ALL IN ONE LOAN

Case Study:

AIO vs Covid-Era Low Rate

Overview

All In One Loan

- Total Principal: $515,000.00
- Total Interest: $110,502.44
- Payments: 107
- Total Expense: $625,502.44

Total Saved: $93,824.60*

Comparison Loan

- Total Principal: $515,000.00
- Total Interest: $204,327.04
- Payments: 243
- Total Expense: $719,327.04**

Home Value: $800,000 **Loan Amount: $515,000**

Monthly Living Expenses: $7,710.66 **Monthly Net Income: $14,000**

*Information provided 6/13/2025. The information here is provided as a general guide to help you determine if a property may be viable for you. Rates, APR's & programs are illustrations subject to change at any time. These do not constitute a 'Loan or Good Faith Estimate' for payments and closing costs. *Rate could rise during the life of the loan. The All In One Loan™ does not use a traditional amortization schedule. Principal is paid through deposits into the All In One Loan sweep-checking account. Interest is computed based on the nightly unpaid principal balance. Each day's interest is totaled once each month ends.*

**This scenario is based off a Comparison Loan Effective APR of 1.338%. The Comparison Loan Effective APR represents the annual percentage rate that the loan would need to have, given your inputs, in order to create the same amount of interest (or save the same amount of interest) as the All In One Loan.*

***Stated rate may change or may not be available at time of rate lock. If you own an $800,000 with a loan balance of $515,000 on a 30 year loan at a fixed rate of 3.5% (3.663% APR), you would make 360 monthly payments of $2,313.00. Payment stated does not include taxes, and homeowners insurance which will result in a higher payment.*

Background

A couple in Arizona received an annual phone call from their loan officer who was trying to see if their goals had changed since they refinanced 3 years ago to a COVID-era rate of 3.5%. During the call, the loan officer introduced them to the *All In One Loan* to see if it could improve their financial status and payoff timing. While not in the market to refinance their great rate, the couple had recently begun contributing extra principal payments towards their loan to payoff sooner. They were intrigued by the concept of the *All In One Loan* and wanted to determine if keeping their current loan and contributing more towards it monthly would produce a better result than the *All In One Loan*.

Financial Challenge

The couple had a relatively low rate of 3.5% on their 30-year fixed-rate loan compared to current rates of approximately 7.0% for the same term. They were reluctant to give up their current rate for an *All In One Loan* that had a much higher initial rate. They couldn't understand how a loan with a potentially higher rate could possibly cost less than their current loan with a lower rate. Additionally, they wondered if simply applying extra principal payments could simulate or beat the *All In One Loan* results. Their stated goals were to:

1. Decrease the overall cost of financing
2. Payoff sooner than keeping current loan and make extra principal payments
3. Recast required payments with reducing balance
4. Provide an efficient storage place for liquid savings and idle funds
5. Allow for the 24/7 availability of funds for future or emergency needs

Assumptions:

- **Net Income: $14,000/mo**
- **Expenses: $7,710.66/mo not including current mortgage**
- **Monthly Leftover: $2,240/mo or 16% of net income**
- **One Time Deposit: $75,000 liquid checking/savings**

Innovative Solution: The *All In One Loan*

The *All In One Loan* utilizes a homeowner's existing resources more efficiently to reduce the cost and payment that comes with home financing.

Mechanisms for Lower Cost

- **Interest Calculation on a Reducing Balance:** The *All In One Loan* would have $93,824 in interest savings vs their current loan. Interest accrues daily on the reducing principal balance, allowing for faster reduction of the loan balance and lower interest costs over time. Principal balances are reduced faster by efficiently utilizing entire cashflow and idle funds until they are needed for bills and expenses.
- **Comparison Loan Effective APR Rate:** The *All In One Loan* effective rate is 1.338%, meaning they would have to have had this rate on their current loan to equal the interest costs on the *All In One Loan*. (See Paydown Summary below)

Mechanism for Faster Payoff

- **Quick Loan Payoff:** The couple would fully pay off the mortgage in just 8.9 years, far ahead of their remaining 20.3-year term, without changing their payment behavior.
- **Better than Extra Monthly Payments:** Payoff timing is still better than if they applied an extra $500/mo towards principal. With extra monthly payments comes the discipline and financial ability to consistently do so over a long period of time with no disruptions. Only 4% of Americans actually are able to do this consistently. The *All In One Loan* does not require the homeowner to change behavior in any way and allows their own resources to do the work of reducing principal faster.

Benefit of a Reducing Balance

- **Recasting Monthly Payments:** As the principal balance on the *All In One Loan* reduces, so does the monthly payment obligation. This reward feedback loop incentivizes the homeowner to apply as much towards their mortgage as they wish, while receiving an immediate benefit in the form of a lower monthly mortgage payment the very next month.
- **Improved Monthly Cash Flow:** Their monthly mortgage expenses were projected to decrease each year, significantly improving their cash flow. This engineered more funds available monthly to be available for other needs and goals.
- **Maintaining Liquidity:** By placing their extra funds into the *All In One Loan* account, the couple could reduce the loan balance while retaining full access to their funds, providing a financial buffer for emergencies without locking the money away in home equity.

Conclusion

The *All In One Loan* enabled the couple to stop relying on only interest rates to reduce the cost of life's largest expense, a mortgage. This case exemplifies that a mortgage that prioritizes principal balance and time reduction has a greater effect on interest costs than an interest rate alone. This innovative approach not only accelerates their path to mortgage freedom but also enhances their overall financial resilience.

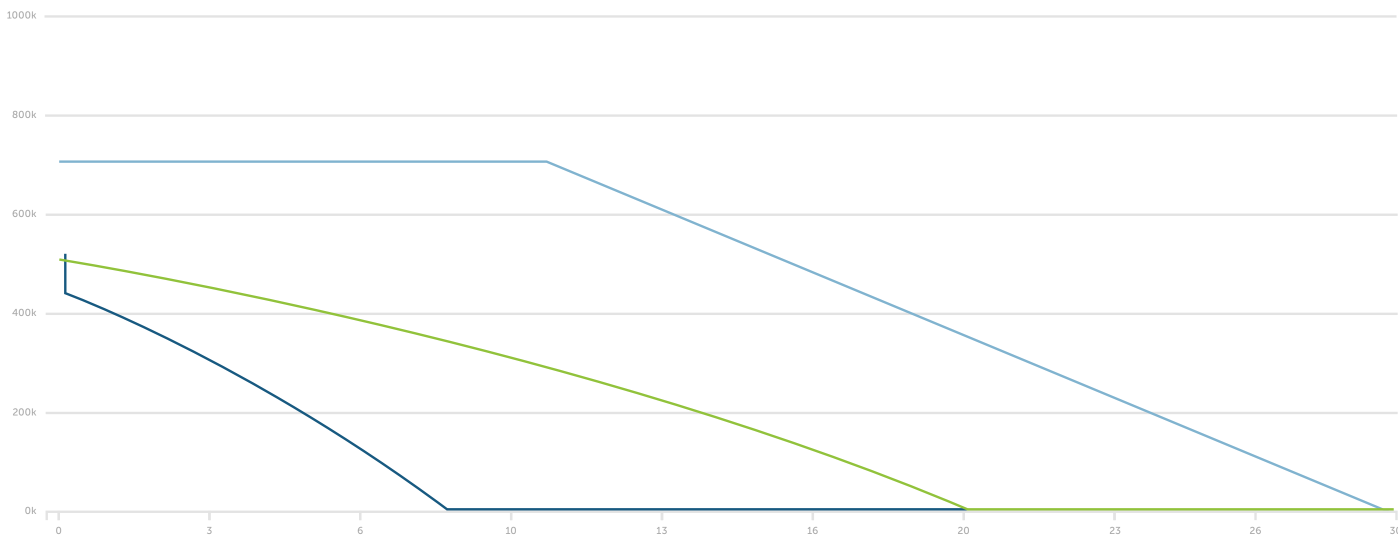
Additional Loan Comparison Insight:

All In One Loan

Avg. Minimum Monthly Payment:	$1,032.73
Avg. Monthly Principal Reduced:	$4,813.08
Avg. Annual Principal Reduced:	11.2%
Interest as a Percent of Principal:	21.5%
Comparison Loan Effective APR:	1.338%
Breakeven Average Rate:	7.645%

Comparison Loan

Minimum Monthly Payment:	$2,963.84
Avg. Monthly Principal Reduced:	$2,119.34
Avg. Annual Principal Reduced:	4.9%
Interest as a Percent of Principal:	39.7%
Average Loan Rate:	3.500%



Date of results: 6/13/2025 *AIO Simulator Code - mpf-bzy-e27*

All In One Loan Principal Balance | *All In One Loan* Credit Limit | Traditional Mortgage Principal Balance

Full Name
Title
NMLS#

Phone
Email
Website

NMLS ID# 1820