

Don L. Newman

Opening Your Mind To The Multitude Of Financing Options!
 3211 Shannon Road - Suite 320 Durham, NC 27707
 Tel:(919) 425-5222 Fax:(919) 425-0298

Tax Bracket
31%

Prepared by
Don L. Newman
Date prepared
10/21/2002

The purpose of this analysis is to help you reposition your debt to increase your net worth.

- FOLLOW THESE 3 SIMPLE STEPS:**
1. CURRENT LIABILITIES displays the current liabilities information that we have on file for you.
 2. RECOMMENDED DEBT STRUCTURE shows how you can reposition your debt to increase your net worth.
 3. EQUITY REPOSITIONING shows you how you can take our recommended monthly savings and invest it for your future to increase your net worth!

Equity Repositioning Analysis

Fred & Wilma Flintstone
 675 Old Pebble Path Road
 Bedrock, NC 28951

CURRENT LIABILITIES

Your current debt structure

Type	Creditor	Rate	Balance	Payment	Tax Ded.
Mortgage	Stone Cold Mortga	7.250%	\$149,488	\$1,020	\$280
Mortgage	Bedrock Credit Uni	9.500%	\$20,000	\$209	\$49
Credit Card	Discover Rock	0.000%	\$14,000	\$280	\$0
Credit Card	First Rock	0.000%	\$12,000	\$247	\$0
Credit Card	Bedrock CITICard	0.000%	\$10,000	\$120	\$0
Credit Card	Quarey Works Visa	0.000%	\$10,000	\$200	\$0
Revolving	Bedrock Supply	0.000%	\$7,000	\$75	\$0
Installment	Rock Quarry Credit	8.500%	\$5,000	\$101	\$0
Totals (Paid-Off items):			\$227,488	\$2,252	\$329

RECOMMENDED DEBT STRUCTURE*

Our proposed debt structure and benefits

Program	Terms	Rate	Balance	Payment	Tax Ded.
1st Five Year ARM	360	6.500%	\$250,000	\$1,580	\$420
2nd	180	0.000%	\$0	\$0	\$0
Totals:			\$250,000	\$1,580	\$420

Loan Costs

Loan Costs	\$4,950
Cash Out	\$17,562
Savings	\$671
Savings	\$91

ASSET ACCUMULATION

Savings based on our current recommendations

Asset Criteria	Accumulation	
	Years	Amount
Opening Balance	\$20,000	\$69,026
Rate	9.000%	\$265,964
Payment	\$500	\$1,209,983

PROJECTED REAL ESTATE VALUE

Value based on our current projections

Criteria	Projected Value	
	Years	Value
Current Value	\$325,000	\$396,824
Projected Rate	4.000%	\$591,598
	30	\$1,076,887

TOTAL REAL ESTATE & INVESTMENT VALUE

Before and after!

Years	Before	After
5	\$396,824	\$465,850
15	\$591,598	\$857,562
30	\$1,076,887	\$2,286,870

TAX BENEFITS

Savings based on our current recommendations

	Monthly	Qrtly.	Yearly
Before	\$329	\$987	\$3,949
After	\$420	\$1,259	\$5,038
Savings	\$91	\$272	\$1,089

NOTES

Small changes in your financing structure can make a life changing difference in your financial future.

When you're ready to refinance or buy a new home, be sure to call Nations Home Funding first. With a simple phone call, you can apply for a loan, get advance loan approval, and lock in your interest rate! Just call our dedicated team of Home Loan Experts at (800) 823-2736 Ext. 201.

We welcome the opportunity to prepare an Equity Repositioning Analysis for any of your friends or family!

* NOTICE: Information provided is time-sensitive material. Rates, programs, fees and points are subject to change without notice. If you are applying for an Adjustable Rate Mortgage payments and interest rates will change. Payments, interest rates, and loan balances are estimates only. Your amount may be different. This is not a loan commitment, nor is it a guarantee of any kind. This comparison is based solely on estimated figures and information available at the time of preparation.

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AMORTIZATION

The Detail table below discloses the financial information used to calculate the tables above. For further information, speak with your professional mortgage advisor.*

Program	Terms	Rate	Balance	Payment	Tax Ded.
1st Five Year ARM	360	6.500%	\$250,000	\$1,580	\$490
2nd	180	0.000%	\$0	\$0	\$0
Totals:			\$250,000	\$1,580	\$420

Period (Year)	Mortgage Balance	9.000%				11.000%				13.000%			
		Starting Principal	Yearly Additions	Total Return	Ending Principal	Starting Principal	Yearly Additions	Total Return	Ending Principal	Starting Principal	Yearly Additions	Total Return	Ending Principal
1	\$247,206	\$20,000	\$6,000	\$2,130	\$28,130	\$20,000	\$6,000	\$2,626	\$28,626	\$20,000	\$6,000	\$3,131	\$29,131
2	\$244,224	\$28,130	\$6,000	\$2,893	\$37,023	\$28,626	\$6,000	\$3,625	\$38,251	\$29,131	\$6,000	\$4,392	\$39,523
3	\$241,043	\$37,023	\$6,000	\$3,727	\$46,749	\$38,251	\$6,000	\$4,738	\$48,989	\$39,523	\$6,000	\$5,826	\$51,349
4	\$237,649	\$46,749	\$6,000	\$4,639	\$57,388	\$48,989	\$6,000	\$5,981	\$60,970	\$51,349	\$6,000	\$7,459	\$64,808
5	\$234,027	\$57,388	\$6,000	\$5,637	\$69,026	\$60,970	\$6,000	\$7,367	\$74,337	\$64,808	\$6,000	\$9,316	\$80,124
6	\$230,163	\$69,026	\$6,000	\$6,729	\$81,755	\$74,337	\$6,000	\$8,914	\$89,252	\$80,124	\$6,000	\$11,430	\$97,555
7	\$226,041	\$81,755	\$6,000	\$7,923	\$95,678	\$89,252	\$6,000	\$10,640	\$105,892	\$97,555	\$6,000	\$13,836	\$117,391
8	\$221,642	\$95,678	\$6,000	\$9,229	\$110,907	\$105,892	\$6,000	\$12,566	\$124,457	\$117,391	\$6,000	\$16,575	\$139,966
9	\$216,948	\$110,907	\$6,000	\$10,658	\$127,564	\$124,457	\$6,000	\$14,714	\$145,171	\$139,966	\$6,000	\$19,691	\$165,656
10	\$211,940	\$127,564	\$6,000	\$12,220	\$145,784	\$145,171	\$6,000	\$17,111	\$168,282	\$165,656	\$6,000	\$23,237	\$194,893
11	\$206,597	\$145,784	\$6,000	\$13,929	\$165,714	\$168,282	\$6,000	\$19,785	\$194,067	\$194,893	\$6,000	\$27,272	\$228,165*
12	\$200,896	\$165,714	\$6,000	\$15,799	\$187,513	\$194,067	\$6,000	\$22,769	\$222,837*	\$228,165	\$6,000	\$31,865	\$266,030
13	\$194,813	\$187,513	\$6,000	\$17,844	\$211,356*	\$222,837	\$6,000	\$26,098	\$254,935	\$266,030	\$6,000	\$37,092	\$309,122
14	\$188,323	\$211,356	\$6,000	\$20,080	\$237,437	\$254,935	\$6,000	\$29,813	\$290,748	\$309,122	\$6,000	\$43,040	\$358,162
15	\$181,398	\$237,437	\$6,000	\$22,527	\$265,964	\$290,748	\$6,000	\$33,957	\$330,705	\$358,162	\$6,000	\$49,809	\$413,970
16	\$174,009	\$265,964	\$6,000	\$25,203	\$297,167	\$330,705	\$6,000	\$38,581	\$375,285	\$413,970	\$6,000	\$57,512	\$477,482
17	\$166,126	\$297,167	\$6,000	\$28,130	\$331,297	\$375,285	\$6,000	\$43,740	\$425,025	\$477,482	\$6,000	\$66,279	\$549,761
18	\$157,714	\$331,297	\$6,000	\$31,332	\$368,629	\$425,025	\$6,000	\$49,495	\$480,520	\$549,761	\$6,000	\$76,256	\$632,017
19	\$148,739	\$368,629	\$6,000	\$34,834	\$409,462	\$480,520	\$6,000	\$55,917	\$542,437	\$632,017	\$6,000	\$87,610	\$725,626
20	\$139,163	\$409,462	\$6,000	\$38,664	\$454,126	\$542,437	\$6,000	\$63,082	\$611,519	\$725,626	\$6,000	\$100,531	\$832,157
21	\$128,946	\$454,126	\$6,000	\$42,854	\$502,980	\$611,519	\$6,000	\$71,076	\$688,596	\$832,157	\$6,000	\$115,235	\$953,392
22	\$118,044	\$502,980	\$6,000	\$47,437	\$556,417	\$688,596	\$6,000	\$79,995	\$774,591	\$953,392	\$6,000	\$131,970	\$1,091,362
23	\$106,413	\$556,417	\$6,000	\$52,450	\$614,867	\$774,591	\$6,000	\$89,947	\$870,538	\$1,091,362	\$6,000	\$151,014	\$1,248,376
24	\$94,002	\$614,867	\$6,000	\$57,933	\$678,799	\$870,538	\$6,000	\$101,050	\$977,587	\$1,248,376	\$6,000	\$172,687	\$1,427,064
25	\$80,760	\$678,799	\$6,000	\$63,930	\$748,729	\$977,587	\$6,000	\$113,437	\$1,097,024	\$1,427,064	\$6,000	\$197,352	\$1,630,416
26	\$66,632	\$748,729	\$6,000	\$70,490	\$825,219	\$1,097,024	\$6,000	\$127,258	\$1,230,283	\$1,630,416	\$6,000	\$225,421	\$1,861,837
27	\$51,557	\$825,219	\$6,000	\$77,665	\$908,884	\$1,230,283	\$6,000	\$142,679	\$1,378,962	\$1,861,837	\$6,000	\$257,365	\$2,125,201
28	\$35,473	\$908,884	\$6,000	\$85,513	\$1,000,397	\$1,378,962	\$6,000	\$159,884	\$1,544,845	\$2,125,201	\$6,000	\$293,718	\$2,424,919
29	\$18,311	\$1,000,397	\$6,000	\$94,098	\$1,100,495	\$1,544,845	\$6,000	\$179,080	\$1,729,925	\$2,424,919	\$6,000	\$335,088	\$2,766,007
30	\$0	\$1,100,495	\$6,000	\$103,488	\$1,209,983	\$1,729,925	\$6,000	\$200,497	\$1,936,422	\$2,766,007	\$6,000	\$382,170	\$3,154,177

* Debt Free Status! Indicates point where accumulated assets exceed debt!

Investment Criteria	
Starting Principal	\$20,000
Rate of Return	9.000%
Number of Months	360
Monthly Investment	\$500

Benefits	
By year 13, asset accumulation will exceed debt. By year 30, yearly income will exceed \$103,488 with an asset account of \$1,209,983.	

Investment Criteria	
Starting Principal	\$20,000
Rate of Return	11.000%
Number of Months	360
Monthly Investment	\$500

Benefits	
By year 12, asset accumulation will exceed debt. By year 30, yearly income will exceed \$200,497 with an asset account of \$1,936,422.	

Investment Criteria	
Starting Principal	\$20,000
Rate of Return	13.000%
Number of Months	360
Monthly Investment	\$500

Benefits	
By year 11, asset accumulation will exceed debt. By year 30, yearly income will exceed \$382,170 with an asset account of \$3,154,177.	

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