



**PLAN - MORTGAGE MODIFICATION**

**Income vs Expenses**



	2009	2010	2011	2012	2013	2014
net income	\$0	\$0	\$0	\$0	\$0	\$0
expenses	\$3,439	\$3,439	\$3,439	\$3,439	\$3,439	\$3,439

**FAILURE**

**2009**



**Current mortgage payment vs Modified mortgage payment**

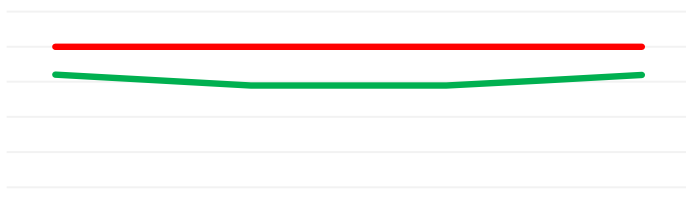


	2009	2010	2011	2012	2013	2014
current	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
modified	\$1,389	\$1,389	\$1,389	\$1,389	\$1,389	\$1,389

**SUCCESS**



**Owed vs Appreciation**



	2009	2010	2011	2012	2013	2014	2014
house value	\$260,000	\$252,200	\$244,634	\$244,634	\$244,634	\$251,973	\$259,532
mortgage owed	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

**FAILURE**

**-11%**

**(\$40,468)**



**Interest rate change**



	2009	2010	2011	2012	2013	2014
modified rate	2.500%	2.500%	2.500%	2.500%	2.500%	0.000%
current rate	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%

**SUCCESS**

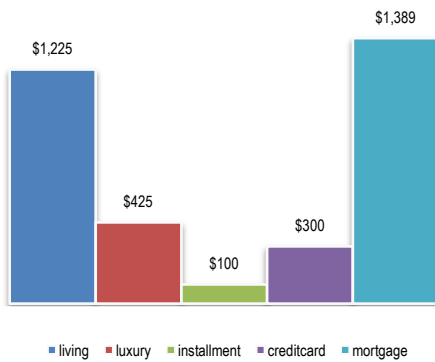


### INCOME VS EXPENSES

	2009	2010	2011	2012	2013	2014
<b>INCOME</b>						
Net monthly	\$0	\$0	\$0	\$0	\$0	\$0
<b>EXPENSES</b>						
Living	\$1,225	\$1,225	\$1,225	\$1,225	\$1,225	\$1,225
Luxury	\$425	\$425	\$425	\$425	\$425	\$425
<b>CREDITOR</b>						
Installment	\$100	\$100	\$100	\$100	\$100	\$100
Credit cards	\$300	\$300	\$300	\$300	\$300	\$300
<b>MORTGAGE</b>						
1st mortgage	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189
2nd mortgage	\$0	\$0	\$0	\$0	\$0	\$0
Tax and Hoi Association	\$200	\$200	\$200	\$200	\$200	\$200
Association	\$0	\$0	\$0	\$0	\$0	\$0
Left over	<b>-\$3,439</b>	<b>-\$3,439</b>	<b>-\$3,439</b>	<b>-\$3,439</b>	<b>-\$3,439</b>	<b>-\$3,439</b>



#### CURRENT MONTHLY EXPENSES



#### CURRENT MONTHLY INCOME vs EXPENSES



### SUCCESS AND FAILURE

 <b>LEFT OVER</b> <b>FAILURE</b>	expenses will exceed current monthly income within 5 years. Success subject to reducing expenses/creditors by \$3439 per month.
 <b>MORTGAGE</b> <b>SUCCESS</b>	modified payment will not exceed old mortgage payment in next 5 years.
 <b>EQUITY</b> <b>FAILURE</b>	house value will not exceed owed in 5 years.
 <b>RATE</b> <b>SUCCESS</b>	modified rate will not exceed current rate in next 5 years.



**55%**

**SUCCESS ESTIMATE BASED ON CURRENT INFORMATION**  
 improve success by reducing expenses/debts

## INSTRUCTIONS



Reflects what year expenses will exceed current net monthly income. 35% of success  
Does not consider changes in net monthly income or changes in debts or expenses



Shows year modified monthly mortgage payment exceeds current mortgage payment. 35% of success  
Does not take in consideration possible property tax re-assessment



Reflects estimated house value based on 3% annual appreciation. 20% of success  
Compared to mortgage balance(s) owed to reflect negative equity (estimate)



Shows current mortgage interest rate compared to modified interest rate. 20% of success  
Includes only first mortgage interest rate



Represents modification success estimate over the next 5 years  
Does not consider changes in income, but does advise on what can be addressed based on current finances

## FUTURE ADJUSTMENTS WORKSHEET



*expenses will exceed current monthly income within 5 years.*

*Success subject to reducing expenses/creditors by \$3439 per month.*



Use the section below to determine what expenses can be reduced and/or creditors that will be paid off

### **EXPENSES THAT CAN BE REDUCED (enter monthly payment amount)**

INSTALLMENT LOAN(S)	<input style="width: 100%;" type="text"/>
CREDIT CARD(S)	<input style="width: 100%;" type="text"/>
HOUSEHOLD EXPENSE(S)	<input style="width: 100%;" type="text"/>
RETIREMENT CONTRIBUTION	<input style="width: 100%;" type="text"/>
PROPERTY TAX RE-ASSESSMENT	<input style="width: 100%;" type="text"/>
<b>TOTAL REDUCTION</b>	<b>\$ <input style="width: 80%;" type="text"/> - <small>(add)</small></b>
<b>REDUCTION REQUIRED</b>	<b>\$ <input style="width: 80%;" type="text"/> - <small>(deduct)</small></b>
<b>TOTAL</b>	<input style="width: 100%; border: 1px solid black; border-bottom: 3px double black;" type="text"/>



**CURRENT SUCCESS ESTIMATE** **25%**

IF 'TOTAL' IS CLOSE TOO  
REDUCTION REQUIRED' ADD           35%           (add)

**FUTURE SUCCESS ESTIMATE**