


Borrow Smart  Analysis™
Liability Review



Prepared for:
Daniel Debtor
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*Your actual rate, payment and costs could be higher.
Get an official Loan Estimate before choosing a loan.*



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Why Manage Liabilities?

During your life time, your relationship with borrowing will change. For many, the initial borrowing is out of necessity, but as assets grow the decision to borrow or use other assets becomes more difficult. You'll be faced with borrowing decisions that seem simple, but could have a profound impact on your future wealth over long periods of time.

How you manage your liabilities could play as important a role as how you manage your assets. Management of liabilities can provide you with; a plan to better manage daily cash flow, a way to increase liquidity, a solution to fund college, help when buying or refinancing a home. Working together to incorporate assets and liabilities into an overall financial plan may well be one of the most important financial factors in the accomplishment of your long term financial goals.

Disclosure

Notice: Information provided is time-sensitive. The APR and other analysis is largely calculated based on information provided by you. Rates programs fees and points are time sensitive are calculated based on general market data and are for illustrative purposes only. The actual program rates and costs may be different. If you accept an Adjustable Rate Mortgage, your payments and interest rates may change. Consult with your tax advisor to determine if any part of your mortgage payment qualifies for a tax deduction. Payments, interest rates and loan balances are estimates only. Your amounts may be different. This is not a loan commitment nor is it a guarantee of any kind. This comparison is based solely on estimated figures and information available at time of preparation. There is no requirement to purchase any financial products to be eligible for any mortgage product illustrated.

What's Inside This Analysis?

Cover Page	1
Introduction	2
Summary & Payment Information	3
Payment & Wealth Comparison	4

Objectives Summary / Notes:

Reduce Monthly Cash flow to debts
Lower interest paid over time

Summary & Payment Information: Next 15 Years

	CURRENT	PROPOSED Debt Consolidation
Loan(s):		30 Year Fixed
Property Value / Total Loan Amount:	\$900,000 / \$505,500	\$900,000 / \$510,000
Remaining Term:	344	360
Interest Rate:	4.000%	3.000%
APR:		3.054%
Minimum Monthly Payment:	\$4,387	\$2,150

Assumed Payments:	\$4,387	\$4,387
Interest Payments After 15 Years:	\$226,319	\$188,390
Principal Payments After 15 Years:	\$265,532	\$198,642
Total Payments After 15 Years:	\$789,599	\$789,599
Mortgage Balance After 15 Years:	\$239,968	\$311,358
Interest as % of Total Payments	28.66%	23.86%

Key Numbers

Estimated Total Closing Costs:		\$3,500
Cash At Closing:		\$1,000
Monthly Payment Change:		\$2,231
Break Even in Months:		5
Wealth Impact Over 15 Years:	\$0	\$168,552
Debt Free in Months:	148	125



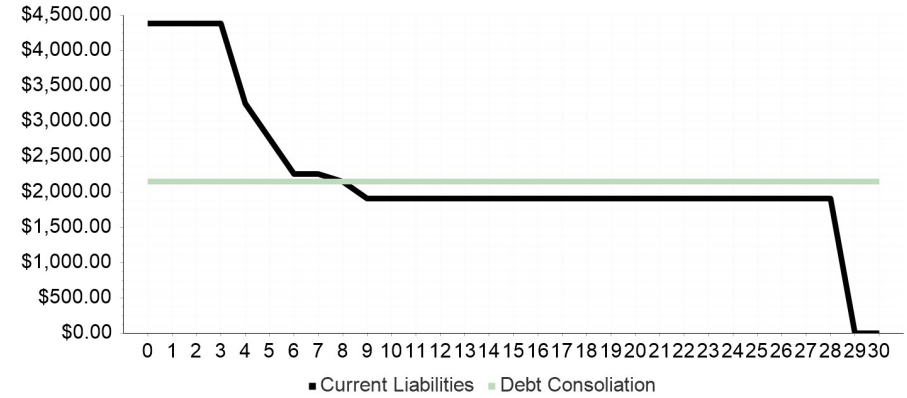
This Flyer and Rates were created on January 21, 2021.

Payment & Wealth Comparison

Monthly Payment Impact – Does This Make Sense Monthly?

	CURRENT	PROPOSED Debt Consolidation
After Tax Rate Comparison		
Total Borrowing:	\$505,500	\$510,000
After Tax Rate:	4.320%	2.250%
Rate Difference:		-2.070%
Payment Comparison		
Interest Payment:	\$2,145	\$1,275
+ Principal Payment:	\$2,242	\$875
= Net Payment:	\$4,387	\$2,150
- Tax Savings:	\$325	\$319
= After-Tax Net Payment:	\$4,062	\$1,831
Payment Difference:		\$2,231

Minimum Payments Over Time



Wealth Impact After 15 Years – Does This Make Sense Over Time?

Property Appreciation Rate: 3 % / After-Tax Savings Rate: 6 %

	CURRENT	PROPOSED Debt Consolidation
Fixed Payments:	\$4,387	\$4,387
Annual Comparison		
Interest Payments:	\$226,319	\$188,390
+ Principal Payments:	\$265,532	\$198,642
+ Savings Payments:	\$297,748	\$402,566
= Payments:	\$789,599	\$789,599
House Value:	\$1,410,689	\$1,410,689
- Mortgage Liabilities:	\$239,968	\$311,358
+ Savings Balance:	\$410,140	\$650,410
= Equity:	\$1,580,860	\$1,749,741
Cash Needed To Close		(\$1,000)
Tax Savings:	\$48,427	\$47,098
Equity - Payments - Cash To Close + Tax Savings =	\$839,688	\$1,008,240
Wealth Impact:	\$0	\$168,552

Wealth Impact Over Time

