

Fairway Mortgage Corporation

"At Fairway we are only as good as our last loan"

14300 Cornerstone Village Dr., #120 Houston, TX 77014

Tel:(281) 537-1090 Fax:(281) 580-8779

Tax Bracket
33%

Prepared by
Ed Dermody

Date prepared
10/28/2003

The purpose of this analysis is to help you reposition your debt to increase your net worth.

FOLLOW THESE 3 SIMPLE STEPS:

1. CURRENT LIABILITIES displays the current liabilities information that we have on file for you.
2. RECOMMENDED DEBT STRUCTURE shows how you can reposition your debt to increase your net worth.
3. EQUITY REPOSITIONING shows you how you can take our recommended monthly savings and invest it for your future to increase your net worth!

Equity Repositioning Analysis

Jodi Kramer

123 Beautiful Home Street

Houston, TX 77014

CURRENT LIABILITIES

Your current debt structure

Type	Creditor	Rate	Balance	Payment	Tax Ded.	
Mortgage	Current Mortgage	8.250%	\$212,000	\$1,576	\$481	
Mortgage	2nd Mortgage	12.500%	\$30,000	\$320	\$103	
Auto	Car Payment	9.500%	\$12,487	\$400	\$0	
Credit Card	ABC Credit	16.000%	\$14,567	\$728	\$0	
Totals (Paid-Off items):			\$269,054	\$3,024	\$584	

RECOMMENDED DEBT STRUCTURE*

Our proposed debt structure and benefits

Program	Terms	Rate	Balance	Payment	Tax Ded.
1st New Program	360	7.000%	\$240,000	\$1,597	\$462
2nd 2nd TD	180	10.500%	\$50,000	\$553	\$144
Totals:			\$290,000	\$2,149	\$606

Loan Costs

\$5,000

\$15,946

Cash Out

\$875

Savings

\$22

Savings

ASSET ACCUMULATION

Savings based on our current recommendations

Asset Criteria	Accumulation	
	Years	Amount
Opening Balance	\$892	\$101,564
Rate	8.000%	\$311,616
Payment	\$892	\$1,339,155

PROJECTED REAL ESTATE VALUE

Value based on our current projections

Criteria	Projected Value	
	Years	Value
Current Value	\$363,000	\$417,501
Projected Rate	2.000%	\$489,876
		\$661,099

TOTAL REAL ESTATE & INVESTMENT VALUE

Before and after!

Years	Before	After
7	\$417,501	\$519,065
15	\$489,876	\$801,492
30	\$661,099	\$2,000,254

TAX BENEFITS

Savings based on our current recommendations

	Monthly	Qrtly.	Yearly
Before	\$584	\$1,752	\$7,009
After	\$606	\$1,819	\$7,277
Savings	\$22	\$67	\$267

NOTES

Small changes in your debt structure can make a life changing difference in your financial future. When you're ready to refinance or buy a new home, be sure to call us first. With a simple phone call, you can apply for a loan, get advance loan approval, and lock in your interest rate! Just call our dedicated team of Home Loan Experts at the number listed at the top of this page.

Ask your friends or family if they would like to receive a copy of our Equity Repositioning Analysis!

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AMORTIZATION

The Detail table below discloses the financial information used to calculate the tables above. For further information, speak with your professional mortgage advisor. *

Program	Terms	Rate	Balance	Payment	Tax Ded.
1st New Program	360	7.000%	\$240,000	\$1,597	\$527
2nd 2nd TD	180	10.500%	\$50,000	\$553	\$182
Totals:			\$290,000	\$2,149	\$606

Period (Year)	Mortgage Balance	8.000%				10.000%				12.000%			
		Starting Principal	Yearly Additions	Total Return	Ending Principal	Starting Principal	Yearly Additions	Total Return	Ending Principal	Starting Principal	Yearly Additions	Total Return	Ending Principal
1	\$286,111	\$892	\$10,704	\$475	\$12,071	\$892	\$10,704	\$598	\$12,194	\$892	\$10,704	\$722	\$12,318
2	\$281,886	\$12,071	\$10,704	\$1,403	\$24,179	\$12,194	\$10,704	\$1,781	\$24,679	\$12,318	\$10,704	\$2,171	\$25,193
3	\$277,295	\$24,179	\$10,704	\$2,408	\$37,291	\$24,679	\$10,704	\$3,089	\$38,472	\$25,193	\$10,704	\$3,804	\$39,701
4	\$272,304	\$37,291	\$10,704	\$3,496	\$51,491	\$38,472	\$10,704	\$4,533	\$53,709	\$39,701	\$10,704	\$5,644	\$56,049
5	\$266,876	\$51,491	\$10,704	\$4,675	\$66,870	\$53,709	\$10,704	\$6,129	\$70,541	\$56,049	\$10,704	\$7,717	\$74,470
6	\$260,973	\$66,870	\$10,704	\$5,952	\$83,526	\$70,541	\$10,704	\$7,891	\$89,137	\$74,470	\$10,704	\$10,053	\$95,227
7	\$254,550	\$83,526	\$10,704	\$7,334	\$101,564	\$89,137	\$10,704	\$9,838	\$109,679	\$95,227	\$10,704	\$12,686	\$118,617
8	\$247,560	\$101,564	\$10,704	\$8,831	\$121,099	\$109,679	\$10,704	\$11,989	\$132,372	\$118,617	\$10,704	\$15,652	\$144,974
9	\$239,951	\$121,099	\$10,704	\$10,452	\$142,255	\$132,372	\$10,704	\$14,366	\$157,442	\$144,974	\$10,704	\$18,995	\$174,673
10	\$231,664	\$142,255	\$10,704	\$12,208	\$165,168	\$157,442	\$10,704	\$16,991	\$185,136	\$174,673	\$10,704	\$22,762	\$208,138
11	\$222,637	\$165,168	\$10,704	\$14,110	\$189,982	\$185,136	\$10,704	\$19,891	\$215,731	\$208,138	\$10,704	\$27,006	\$245,848 *
12	\$212,802	\$189,982	\$10,704	\$16,170	\$216,856 *	\$215,731	\$10,704	\$23,094	\$249,529 *	\$245,848	\$10,704	\$31,789	\$288,341
13	\$202,081	\$216,856	\$10,704	\$18,400	\$245,960	\$249,529	\$10,704	\$26,633	\$286,867	\$288,341	\$10,704	\$37,178	\$336,223
14	\$190,393	\$245,960	\$10,704	\$20,816	\$277,480	\$286,867	\$10,704	\$30,543	\$328,114	\$336,223	\$10,704	\$43,250	\$390,177
15	\$177,645	\$277,480	\$10,704	\$23,432	\$311,616	\$328,114	\$10,704	\$34,862	\$373,680	\$390,177	\$10,704	\$50,093	\$450,974
16	\$170,700	\$311,616	\$10,704	\$26,265	\$348,585	\$373,680	\$10,704	\$39,634	\$424,018	\$450,974	\$10,704	\$57,804	\$519,481
17	\$163,252	\$348,585	\$10,704	\$29,334	\$388,623	\$424,018	\$10,704	\$44,905	\$479,627	\$519,481	\$10,704	\$66,492	\$596,677
18	\$155,266	\$388,623	\$10,704	\$32,657	\$431,984	\$479,627	\$10,704	\$50,728	\$541,059	\$596,677	\$10,704	\$76,282	\$683,664
19	\$146,703	\$431,984	\$10,704	\$36,256	\$478,944	\$541,059	\$10,704	\$57,160	\$608,923	\$683,664	\$10,704	\$87,314	\$781,682
20	\$137,520	\$478,944	\$10,704	\$40,153	\$529,801	\$608,923	\$10,704	\$64,267	\$683,894	\$781,682	\$10,704	\$99,746	\$892,132
21	\$127,674	\$529,801	\$10,704	\$44,375	\$584,879	\$683,894	\$10,704	\$72,117	\$766,715	\$892,132	\$10,704	\$113,753	\$1,016,589
22	\$117,116	\$584,879	\$10,704	\$48,946	\$644,530	\$766,715	\$10,704	\$80,790	\$858,208	\$1,016,589	\$10,704	\$129,538	\$1,156,831
23	\$105,795	\$644,530	\$10,704	\$53,897	\$709,130	\$858,208	\$10,704	\$90,370	\$959,282	\$1,156,831	\$10,704	\$147,324	\$1,314,859
24	\$93,655	\$709,130	\$10,704	\$59,259	\$779,093	\$959,282	\$10,704	\$100,954	\$1,070,940	\$1,314,859	\$10,704	\$167,366	\$1,492,929
25	\$80,638	\$779,093	\$10,704	\$65,066	\$854,863	\$1,070,940	\$10,704	\$112,646	\$1,194,290	\$1,492,929	\$10,704	\$189,950	\$1,693,583
26	\$66,680	\$854,863	\$10,704	\$71,355	\$936,922	\$1,194,290	\$10,704	\$125,562	\$1,330,556	\$1,693,583	\$10,704	\$215,397	\$1,919,684
27	\$51,712	\$936,922	\$10,704	\$78,165	\$1,025,791	\$1,330,556	\$10,704	\$139,831	\$1,481,092	\$1,919,684	\$10,704	\$244,073	\$2,174,461
28	\$35,663	\$1,025,791	\$10,704	\$85,541	\$1,122,036	\$1,481,092	\$10,704	\$155,594	\$1,647,390	\$2,174,461	\$10,704	\$276,385	\$2,461,550
29	\$18,454	\$1,122,036	\$10,704	\$93,530	\$1,226,270	\$1,647,390	\$10,704	\$173,008	\$1,831,101	\$2,461,550	\$10,704	\$312,795	\$2,785,048
30	\$0	\$1,226,270	\$10,704	\$102,181	\$1,339,155	\$1,831,101	\$10,704	\$192,245	\$2,034,050	\$2,785,048	\$10,704	\$353,823	\$3,149,575

* Debt Free Status! Indicates point where accumulated assets exceed debt !

Investment Criteria	
Starting Principal	\$892
Rate of Return	8.000%
Number of Months	360
Monthly Investment	\$892

Benefits	
By year 12, asset accumulation will exceed debt. By year 30, yearly income will exceed \$102,181 with an asset account of \$1,339,155.	

Investment Criteria	
Starting Principal	\$892
Rate of Return	10.000%
Number of Months	360
Monthly Investment	\$892

Benefits	
By year 12, asset accumulation will exceed debt. By year 30, yearly income will exceed \$192,245 with an asset account of \$2,034,050.	

Investment Criteria	
Starting Principal	\$892
Rate of Return	12.000%
Number of Months	360
Monthly Investment	\$892

Benefits	
By year 11, asset accumulation will exceed debt. By year 30, yearly income will exceed \$353,823 with an asset account of \$3,149,575.	

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