

MORTGAGE BANKING SECRETS REVEALED

WARNING: The secrets revealed herein may cause difficulty breathing, rage, disbelief and in rare cases, shock, but they are true and can be greatly changed by you if you have the right knowledge and tools.

I'm going to start with two simple questions: Did you get a good deal with your mortgage? Did you get a good interest rate? Let's say for example that you have a 30 year mortgage and got an excellent rate of 6% (APR). You got a great deal, right? Sorry, but you have been TRICKED. The only one who is getting a good deal in this scenario is the bank. The Truth is that your loan has been front end loaded with heavy interest in the early stages. Let's say for example that you have a 200,000 loan over a 30 year period at 6% (APR). By year 30 you will have paid **\$231,636.38** in interest alone making your \$200,000 house cost **\$431,676.38**. Does this sound fair to you? Below are various yearly snapshots of this mortgage amortization calculation.* You can follow along as I show you what you're really paying in interest. This look inside a mortgage is simply outrageous as you can see for yourself.

I ask you, "Why would people accept this?" I believe the answer is... "They don't know about it." Here Goes!

Payment Number	Payment Amount	Interest Amount	Principal Reduction	Balance Due	
1.	\$1199.10	\$1000.00	\$199.10	\$199,800.90	502.2% interest (this is SHOCKING but reality)
2.	\$1199.10	\$999.00	\$200.10	\$199,600.80	Notice how the Principal Reduction only increases by approximately \$1 per month while the Interest amount decreases by about \$1 a month.
3.	\$1199.10	\$998.00	\$201.10	\$199,399.71	
4.	\$1199.10	\$997.00	\$202.10	\$199,197.60	
12. Year 1	\$1199.10	\$988.77	\$210.33	\$197,543.98	
84. Year 7	\$1199.10	\$897.90	\$301.20	\$179,278.77	298.1% interest (most Americans move every 7 years)
180. Year 15	\$1199.10	\$712.92	\$486.18	\$142,097.69	146.6% interest (1/2 way and still over 100% interest!)
195. Year 19	\$1199.10	\$599.62	\$599.48	\$119,325.15	100.0% interest (50/50 interest to principal ratio at year 19)
242. Year 21	\$1199.10	\$502.87	\$696.23	\$99,877.23	72.2% interest (balance is finally less than \$100,000)
300. Year 25	\$1199.10	\$314.54	\$884.56	\$62,024.17	35.6% interest (80% finished at year 25 still owing \$62k)
360. Year 30	\$1199.10	\$5.97	\$1193.14	\$0.00	5.0% interest (you paid \$231,636.38 in interest alone, making your home actually cost you \$431,676.38 where's that great deal?)

In order to calculate the effective interest rate, simply divide the interest by the principal. Let's figure out the effective interest rate for the 1st month:

1000.00 divided by 199.10 = 5.022 times 100, which translates to **502.2% interest!**

Let's see how much this improves at the 12th payment:

988.77 divided by 210.33 = 4.701 or **470.1% interest!**

Notice that at year 7 the effective interest rate is still **298.1%**. Sadly, most people move to another home by this point and for them, this process starts all over again. (the average American moves every 7yrs.)

Surely this will be better at the start of the 15th year, right? (Follow at year 15 of the schedule above)

712.92 divided by 486.18 = 1.122 or **146.6% interest!**

It looks like you've been working hard on your great rate of 6% (APR) but at the beginning of your 15th year of paying the bank, your effective interest rate is still over 146%.

Plus, if you get manipulated into refinancing for an even better rate, the process starts all over again. (including the high front end interest) This system is designed to profit the bank, and to keep you perpetually in debt. Combine this with credit cards, car and school loans and only very few ever see the light of day. (debt free)

Another very important thing to consider is that the 6% is (Annual Percentage Rate). The intent is to keep you focused on the small number of 6% (APR), so how many annuals is your mortgage? 30? 6% times 30 is 180%, NOT 6%! .

The Amortization Schedule shows that over the 30 year life of the mortgage, you will have paid a total of \$231,636.38 in interest on the \$200,000 you were supposedly lent.

To calculate the true interest rate, start with the total interest paid (\$231,636.38) divided by the principal (\$200,000), the Real Interest Paid = 115.8%, so where do you find you paid 6% other than maybe looking at only 1 (APR) of the 30 years.

The TRICK is in the APR quote! People do not take the APR rate times the number of years in their mortgage!

This is NOT 6% after paying the bank the full 30 years!

Over 30 years it is 115.8% including reducing the Principal and if you look at it averaged as 1 of those 30 as Annual Percentage Rate the real answer is 3.86% (APR) Per Year averaged over the entire mortgage.

(3.86% Per Year times 30 years = 115.8%) Now THAT is the Real understandable TRUTH!

Your Mortgage cost you an additional 115.8% of the initial cost of the home, making your \$200,000 home really cost \$431,676.38. (OUCH!) **The extra \$231,636.38 you paid with your hard work was nothing more than compound interest (Profit) to the bank!**

Another important thing to consider is that this example is based on a 5% (APR) mortgage, if your interest rate is higher than 6% (APR) and or if you have re-financed along the way the result will be even more upsetting.

Even though this is the way things have always been done, there is an alternative. You don't have to play the game by their rules and remain in an endless cycle of debt. If you would like to learn a way to change this process and make your money work for you, instead of the bank, I will show you how to legally and ethically keep a large percentage of the interest money you will pay the bank over 30 years. This can potentially pay off your mortgage in as little as 1/3 to 1/2 of your current time without paying a single extra penny from your pocket or altering your current lifestyle. Too good to be true? That's what I thought at first but Not Anymore!

The reason I have brought this information to you is, I want homeowners and business owners to be informed and you can't be truly informed until you see the exciting, positive solution to this story. The story has a "Happy Ending"! It will save you 10's or possibly even 100's of thousands of dollars on your mortgage!

And that is only one part of your "Happy Ending".....

If you want to learn the solution to the "Happy Ending" and the other parts, visit our site or contact me at the number below.

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The content of this writing is not Solicitation, Financial or Legal advice, only Information.

* Mortgage Amortization Calculation based on active chart at [Mortgage Calculator](#)

Go to this calculation web site and enter your actual mortgage data, using the math from the example above and see for yourself, it is very easy to use. (enter YES to show the full amortization table).