

Mortgage Analyzer

Date: March 2022

Client:

Mr Mortgage

Does it make sense to rewrite your mortgage?

Property:

#1 - 1234 1st Street
Maple Ridge

Mortgage Details:

Remaining Amortization	26.00	years
Remaining Term	12	Months
Estimated Penalty	\$12,546.53	

Accelerated Bi-Weekly

	Interest Rate	Payment	Current Balance	End of Term Balance
Current Mortgage	3.29%	\$1,297.63	\$533,894.82	\$517,331.08
			Balance + Penalty	
New Mortgage	2.84%	\$1,237.08	\$546,441.35	\$529,466.29

Savings Per Payment	\$60.55		
Total Payment Savings (Over Remaining term)	\$1,574.30	Balance at Maturity Savings	-\$12,135.21
Total Estimated Loss = (Total Payment Savings + Balance at Maturity Savings)			-\$10,560.91

*** Conclusion: It does not make sense to rewrite your mortgage at this time ***

In the calculations done above, we have assumed that the penalty that you would be paying to break your current mortgage would be rolled into the new mortgage. For illustration purposes we are showing you the difference in payments, but you could elect to keep your payment the same. The possible savings outlined above are only based on your remaining term, as we do not know what the interest rate will be at maturity

Below are the factors that we analyze to see if it makes sense to break your current mortgage:

- 1) That the interest rate on the new mortgage option will be lower
- 2) That you will be saving on your mortgage payment.
- 3) That the mortgage balance on your new mortgage is similar or lower than your original mortgage at your original maturity date

How is your payment going to change if rates were to increase?

Most economists are expecting a gradual increase in mortgage rates over the next few years. Look at what impact the increase to the interest rates could do to your monthly budget:

If the rates were to increase when you renew your mortgage

Increase	Interest Rate	Accelerated Bi-Weekly Payment*
1.00%	4.2900%	\$1,401.60
2.00%	5.2900%	\$1,547.40

*Note that the amounts indicated are for budget purposes only and are subject to certain fluctuations. These amounts could differ at Renewal.

** The Amortization used is based on the amortization you started with on your current mortgage minus your last mortgage term



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