Mortgage Loan Comparison Worksheet

Loan Terms

How long is the mortgage for? ____ years

If it is a FIXED RATE mortgage, what would be the monthly payment (for principal and interest)? $_______

If it is an ADJUSTABLE RATE MORTGAGE (ARM), what would be the INITIAL monthly payment? $_______

What could be my MAXIMUM monthly payment? $_______

Could I afford it?

Are my payments going toward the principal and interest, or just to interest? (Payments made to just interest could result in negative equity in your home.)

Loan Components

The total amount of the mortgage: $_______

The amount dedicated to the purchase of the property: $_______

The difference between the two figures is due to:

- Broker’s commissions (examples: loan origination fee, points) $_______
- Pre-paid items (examples: property taxes, homeowner insurance) $_______
- Other closing costs (examples: survey, flood certification fee) $_______
• Any “junk” fees (example: document preparation fee) $__________

Is there a mortgage pre-payment penalty? If so, how much $__________

Is the broker also earning a yield spread premium by upselling the rate to me (example: he or she obtains the funds at 5.5% and is selling me the rate at 6.0% to earn additional commission)? ___ Yes ____ No

Is the broker also earning a Service Release Premium (possibly by acquiring the funds, for example, at 9% and selling them to me at 11%)? ____ Yes ____ No

HUD-1 Statement

Has this broker been known to inflate the fees or the interest rate just prior to closing? ___ Yes _____ No

(Request a HUD-1 statement before closing and compare the figures to those on your Good Faith Estimate and Truth-In-Lending Statement.)

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