

HYPOTHETICAL PURCHASE MODEL

Conventional 30 YR Fixed @ 4% (5% Down)

SALES PRICE	\$400,000
Down Payment	\$20,000
Loan Amount	\$380,000

New Monthly Payment

Principal & Interest	\$1,814.18
Real Estate Taxes	\$333
Mortgage Insurance	\$186.83
Home Owner's Insurance	\$75
HOA Dues	\$85 *
Total Monthly Payment	\$2,494.01 **

Cash Required to Close

Down Payment	- \$20,000
Closing Costs	- \$7,210.00
Prepaid & Escrow	- \$2,437.49
Home & Radon Inspection	- \$500
Total Cash Required	- \$30,147.49
Seller Paid Contribution Towards Closing Costs	+ ? ***

Notes:

* HOA dues will vary by neighborhood

** Each +/- \$10k in loan amount = about \$50/mo in payment

*** Purchaser closing costs paid by seller is negotiable and will vary

HOME LOANS
PHH Home Loans, LLC, Mid-Atlantic

Your actual note, payment and costs could be higher. Get an official Loan Estimate before choosing a loan.

CLOSING COST WORKSHEET

Prepared For:

Prepared By:

Borrower:

Loan Officer:

Renee Jean Komondy

Property:

TBD
Vienna, VA 22180

Phone:

703-937-1404

Email:

renee.komondy@mortgagefamily.com

Date Prepared:

November 10, 2015

Proposed Loan Information

Base Loan Amount	\$380,000.00	Purchase Price	\$400,000.00
Insurance Financed	\$	Estimated Value	\$400,000.00
Total Loan Amount	\$380,000.00	Loan Type	Conventional
Interest Rate	4.000%	Amortization Type	Fixed
LTV	95.000%	Loan Term	360 Months
Down Payment Amount	\$20,000.00	Second Mortgage Amt.	\$
Impounds Waived			
Impound Types			

Estimated Closing Costs	Amount	Est. Prepaid/Reserve	Months	Amount
Processing Fee	\$295.00	Daily Interest	3 days @ 42.22	\$126.66
Underwriting Fee	\$600.00	Homeowner's Ins.	12	\$900.00
Appraisal	\$495.00	Homeowner's Ins.	3	\$225.00
Abstract	\$125.00	Mortgage Insurance	1	\$186.83
Binder/Commitment/Update Fee	\$95.00	Property Taxes	3	\$999.00
Courier/Shipping	\$60.00			
Hand Record Service	\$50.00			
CPL/ICL	\$20.00			
Owner's Title Insurance	\$650.00			
Lender's Title Insurance	\$1,076.00			
Recording Fees	\$99.00			
City/County/Stamps	\$675.00			
State Tax/Stamps	\$1,950.00			
Survey	\$350.00			
Pest Inspection	\$35.00			
Buyer Real Estate Commission	\$295.00			
Settlement Fee	\$340.00			
Total Estimated Closing Costs:	\$7,210.00			
		Estimated Prepaid and Escrow Totals:		\$2,437.49

Payment Summary

Principal and Interest	\$1,814.18
Other Financing (P & I)	\$
Hazard Insurance	\$75.00
Flood Insurance	\$
Real Estate Taxes	\$333.00
Mortgage Insurance	\$186.83
HOA Dues	\$85.00
City Property Tax	\$

Total Monthly Payment:

\$2,494.01

Summary of Your Transaction

Purchase Price	\$400,000.00	Paid by Seller-Transfer Tax and/or title ins	\$0.00
Total Estimated Closing Costs	\$7,210.00	Base Loan Amount/USDA	\$380,000.00
Total Est Reserve / Prepaid Costs/USDA	\$2,437.49	Total Loan Amount	\$380,000.00
Total Costs	\$409,647.49	Total Credits	\$380,000.00

ESTIMATED CASH FROM BORROWER

\$29,647.49

TAXES

<u>Old</u>			<u>New</u>
GROSS ANNUAL INCOME	\$150,000	\$150,000	GROSS ANNUAL INCOME
Standard Deduction	- \$12,600	- \$19,080	Real Estate Deductions (Interest \$1257+\$333= \$1590x12mo)
		- \$7,800	Tithe (650x12mo)
		- ?	Other Itemized Deductions
Adjusted Net Taxable Income	\$137,400	\$123,120	Adjusted Net Taxable Income

Tax Bracket

Combined Tax Bracket= 30.75% (25% Federal + 5.75% State)

Monthly Tax Savings

Interest	\$1,257
Real Estate Taxes	\$333
Total	\$1,590
x Combined Tax (Fed +State)	x .3075
New Monthly Tax Savings	+ \$488.92 *
Old Monthly Tax Savings (12600x.3075=\$3874.50/12mo)	- \$322.87
New Additional Tax Savings	+ \$166.05

Notes:

* Tax savings can be monthly by readjusting your withholdings after closing. More in each paycheck. See accountant or HR person.

Date	Interest	Principal	Balance
Nov, 2015	\$1,267	\$548	\$379,452
Dec, 2015	\$1,265	\$549	\$378,903
2015	\$2,532	\$1,097	\$378,903
Jan, 2016	\$1,263	\$551	\$378,352
Feb, 2016	\$1,261	\$553	\$377,799
Mar, 2016	\$1,259	\$555	\$377,244
Apr, 2016	\$1,257	\$557	\$376,687
May, 2016	\$1,256	\$559	\$376,129
Jun, 2016	\$1,254	\$560	\$375,568
Jul, 2016	\$1,252	\$562	\$375,006
Aug, 2016	\$1,250	\$564	\$374,442
Sep, 2016	\$1,248	\$566	\$373,876
Oct, 2016	\$1,246	\$568	\$373,308
Nov, 2016	\$1,244	\$570	\$372,738

Estimated Income Tax Brackets and Rates

In 2015, the income limits for all brackets and all filers will be adjusted for inflation and will be as seen in Table 1. The top marginal income tax rate of 39.6 percent will hit taxpayers with taxable income of \$413,200 and higher for single filers and \$464,850 and higher for married filers.

Table 1. 2015 Taxable Income Brackets and Rates

Rate	Single Filers	Married Joint Filers	Head of Household Filers
10%	\$0 to \$9,225	\$0 to \$18,450	\$0 to \$13,150
15%	\$9,225 to \$37,450	\$18,450 to \$74,900	\$13,150 to \$50,200
25%	\$37,450 to \$90,750	\$74,900 to \$151,200	\$50,200 to \$129,600
28%	\$90,750 to \$189,300	\$151,200 to \$230,450	\$129,600 to \$209,850
33%	\$189,300 to \$411,500	\$230,450 to \$411,500	\$209,850 to \$411,500
35%	\$411,500 to \$413,200	\$411,500 to \$464,850	\$411,500 to \$439,000
39.6%	\$413,200+	\$464,850+	\$439,000+

Source: Author's calculations.

Standard Deduction and Personal Exemption

The standard deduction will increase by \$100 from \$6,200 to \$6,300 for singles (Table 2). For married couples filing jointly it will increase by \$200 from \$12,400 to \$12,600.

The personal exemption for 2015 be \$4,000.

Table 2. 2015 Standard Deduction and Personal Exemption

Filing Status	Deduction Amount
Single	\$ 6,300.00
Married Filing Jointly	\$ 12,600.00
Head of Household	\$ 9,250.00
Personal Exemption	\$ 4,000.00

Post Closing Cash Flow

Net Income	+ \$2,215
Old Rent	+ \$1,400
Additional Monthly Tax Savings	+ \$166
Total Credits	+ \$3,781
New Monthly Payment	- \$2,494.01
Post Closing Cash Flow	+ \$1,286.99

Notes: