

80-10-10 Eliminate Mortgage Insurance with 10% Down

The 80-10-10 is actually two loans. The first loan is for 80% of the purchase price; the second loan is for 10% of the purchase price and you will have a 10% 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

200,000	Purchase Price
-20,000	Down Payment 10%
0	
180,000	90% 1st Mortgage
1,065	Pmt. on 1st Mtg. at 5.875% for 30 yr.
0	
78	Mtg. Insurance
1,143	Monthly Payment
Loan Balance after 36 Payments	
172,795	Loan Balance

80-10-10

200,000	Purchase Price
-20,000	Down Payment 10%
-20,000	2nd Mortgage 10%
160,000	80% 1st Mortgage
946	Pmt. on 1st Mtg. at 5.875% for 30 yr.
184	Pmt. on 2nd Mtg. at 7.375% for 15 yr.
0	Mtg. Insurance
1,130	Monthly Payment
12	Monthly Payment Savings
444	36 Months of Payment Savings
Loan Balance after 36 Payments	
153,595	Loan Balance 1st Mtg.
17,548	Loan Balance 2nd Mtg.
171,143	Loan Balance of 1st & 2nd Mtg
1,652	Lower Loan Balance
\$2,095 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