

80-15-5 Eliminate Mortgage Insurance with 5% Down

The 80-15-5 is actually two loans. The first loan is for 80% of the purchase price; the second loan is for 15% of the purchase price and you will have a 5% down payment. Mortgage Insurance is eliminated because you have an 80% first mortgage. The money you would have been paying for mortgage insurance is redirected toward principal and interest. And, due to the faster loan amortization of the 15-year second mortgage, your combined loan balance will be reduced faster when compared to the one-loan method. If you prefer a slightly lower monthly payment, the second mortgage can be based on a 30 year payout.

One-Loan Method

80-15-5

150,000	Purchase Price
-7,500	Down Payment 5%
<u>0</u>	
142,500	95% 1st Mortgage
843	Pmt. on 1st Mtg. at 5.875% for 30 yr.
<u>0</u>	
93	Mtg. Insurance
936	Monthly Payment
Loan Balance after 36 Payments	
136,796	Loan Balance

150,000	Purchase Price
-7,500	Down Payment 5%
<u>-22,500</u>	2nd Mortgage 15%
120,000	80% 1st Mortgage
710	Pmt. on 1st Mtg. at 5.875% for 30 yr.
207	Pmt. on 2nd Mtg. at 7.375% for 15 yr.
<u>0</u>	Mtg. Insurance
917	Monthly Payment
19	Monthly Savings
675	36 months of payment savings
Loan Balance after 36 Payments	
115,196	Loan Balance 1st Mtg.
<u>19,741</u>	Loan Balance 2nd Mtg.
134,938	Loan Balance of 1st & 2nd Mtg
1,858	Lower Loan Balance
\$2,533	Total Savings after 36 mos.

Call for current rates, customized calculations to fit your needs, and to discuss any questions you might have.

Dee Russell
Sr. Loan Officer
Direct: 281-956-3402



Sam Russell
Sr. Loan Officer
Direct: 281-956-3401

281-286-6777

www.HomeLoanNFLP.com

1002 Gemini Ave., Suite 120 Houston, Texas 77058