

30 Year Fixed Rate FHA Mortgage Analysis

Instructions: Input Your Information in Blue Shaded Cells

Terms	Scenario "A"	Scenario "B"	Scenario "C"	Scenario "D"
Purchase Price	\$600,000	\$600,000	\$450,000	\$440,000
Down Payment Percent	10.0%	3.5%	3.5%	3.5%
Down Payment Amount	\$60,000	\$21,000	\$15,750	\$15,400
Assumptions				
Annual Gross Income	\$110,000	\$110,000	\$110,000	\$110,000
Monthly Recurring Debt**	\$350	\$350	\$350	\$350
Estimated rental costs (instead of buying)	\$1,650	\$1,650	\$1,650	\$1,650
Annual Appreciation Rate	8%	7%	6%	5%
Loan Programs				
1st Loan Amount	\$540,000	\$579,000	\$434,250	\$424,600
PMI Financed	\$13,500	\$13,500	\$10,125	\$9,900
Total Loan Amount	\$553,500	\$592,500	\$444,375	\$434,500
Monthly Payment				
Fully Amortized Mortgage Payment	\$2,971	\$3,181	\$2,386	\$2,332
Private Mortgage Insurance	\$275	\$275	\$206	\$202
Hazard Insurance (not inc flood/earthquake)	\$75	\$75	\$56	\$55
Property Taxes	\$600	\$600	\$450	\$440
Total Housing Expense	\$3,921	\$4,131	\$3,098	\$3,029
Financial Analysis				
Estimated income tax savings***	\$853	\$913	\$685	\$669
Net Cost of Ownership	\$3,069	\$3,218	\$2,413	\$2,360
Rent vs. own monthly costs	\$1,419	\$1,568	\$763	\$710
Rent vs own w/appreciation****	\$2,581	\$1,932	\$1,487	\$1,124
ROI Months	27	16	17	21
5 Year ROI	\$128,764	\$131,499	\$99,761	\$77,646
10 Year ROI	\$384,942	\$355,857	\$270,280	\$224,575
Loan Information				
Total Monthly Expenses	\$4,271	\$4,481	\$3,448	\$3,379
LTV	90.0%	96.5%	96.5%	96.5%
2 Month Reserve	\$7,843	\$8,261	\$6,196	\$6,058
Debt to Income Ratio*	46.6%	48.9%	37.6%	36.9%
Non-recurring closing costs	\$9,850	\$10,240	\$8,793	\$8,696
Total Up Front Investment	\$69,850	\$31,240	\$24,543	\$24,096
FHA Loan Details				
Lender				FHA
Loan Type				30 year fixed fully amortized
Interest Rate on 1st Mortgage				5.000%
Terms 1st				360
Doc Type				Full
Pre-Pay				None

*Credit and debt to income qualification required

** Include car payments > 4 months, existing mortgage, taxes, insurance, other loan payments

*** Consult with CPA to accurately calculate mortgage interest tax deduction; will be reduced over time as you pay more principal

**** Red values indicate appreciation amount investment value based on rate assumption

***** Based on minimum 3.5% down \$2,565.00