

David D'Onofrio

Mortgage Consultant

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Tel:(925) 426-8383 Fax:(925) 426-6703

Tax Bracket
33%

Prepared by
David D'Onofrio

Date prepared
3/19/2003

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

Neil Armstrong

123 Sunset Lane

Bel Air, CA 900771234

CURRENT LIABILITIES

Your current debt structure

Type	Creditor	Rate	Balance	Payment	Tax Ded.
Mortgage	Bank of America	8.250%	\$212,000	\$1,593	\$481
Mortgage	2nd Mortgage	14.250%	\$30,000	\$405	\$118
Mortgage		0.000%	\$0	\$0	\$0
Auto	Ford Motor Credit	9.500%	\$12,486	\$456	\$0
Credit Card	Chase Manhattan	16.000%	\$14,567	\$642	\$0
Totals (Paid-Off items):			\$269,053	\$3,095	\$599

RECOMMENDED DEBT STRUCTURE*

Our proposed debt structure and benefits

Program	Terms	Rate	Balance	Payment	Tax Ded.
1st New Program	360	7.750%	\$240,000	\$1,719	\$512
2nd 2nd TD	180	11.990%	\$50,000	\$600	\$165
Totals:			\$290,000	\$2,319	\$676

Loan Costs

\$6,000

\$14,947

Cash Out

\$776

Savings

\$78

Savings

ASSET ACCUMULATION

Savings based on our current recommendations

Asset Criteria	Accumulation		
	Years	Amount	
Opening Balance	\$1,000	7	\$364,859
Rate	10.000%	15	\$1,247,865
Payment	\$3,000	30	\$6,801,301

PROJECTED REAL ESTATE VALUE

Value based on our current projections

Criteria	Projected Value		
	Current Value	Years	Value
Current Value	\$300,000	7	\$345,042
Projected Rate	2.000%	15	\$404,857
		30	\$546,363

TOTAL REAL ESTATE & INVESTMENT VALUE

Before and after!

Years	Before	After
7	\$345,042	\$709,901
15	\$404,857	\$1,652,721
30	\$546,363	\$7,347,664

TAX BENEFITS

Savings based on our current recommendations

	Monthly	Qrtly.	Yearly
Before	\$599	\$1,796	\$7,182
After	\$676	\$2,029	\$8,116
Savings	\$78	\$233	\$934

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	7.750%	\$240,000	\$1,719	\$567
2nd 2nd TD	180	11.990%	\$50,000	\$600	\$198
Totals:			\$290,000	\$2,319	\$676

Period (Year)	Mortgage Balance	10.000%				12.000%				14.000%			
		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	\$286,623	\$1,000	\$36,000	\$1,801	\$38,801	\$1,000	\$36,000	\$2,174	\$39,174	\$1,000	\$36,000	\$2,552	\$39,552
2	\$282,916	\$38,801	\$36,000	\$5,760	\$80,561	\$39,174	\$36,000	\$7,016	\$82,190	\$39,552	\$36,000	\$8,309	\$83,861
3	\$278,845	\$80,561	\$36,000	\$10,133	\$126,694	\$82,190	\$36,000	\$12,471	\$130,661	\$83,861	\$36,000	\$14,926	\$134,787
4	\$274,372	\$126,694	\$36,000	\$14,963	\$177,657	\$130,661	\$36,000	\$18,619	\$185,280	\$134,787	\$36,000	\$22,532	\$193,318
5	\$269,455	\$177,657	\$36,000	\$20,300	\$233,957	\$185,280	\$36,000	\$25,546	\$246,826	\$193,318	\$36,000	\$31,273	\$260,591
6	\$264,049	\$233,957	\$36,000	\$26,195	\$296,152 *	\$246,826	\$36,000	\$33,351	\$316,177 *	\$260,591	\$36,000	\$41,319	\$337,910 *
7	\$258,101	\$296,152	\$36,000	\$32,708	\$364,859	\$316,177	\$36,000	\$42,147	\$394,324	\$337,910	\$36,000	\$52,866	\$426,777
8	\$251,555	\$364,859	\$36,000	\$39,902	\$440,761	\$394,324	\$36,000	\$52,058	\$482,381	\$426,777	\$36,000	\$66,138	\$528,915
9	\$244,347	\$440,761	\$36,000	\$47,850	\$524,612	\$482,381	\$36,000	\$63,226	\$581,607	\$528,915	\$36,000	\$81,391	\$646,306
10	\$236,408	\$524,612	\$36,000	\$56,630	\$617,242	\$581,607	\$36,000	\$75,810	\$693,416	\$646,306	\$36,000	\$98,923	\$781,229
11	\$227,658	\$617,242	\$36,000	\$66,330	\$719,572	\$693,416	\$36,000	\$89,990	\$819,407	\$781,229	\$36,000	\$119,073	\$936,302
12	\$218,011	\$719,572	\$36,000	\$77,045	\$832,617	\$819,407	\$36,000	\$105,969	\$961,375	\$936,302	\$36,000	\$142,231	\$1,114,533
13	\$207,371	\$832,617	\$36,000	\$88,883	\$957,500	\$961,375	\$36,000	\$123,974	\$1,121,349	\$1,114,533	\$36,000	\$168,849	\$1,319,382
14	\$195,629	\$957,500	\$36,000	\$101,959	\$1,095,459	\$1,121,349	\$36,000	\$144,263	\$1,301,612	\$1,319,382	\$36,000	\$199,441	\$1,554,824
15	\$182,666	\$1,095,459	\$36,000	\$116,406	\$1,247,865	\$1,301,612	\$36,000	\$167,124	\$1,504,736	\$1,554,824	\$36,000	\$234,603	\$1,825,426
16	\$175,955	\$1,247,865	\$36,000	\$132,364	\$1,416,229	\$1,504,736	\$36,000	\$192,886	\$1,733,622	\$1,825,426	\$36,000	\$275,015	\$2,136,441
17	\$168,705	\$1,416,229	\$36,000	\$149,994	\$1,602,224	\$1,733,622	\$36,000	\$221,914	\$1,991,536	\$2,136,441	\$36,000	\$321,463	\$2,493,904
18	\$160,872	\$1,602,224	\$36,000	\$169,470	\$1,807,694	\$1,991,536	\$36,000	\$254,624	\$2,282,160	\$2,493,904	\$36,000	\$374,847	\$2,904,751
19	\$152,411	\$1,807,694	\$36,000	\$190,986	\$2,034,680	\$2,282,160	\$36,000	\$291,483	\$2,609,643	\$2,904,751	\$36,000	\$436,204	\$3,376,955
20	\$143,270	\$2,034,680	\$36,000	\$214,754	\$2,285,435	\$2,609,643	\$36,000	\$333,016	\$2,978,659	\$3,376,955	\$36,000	\$506,724	\$3,919,678
21	\$133,395	\$2,285,435	\$36,000	\$241,012	\$2,562,446	\$2,978,659	\$36,000	\$379,816	\$3,394,475	\$3,919,678	\$36,000	\$587,775	\$4,543,453
22	\$122,726	\$2,562,446	\$36,000	\$270,018	\$2,868,464	\$3,394,475	\$36,000	\$432,552	\$3,863,026	\$4,543,453	\$36,000	\$680,931	\$5,260,384
23	\$111,201	\$2,868,464	\$36,000	\$302,062	\$3,206,527	\$3,863,026	\$36,000	\$491,976	\$4,391,002	\$5,260,384	\$36,000	\$787,999	\$6,084,383
24	\$98,751	\$3,206,527	\$36,000	\$337,462	\$3,579,989	\$4,391,002	\$36,000	\$558,937	\$4,985,939	\$6,084,383	\$36,000	\$911,056	\$7,031,439
25	\$85,300	\$3,579,989	\$36,000	\$376,568	\$3,992,557	\$4,985,939	\$36,000	\$634,389	\$5,656,328	\$7,031,439	\$36,000	\$1,052,492	\$8,119,931
26	\$70,769	\$3,992,557	\$36,000	\$419,770	\$4,448,327	\$5,656,328	\$36,000	\$719,412	\$6,411,740	\$8,119,931	\$36,000	\$1,215,049	\$9,370,980
27	\$55,071	\$4,448,327	\$36,000	\$467,495	\$4,951,821	\$6,411,740	\$36,000	\$815,217	\$7,262,956	\$9,370,980	\$36,000	\$1,401,883	\$10,808,863
28	\$38,113	\$4,951,821	\$36,000	\$520,217	\$5,508,039	\$7,262,956	\$36,000	\$923,172	\$8,222,129	\$10,808,863	\$36,000	\$1,616,620	\$12,461,483
29	\$19,792	\$5,508,039	\$36,000	\$578,460	\$6,122,499	\$8,222,129	\$36,000	\$1,044,819	\$9,302,948	\$12,461,483	\$36,000	\$1,863,425	\$14,360,908
30	\$0	\$6,122,499	\$36,000	\$642,802	\$6,801,301	\$9,302,948	\$36,000	\$1,181,894	\$10,520,842	\$14,360,908	\$36,000	\$2,147,089	\$16,543,998

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

Investment Criteria	
Starting Principal	\$1,000
Rate of Return	10.000%
Number of Months	360
Monthly Investment	\$3,000

Benefits	
By year 6, asset accumulation will exceed debt. By year 30, yearly income will exceed \$642,802 with an asset account of \$6,801,301.	

Investment Criteria	
Starting Principal	\$1,000
Rate of Return	12.000%
Number of Months	360
Monthly Investment	\$3,000

Benefits	
By year 6, asset accumulation will exceed debt. By year 30, yearly income will exceed \$1,181,894 with an asset account of \$10,520,842.	

Investment Criteria	
Starting Principal	\$1,000
Rate of Return	14.000%
Number of Months	360
Monthly Investment	\$3,000

Benefits	
By year 6, asset accumulation will exceed debt. By year 30, yearly income will exceed \$2,147,089 with an asset account of \$16,543,998.	

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