

# (YOUR LETTERHEAD)

## YOUR NAME HERE's Biweekly Payment Program *Program Description*

YOUR NAME HERE is pleased to include our **Biweekly Payment Program** on your loan. Our program allows you to reduce the amount of interest you pay on your mortgage and build equity two to three times faster. It is ideal for anyone wanting to pay off a loan sooner, while increasing equity and reducing interest expense.

### *Here's How It Works*

Instead of making a mortgage payment once a month, your checking account is charged one-half of this amount every two weeks. (*For example, if your monthly loan payment is \$500, your checking account would be charged \$250 every two weeks.*) This biweekly plan substantially reduces the amount of interest you'll pay, and has been endorsed by everyone from the WALL STREET JOURNAL to CONSUMER REPORTS to the U.S. Government. Just look at the actual savings on two typical loans.

*A 30 year \$300,000 loan at 7.5% interest pays off in 23 years and 6 months, saving **6 years and 6 months** and **\$117,172 in interest**, and reduces the effective interest rate from 7.5% down to **5.862%**!*

*A 30 year \$70,000 second mortgage at 13.99% interest pays off in 18 years and 6 months, saving **12 years and 6 months**, and **\$111,082 in interest**, and reduces the effective interest rate from 13.99% down to **8.1367%**!*

(These actual savings on typical loans are for illustration purposes. The savings on your loan will be calculated separately prior to funding your loan.)

WALL STREET JOURNAL: "A (30 year) \$70,000 mortgage at 10.5% annual interest produces savings of \$60,000 when repaid on a bi-weekly schedule."

CONSUMER REPORTS: "Whether you already have a mortgage or are in the market for a new loan, you can probably save tens of thousands of dollars by using a bi-weekly mortgage schedule."

NATIONAL COUNCIL OF SAVINGS INSTITUTIONS: "Bi-weekly payments are 'pro-consumer' because they correspond to America's paydays making mortgage payments much easier for homeowners who are on a tight budget or have a difficult time saving money."

Please indicate your election to accept or not accept this **Biweekly Payment Program** in your loan package.

I  accept  do not accept the **Biweekly Payment Program** described above.

Borrower's Name (printed) \_\_\_\_\_

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_