



AAFMAA[®]

COMPASSION • TRUST • PROTECTION

AAFMAA Mortgage Services LLC

When Does it Make "Cents" To Refinance?

Who is AAFMAA Mortgage Services LLC?



Our commitment is to make sure you, as a part of the military community, are well-informed and taken care of at every step of the lending process.

Plus, being part of the longest-standing, not-for-profit member-owned association enables us to offer low-rate and low-cost mortgages to servicemembers and Veterans.



Meet The Presenter

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NMLS 1423968

Agenda

- Reasons to Refinance
- Three Refinances That Make “Cents”
 - Lower Monthly Mortgage Payment
 - Build Equity Fast
 - Cash-Out to Payoff Debt
- Next Steps

What is a mortgage refinance?

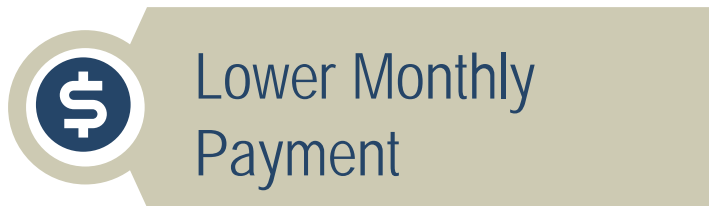


Refinancing your mortgage is simply replacing your current mortgage with a new one.

You may want to refinance to:

- Reduce monthly payments with a lower interest rate
- Payoff your mortgage quicker by shortening the terms
- Switch from an adjustable rate to a fixed-interest rate
- Get money for home improvements, a major purchase, or debt consolidation
- Obtained a better rate as you credit may have improved since your last mortgage
- Eliminate Private Mortgage Insurance (PMI)
- Add or remove someone from your existing mortgage

3 Refinances that make "Cents"



Lower Monthly
Payment



Build Equity Faster



Cash-Out to Payoff
Other Debts

Refinance to Lower Monthly Mortgage Payment



- Original Loan Amount (Jan. 2018): **\$275,000**
- Interest rate: **3.875%**
- Term: **360 months** (30-Year Fixed-Rate)
- Monthly Principal and Interest Payment: **\$1,293.15**
- Loan Balance in September 2020: **\$260,916.31**
- Refinance Loan Amount: **\$266,000** (Inc. CC)
- Interest rate: **2.375%**
- Term: **360 months** (30 Year Fixed)
- Principal and Interest Payment: **\$1,033.82**

Savings per month: \$259.33

Build Equity Faster with a Shorter Term



- Original Loan Amount (Jan. 2018): **\$275,000**
 - Interest rate: **3.875%**
 - Term: **360 months** (30-Year Fixed-Rate)
 - Monthly Principal and Interest Payment: **\$1,293.15**
 - Loan Balance in September 2020: **\$260,916.31**
 - Loan Balance in September 2025: **\$231,135.74**
 - Loan Balance in September 2030: **\$194,999.58**
 - Loan Balance in September 2035: **\$151,151.47**
 - Loan Paid off in December 2047
- Refinance Loan Amount: **\$266,000** (Inc. CC)
 - Interest rate: **2.375%**
 - Term: **180 months** (15-Year Fixed-Rate)
 - Principal and Interest Payment: **\$1,758.05**
 - Increase in monthly payment: **\$464.90**
 - Loan Balance in September 2025: **\$186,234**
 - Loan Balance in September 2030: **\$97,806.69**
 - Loan Balance in September 2035: **\$0**
 - Loan Paid off in August 2035

Loan balance in: 5 Years - \$44,901 less | 10 Years - \$97,192 less | 15 Years - \$151,151 less

Refinance loan paid off 12 Years Faster

Build Equity Faster and Maintain Same Payment



- Original Loan Amount (Jan. 2018): **\$275,000**
 - Interest rate: **3.875%**
 - Term: **360 months** (30-Year Fixed-Rate)
 - Monthly Principal and Interest Payment: **\$1,293.15**
 - Loan Balance in September 2020: **\$260,916.31**
 - Loan Balance in September 2025: **\$231,135.74**
 - Loan Balance in September 2030: **\$194,999.58**
 - Loan Balance in September 2035: **\$151,151.47**
 - Loan Paid off in December 2047
- Refinance Loan Amount: **\$266,000** (Inc. CC)
 - Interest rate: **2.375%**
 - Term: **360 months** (30-Year Fixed-Rate)
 - Principal and Interest Payment: **\$1,033.82**
 - Add to the monthly payment: **\$259.33**
 - Loan Balance in September 2025: **\$216,344**
 - Loan Balance in September 2030: **\$161,297**
 - Loan Balance in September 2035: **\$99,316**
 - Loan Paid off in September 2042

Loan balance in: 5 Years - \$14,791 less | 10 Years - \$33,702 less | 15 Years - \$51,835 less

Refinance loan paid off 5 Years Faster | Total Savings: ~\$80,000



Refinance to Payoff Other Debts

- Original Loan Amount (Jan. 2018): **\$275,000**
- Interest rate: **3.875%**
- Term: **360 months** (30-Year Fixed-Rate)
- Monthly Principal and Interest Payment: **\$1,293.15**
- Loan Balance in September 2020: **\$260,916.31**
- Other debts: Car Loan, Credit Card Debt, Home Equity Line of Credit, etc.: **\$75,000**
- Total monthly payments (including mortgage): **\$1,993**
- Refinance Loan Amount: **\$341,000** (Inc. CC)
- Interest rate: **2.625%**
- Term: **360 months** (30-Year Fixed-Rate)
- Principal and Interest Payment: **\$1,369.63**

Savings per month: \$623.37



Questions?

We're Here to Help

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