

PRIMELENDING
EST
1986

Home Loans Made Simple™



Advice over Price

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The Best Rate on The Wrong
Loan Could cost your Client
Thousands of Dollars

TWO QUESTIONS



Are you already reviewing your clients mortgage statements?

What questions come up?



A Few Examples



Move Up Buyer

Summary | Quote Date - 10/02/2018

[More Info](#)

	80% FINANCING	90% FINANCING
Purchase Price:	\$660,000	\$660,000
Loan Amount:	\$528,000	\$594,000
Interest Rate:	5.000%	5.125%
APR:	*5.053%	*5.264%
Term (mos):	360	360
Payment:	**\$4,760.04	**\$3,907.87
Cash To Close:	\$129,977.33	\$70,032.11
Monthly Savings	\$0.00	\$852.17
1st Total Interest Percentage:	93.320%	96.090%
1st Loan 5 yr Cost:	\$175,196.67	\$205,241.25
Savings(60 mth):	\$25,611	\$0
Freedom Pt 1:	30.00 yrs	30.00 yrs

* \$200k from Sale of Home

* 10% vs 20%

* \$852 extra cash flow w less down

Payment breakdown

	80% FINANCING	90% FINANCING
Price/Value:	\$660,000	\$660,000
P&I (1st):	\$2,834.42	\$3,234.25
Property Tax:	\$598.62	\$598.62
Hazard Ins:	\$75.00	\$75.00
Mtg Insurance:	\$0.00	\$0.00
Total PITI:	**\$3,508.04	**\$3,907.87
HOA:	\$0.00	\$0.00
Car & Student Loans	\$1,252.00	\$0.00
Reduction Pmt:	\$0.00	\$0.00
Investment Pmt:	\$0.00	\$0.00
Total Payment:	**\$4,760.04	**\$3,907.87

How? Debt Management

You are the Asset Managers We are the Debt Managers

- ▶ Current House Pymnt
 - ▶ \$2,447 (PITI) + \$1,252 (Debt) = \$3,699
- ▶ Their Plan – 20% down = \$129,977 Cash to Close
 - ▶ \$3,508 (PITI) + \$1,252 (Debt) = \$4,760
- ▶ Our Plan – 10% down = \$70,032 Cash to Close
 - ▶ \$3,908 (PITI) + ZERO Debt = \$3,908
 - ▶ Net Result \$209 increase in monthly payment as opposed to an \$852 increase.



Client called to pull \$25k cash out
for a new roof.... AND wanted to
keep payment around \$2,500

Summary | Quote Date - 09/26/2018

[More Info](#)

	15YR FIXED #1	20YR FIXED #1	15YR FIXED #2	20YR FIXED #2
Property Value:	\$800,000	\$800,000	\$800,000	\$800,000
Loan Amount:	\$183,000	\$183,000	\$216,000	\$216,000
Interest Rate:	4.875%	5.125%	4.875%	5.125%
APR:	*5.070%	*5.282%	*5.042%	*5.259%
Term (mos):	180	240	180	240
Payment:	**\$2,858.45	**\$2,643.58	**\$2,485.27	**\$2,231.65
Cash Out:	\$25,137.89	\$25,111.62	\$25,471.85	\$25,444.46
Monthly Savings	\$0.00	\$214.87	\$373.18	\$626.80

* Rate went from 4.125% to 4.875%

* Does that Make Sense?

CASH OUT REFI

Payment breakdown

	15YR FIXED #1	20YR FIXED #1	15YR FIXED #2	20YR FIXED #2
Price/Value:	\$800,000	\$800,000	\$800,000	\$800,000
P&I (1st):	\$1,435.26	\$1,220.39	\$1,694.08	\$1,440.46
Property Tax:	\$564.66	\$564.66	\$564.66	\$564.66
Hazard Ins:	\$226.53	\$226.53	\$226.53	\$226.53
Mtg Insurance:	\$0.00	\$0.00	\$0.00	\$0.00
Total PITI:	**\$2,226.45	**\$2,011.58	**\$2,485.27	**\$2,231.65
HOA:	\$0.00	\$0.00	\$0.00	\$0.00
Credit Cards	\$632.00	\$632.00	\$0.00	\$0.00
Reduction Pmt:	\$0.00	\$0.00	\$0.00	\$0.00
Investment Pmt:	\$0.00	\$0.00	\$0.00	\$0.00
Total Payment:	**\$2,858.45	**\$2,643.58	**\$2,485.27	**\$2,231.65

\$632 a month in credit card debt

\$37,509 owed on credit cards

Closing Costs

	15YR FIXED #1	20YR FIXED #1	15YR FIXED #2	20YR FIXED #2
Down Pmt/Equity:	\$617,000.00	\$617,000.00	\$584,000.00	\$584,000.00
Loan To Value:	22.880%	22.880%	27.000%	27.000%
APR Costs:	\$2,340.21	\$2,366.48	\$2,362.25	\$2,389.64
Non-APR Costs:	\$660.50	\$660.50	\$660.50	\$660.50
Points:	\$0.00	\$0.00	\$0.00	\$0.00
UFMIP/FF/GF/SP:	\$0.00	\$0.00	\$0.00	\$0.00
Prepays:	\$4,865.40	\$4,865.40	\$37,509.40	\$37,509.40
Contributions:	\$0.00	\$0.00	\$0.00	\$0.00
Earnest Money:	\$0.00	\$0.00	\$0.00	\$0.00
Cash Out:	\$25,137.89	\$25,111.62	\$25,471.85	\$25,444.46

Best Debt Strategy?

- ▶ They closed on their loan with PrimeLending last year on a 20 year 4.125% loan.
- ▶ New loan 4.875% on a 15 year loan
- ▶ By Refinancing they
 - ▶ Saved 4 years off their mortgage
 - ▶ Eliminated \$37k in cc debt
 - ▶ Kept their payment under the desired \$2,500
 - ▶ Got their new roof!
 - ▶ Freed up potential funds to invest

Holistic Approach



- ▶ We look at the overall debt structure for clients!
- ▶ We help them look at the cost of their mortgage overtime in windows of time that make sense based on their financial horizons!
- ▶ We want to help them preserve cash in their investment accounts!
- ▶ We review their current retirement accounts and inquire as to who is helping them with retirement planning!
- ▶ We look for ways to maximize tax advantages, minimize expenses and find them the best overall loan!
- ▶ We conduct Annual Mortgage Reviews with our clients to make sure their current mortgage is still the best fit!



We
monitor
the
Market!

Lock or Float?





The "Latte" Factor

How do you contact us?

- ▶ David Wakefield – www.davidwakefield.com 904-394-1398
- ▶ Michael Gaya – www.michaelgayda.com - 904-394-1420

