

Apex Mortgage Brokers
 Incredible Lender, LLC,
 NMLS 1731285 Florida
 License MBR-2689
 16 Linden Lane
 Breckenridge, CO 80424



APEX
 MORTGAGE BROKERS

[Current Interest Rate Newsletter \(Click Here\)](#)

Here is an example of a VA Purchase Loan in 2022
 To understand it... see the bottom example and explanation.



PRICE A LOAN

MANAGE YOUR PIPELINE

GROW YOUR BUSINESS

ABOUT US

BEST OPTION

VA ELITE 30 YEAR FIXED VA PURCHASE FIRST USE FINANCED => 1/1/2020							
INTEREST RATE	BASE PRICE	FINAL PRICE	DOLLAR AMOUNT	P & I	MI	PAYMENT	COMPARE
4.318	0.000	0.000	\$0.00	\$3,283.47	\$0.00	\$3,283.47	<input type="checkbox"/>
HIDE MORE RATES		EXACT RATE AVAILABLE			TOTAL ADJUSTMENT : 0.000		
3.750	2.975	2.975	\$19,697.05	\$3,066.22	\$0.00	\$3,066.22	
3.875	2.402	2.402	\$15,903.30	\$3,113.37	\$0.00	\$3,113.37	
4.000	1.846	1.846	\$12,222.10	\$3,160.90	\$0.00	\$3,160.90	
4.125	1.277	1.277	\$8,454.83	\$3,208.80	\$0.00	\$3,208.80	
4.250	0.291	0.291	\$1,926.67	\$3,257.06	\$0.00	\$3,257.06	
4.318	0.000	0.000	\$0.00	\$3,283.47	\$0.00	\$3,283.47	
4.375	-0.244	-0.244	(\$1,615.49)	\$3,305.70	\$0.00	\$3,305.70	
4.500	-0.761	-0.761	(\$5,038.47)	\$3,354.69	\$0.00	\$3,354.69	
4.625	-1.292	-1.292	(\$8,554.15)	\$3,404.04	\$0.00	\$3,404.04	
4.750	-1.662	-1.662	(\$11,003.86)	\$3,453.75	\$0.00	\$3,453.75	
4.875	-2.149	-2.149	(\$14,228.22)	\$3,503.81	\$0.00	\$3,503.81	
5.000	-2.606	-2.606	(\$17,253.95)	\$3,554.22	\$0.00	\$3,554.22	
5.125	-2.719	-2.719	(\$18,002.11)	\$3,604.97	\$0.00	\$3,604.97	
5.250	-2.907	-2.907	(\$19,246.83)	\$3,656.06	\$0.00	\$3,656.06	
5.375	-2.981	-2.981	(\$19,736.77)	\$3,707.49	\$0.00	\$3,707.49	
5.500	-3.400	-3.400	(\$22,510.91)	\$3,759.25	\$0.00	\$3,759.25	
5.625	-3.493	-3.493	(\$23,126.65)	\$3,811.34	\$0.00	\$3,811.34	
5.750	-3.590	-3.590	(\$23,768.87)	\$3,863.75	\$0.00	\$3,863.75	
5.875	-3.658	-3.658	(\$24,219.09)	\$3,916.49	\$0.00	\$3,916.49	
6.000	-3.987	-3.987	(\$26,397.35)	\$3,969.54	\$0.00	\$3,969.54	
6.125	-4.262	-4.262	(\$28,218.09)	\$4,022.90	\$0.00	\$4,022.90	
6.250	-4.435	-4.435	(\$29,363.50)	\$4,076.57	\$0.00	\$4,076.57	
6.375	-4.504	-4.504	(\$29,820.34)	\$4,130.55	\$0.00	\$4,130.55	
6.500	-4.837	-4.837	(\$32,025.08)	\$4,184.83	\$0.00	\$4,184.83	
6.625	-5.254	-5.000	(\$33,104.28)	\$4,239.41	\$0.00	\$4,239.41	

LOAN DETAIL

Funding Fee:	\$14,885.60
Total Loan Amount:	\$662,085.60
Interest Rate:	4.318

PRICING BREAKDOWN

Adjustment Name	Adj. %	Dollar Amt.
Base Price:	0.000	\$0.00
Escrow Waiver Fee:	0.000	\$0.00
FINAL PRICE:	0.000	\$0.00

Does not include UWM Underwriting Fee

The Loan Detail box shows this is a \$647,200 loan with the VA Funding Fee Included

Any VA Loan greater than the Conforming Loan Limits for that county are called VA Jumbo Loans. In this case, the loan was for a county in Florida where the Conforming Limit was \$647,200 (*The County Limit*) The word "Elite" indicates that this client had a high FICO score that gave them the best interest rates.

Note: UWM does not charge a fee to Waive Escrow Accounts, and is an exemption to the big banks that do have a fee. An escrow account is when your monthly payment includes not just principal and interest...but also includes property taxes and hazard and flood insurance as part of the monthly payment. (PITI Payment).

In Florida, you get a property tax discount if you pay your property taxes early. The biggest discount is in November when the tax statements are sent out in Florida. This is a great reason to not have higher closing costs at the title company when you get your loan!

A good reason not to include your hazard and flood insurance in the monthly payment is reminding you that it is time to shop for better insurance rates each year instead of just letting your insurance automatically raise your rates. Caution: This is NOT Recommended for people who have trouble saving money.

Here is how to read this rate sheet:

The green bar shows the "PAR" rate where you are not "Buying Down the Rate" or Conversely "Getting a Lender Credit" from this lender (UWM) to cover some or all of the closing costs.

Everything above the green bar is "Buying Down the Rate"

Everything below the green bar is "Getting a Lender Credit"

For the 30 year fixed "VA Purchase Loan" in this example, here are the rates:

The 3.75% rate is fixed for 30 years with a monthly principal & interest payment of \$3,066.22, but you have to pay \$19,967.05 to get this lower interest rate plus pay all the closing costs. If this was a home you were going to stay in for enough years to "Break Even" on that cost. This might be a good choice if you were a retired vet with a DD-214.

But, if you are still serving in Active Duty status...you know you can get reassigned and might not stay put for long. Unless you planned to rent the home out after you are re-deployed to cover the monthly payments. You probably should not buy the rate down by very much if at all.

Compare that to the person buying a home with a VA loan who does not have enough money to cover the closing costs for title insurance, the first year of hazard and flood insurance, transfer taxes, appraisal costs and the underwriting charge. This buyer would still be able to purchase the home by choosing a higher interest rate that gives them a "Lender Credit" to help cover the other closing costs. The great thing is a VA loan is 100% with no money down, and the VA funding fee and closing costs can all be structured into the rate to pay closing costs.

Which rate to choose depends on your specific situation...here is an easy way to remember it:

Choice 1. The Lender's version of "Pay Me Now"

Buying the rate down for lower monthly payments

Section A of the Loan Estimate with show this as Discount Points

If you were going to keep the home forever and someday and give it to your children, or keep it a rental property for another source of future income...It might make sense to "Buy Down the Rate" in this example.

Check out [Apex Aid "Does Buying Your Rate Make Sense" VA Government Loans](#) on our website for more information.

Choice 2. The Lender's version of "This is the Rate"

PAR Rate with No "Buying Down the Rate" or "Lender Credit"

Section A of the Loan Estimate with only show an Underwriting Fee

Keep in mind...no matter how much money you are borrowing at any interest rate...you are paying "Future Dollars" to pay off the loan. Think of "Future Dollars" as "Cheap Dollars" that do not have the same ability to buy goods down the road. If I told you I'd like to buy your car today and pay you down the road with future dollars...would you take that deal? Probably not.

Choice 3. The Lender's version of "Pay Me Later"

Paying a higher monthly payment to get a "Lender Credit" at closing

Section J of the Closing Disclosure will show the Lender Credit.

J. TOTAL CLOSING COSTS (Borrower-Paid)	\$15,508.25	
Closing Costs Subtotals (D + I)	\$16,736.11	\$42.50
Lender Credits	-\$1,270.36	

On a side note...I hate the words "No Cost Loans" because it is not truthful. There are always costs in financing. You are just choosing to have those costs covered from either paying bigger monthly payments with a higher rate to get a lender credit or in the case of refinancing a loan, siphoning off the home's equity to cover closing costs on a refinance.

As you can see... the choice is really yours to make. When you look at the rate sheet we will send you the numbers will be different each day depending on daily rates, midday pricing changes and your unique loan details like FICO score, LTV (Loan to Home Value), Etc.

I hope this explanation helps give you clarity on things most loan officers don't explain.

Keep in mind that a Loan Estimate is another piece of the puzzle that you should always ask for (Not a "Fee Worksheet")

Don Reynolds, NMLS 1217170, is a licensed loan broker in these states:
Colorado 100055545 & Florida LO-5331 Apex Mortgage Brokers (NMLS 1731285)

[Click Here to Start Your Loan Application](#)

We do NOT automatically pull credit during the application process
Only after you complete this [Authorization Form \(Click Here for Form\)](#)