



Actual Case Study

06/21/2019

Background: Borrower's were solicited by an Retail Lender, *we are going to keep their name quiet, as to not embarrass them too much,* for a VA Refinance. Their past Realtor encouraged them to asked 1st Choice Mortgage for a 2nd look.

Here is the actual Loan Estimate from the other lender and the actual Loan Estimate from 1st Choice Mortgage:

Them

| Loan Terms | | Can't |
|--------------------------------------------------------------------------------------------------------------|------------|---------|
| Loan Amount | \$293,862 | NO |
| Interest Rate | 4.125% | NO |
| Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i> | \$1,442.75 | NO |
| Prepayment Penalty | | Does NO |
| Balloon Payment | | NO |

| Loan Costs | |
|------------------------------------------|----------------|
| A. Origination Charges | \$5,092 |
| 1.563 % of Loan Amount (Points) | \$4,593 |
| Underwriting Fees | \$499 |
| B. Services You Cannot Shop For | \$2,173 |
| Appraisal Fee | \$600 |
| Credit Report | \$88 |
| Flood Certification | \$6 |
| Tax Service | \$17 |
| VA Funding Fee | \$1,462 |
| C. Services You Can Shop For | \$2,671 |
| Title - Closing Protection Letter Lender | \$25 |
| Title - Courier Messenger Fees | \$20 |
| Title - Endorsements | \$193 |
| Title - Lender's Title Insurance | \$1,528 |
| Title - Notary Fees | \$200 |
| Title - Reconveyance Fee | \$75 |
| Title - Settlement Fee | \$600 |
| Title - Wire Transfer Fee | \$30 |

| Comparisons | Use these |
|---------------------------------|----------------------|
| In 5 Years | \$96,932 \$28,772 |
| Annual Percentage Rate (APR) | 4.358% |
| Total Interest Percentage (TIP) | 72.475% |

1st Choice Mortgage

| Loan Terms | | Can't |
|--------------------------------------------------------------------------------------------------------------|------------|---------|
| Loan Amount | \$289,783 | NO |
| Interest Rate | 3.75% | NO |
| Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i> | \$1,342.03 | NO |
| Prepayment Penalty | | Does NO |
| Balloon Payment | | NO |

| Loan Costs | |
|----------------------------------------|----------------|
| A. Origination Charges | ZIP |
| % of Loan Amount (Points) | |
| B. Services You Cannot Shop For | \$1,527 |
| Flood Certification | \$6 |
| Tax Service Fee | \$79 |
| VA Funding Fee | \$1,442 |
| C. Services You Can Shop For | \$2,536 |
| Title - Closing Protection Letter Fee | \$25 |
| Title - Courier Fee | \$25 |
| Title - E-Recording Fee | \$35 |
| Title - Lenders Title Insurance | \$1,681 |
| Title - Settlement/Closing Fee | \$650 |
| Title - Title Endorsement Fees | \$90 |
| Title - Wire Fee | \$30 |

| Comparisons | Use these |
|---------------------------------|----------------------|
| In 5 Years | \$85,031 \$28,754 |
| Annual Percentage Rate (APR) | 3.827% |
| Total Interest Percentage (TIP) | 66.876% |

The results: Our borrower have significant less closing costs, No junk Fees, and over the life of the loan will pay .375% less in interest. 1st Choice's APR is also .531% less! AND Save \$100.72 per month. All other items are an identical VA Mortgage, Home Refinance. **Mortgage Brokers ARE Better, REALLY!**