						

INTEREST PAID \$75,875
22.54 YEARS

INTEREST PAID \$60,192
18.12 YEARS

INTEREST PAID \$44,745
13.65 YEARS

INTEREST PAID \$29,566
9.15 YEARS

To Save Even More you can pay a lump sum (\$1000-\$30000) at the end of each year
(most mortgages allow a pre-payment of between 10-15% of the principal amount.

Your Mortgage Specialist!



Ron Riley

Mortgage Agent

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CENTUM[®]
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As a mortgage specialist, I can help you find the right mortgage for your individual needs! Please contact me for all your mortgage needs!

Whether you're buying a home or looking to refinance or renew, I can offer you a variety of options from different lenders verses what one bank offers.

I promise to save you time and money!

We offer:

Prime first mortgages

Private mortgages

Second Mortgages

Reverse Mortgages

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