



**HOME OWNERSHIP  
FACT SHEETS**

## The Real Mortgage Costs

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**All examples below use the following information:  
\$100,000.00 Mortgage Amount, 9% Fixed Interest Rate for 30 Years**

Payment Number	Interest	Total Interest	Principal	Balance	Total Payment
<b>1<sup>st</sup> Year 1<sup>st</sup> Month</b>	<b>\$750.00</b>	\$750.00	<b>\$54.62</b>	\$99,945.38	\$804.62
<b>1<sup>st</sup> Year 2<sup>nd</sup> Month</b>	\$749.59	\$1,499.59	\$55.03	\$99,890.34	\$804.62
<b>1<sup>st</sup> Year 3<sup>rd</sup> Month</b>	\$749.18	\$2,248.77	\$55.44	\$99,834.90	\$804.62
≈	≈	≈	≈	≈	≈
<b>29<sup>th</sup> Year 10<sup>th</sup> Month</b>	\$17.89	\$189,646.45	\$786.78	\$1,591.56	\$804.62
<b>29<sup>th</sup> Year 11<sup>th</sup> Month</b>	\$11.94	\$189,658.39	\$792.68	\$798.88	\$804.62
<b>29<sup>th</sup> Year 12<sup>th</sup> Month</b>	\$5.99	<b>\$189,664.38</b>	\$798.63	\$0.24	\$804.62

### Did you know?

☞ If you pay one extra payment each year on the loan above, it will cut **eight years** off the end of the loan and save you **\$59,954**.

☞ If you were to pay an extra twenty dollars a month on the loan above, it would be applied to the principal and cut off **four years** and save you **\$24,522**.

☞ If you were able to get an interest rate one percent lower on the loan above, it would reduce your monthly payments by **\$71** and save you **\$25,509** over the life of the loan.

☞ Compared to a thirty-year loan, if you obtained a fifteen-year loan with an interest rate one-half percent lower, the payments would be \$985 (only \$180 higher than a thirty-year loan). Over the life of the loan you would save **\$112,411** in interest and have the loan paid off in fifteen years versus thirty years.

**(All of the above examples assume there is no prepayment penalty and the extra amount is applied directly toward the principal.)**

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