

For a loan of **\$425,000**, the difference in interest between these two mortgages is over **\$360,000**. Here is the detailed breakdown:

### The Comparison (\$425,000 Loan)

Feature	25-Year Fixed at 2.25%	30-Year Fixed at 6.00%	Difference
Monthly Payment (P&I)	\$1,853.56	\$2,548.09	+\$694.53
Total Interest Paid	\$131,067	\$492,312	+\$361,245
<b>Total Cost of Loan</b>	<b>\$556,067</b>	<b>\$917,312</b>	<b>+\$361,245</b>

### Analysis of the Impact

- **Total Interest Gap:** On a \$425,000 loan, you would pay **\$361,245.67 more** in interest by choosing the 30-year 6% mortgage over the 25-year 2.25% mortgage. To put that in perspective, the extra interest alone is almost equal to the original amount borrowed.
- **Monthly Budget:** The 30-year mortgage at 6% results in a monthly payment that is **\$694.53 higher**, despite having a longer repayment period.
- **Principal vs. Interest:** With the 2.25% loan, your first payment sends roughly **\$1,056** toward the principal. With the 6% loan, your first payment sends only about **\$423** toward the principal, while over \$2,100 goes straight to interest.

By choosing the shorter term and lower rate, you save enough in interest to potentially buy a second (smaller) home or fully fund a robust retirement account.

# HUDVA Addendum to Uniform Residential Loan Application

OMB Approval No. VA: 2900-0144 (exp. 09/30/2022)  
 HUD: 2502-0059 (exp. 03/31/2019)

<b>Part I - Identifying Information</b> (mark the type of application)				2. Agency Case No. (include any suffix)	3. Lender/Mortgagee Case No.	4. Section of the Act (for HUD cases)	
<input checked="" type="checkbox"/> VA Application for Home Loan Guaranty <input type="checkbox"/> HUD / FHA Application for Insurance under the National Housing Act				62-62-6-1382802	4920120633		
5. Borrower's Name & Present Address (include zip code)				7. Loan Amount (include the UFMIP if for HUD or Funding Fee if for VA)	8. Interest Rate	9. Proposed Maturity	
STEPHEN P DODD 1718 NANTUCKET DR UNIT C HOUSTON, TX 77057 UN				\$480,748.00	2.250%	30 yrs. 0 mos.	
6. Property Address (including name of subdivision, lot & block no. & zip code)				10. Discount Amount (only if borrower is permitted to pay)	11. Amount of Up Front Premium	12a. Amount of Monthly Premium	12b. Term of Monthly Premium
1718 NANTUCKET DR UNIT C HOUSTON, TX 77057 SEE PRELIM					\$	\$ /mo.	0 mos.
				13. Lender/Mortgagee I.D. Code	14. Sponsor/Agent I.D. Code		
				600171-00-00			
15. Lender/Mortgagee Name & Address (include zip code)				16. Name & Address of Sponsor/Agent			
NEWREZ LLC D/B/A NEWREZ MORTGAGE 1100 VIRGINIA DRIVE, SUITE 125 FORT WASHINGTON, PA 19034							
				17. Lender/Mortgagee Telephone Number (484) 567-4449			

Type or Print all entries clearly.

<b>FHA Sponsored Originations</b>	Name of Loan Origination Company	Tax ID of Loan Origination Company	NMLS ID of Loan Origination Company
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**VA:** The veteran and the lender hereby apply to the Secretary of Veterans Affairs for Guaranty of the loan described here under Section 3710, Chapter 37, Title 38, United States Code, to the full extent permitted by the veteran's entitlement and severally agree that the Regulations promulgated pursuant to Chapter 37, and in effect on the date of the loan shall govern the rights, duties, and liabilities of the parties.

18. First Time Homebuyer? a. <input type="checkbox"/> Yes b. <input checked="" type="checkbox"/> No	19. VA Only Title will be Vested in: <input checked="" type="checkbox"/> Veteran <input type="checkbox"/> Veteran & Spouse <input type="checkbox"/> Other (Specify)	20. Purpose of Loan (blocks 9-12 are for VA loans only)	
		1) <input type="checkbox"/> Purchase Existing Home Previously Occupied	7) <input type="checkbox"/> Construct Home (proceeds to be paid out during construction)
		2) <input type="checkbox"/> Purchase Existing Home Not Previously Occupied	8) <input type="checkbox"/> Finance Co-op Purchase
		3) <input type="checkbox"/> Finance Improvements to Existing Property	9) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home
		4) <input checked="" type="checkbox"/> Refinance (Refi.)	10) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot
		5) <input type="checkbox"/> Purchase New Condo. Unit	11) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home to Buy Lot
		6) <input type="checkbox"/> Purchase Existing Condo. Unit	12) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home/Lot Loan

**HUD Instructions:** The capitalized terms used in this form refer to those terms as used in the relevant sections of the current version of Single Family Housing Policy Handbook, HUD 4000.1.

**Part II - Lender/Mortgagee Certification**  
 21. The undersigned lender/mortgagee makes the following certifications to induce the Department of Veterans Affairs to issue a certificate of commitment to guarantee the subject loan or a Loan Guaranty Certificate under Title 38, U.S. Code, or to induce the Department of Housing and Urban Development - Federal Housing Commissioner to issue a firm commitment for mortgage insurance or a Mortgage Insurance Certificate under the National Housing Act.

- A. The loan terms furnished in the final Uniform Residential Loan Application and this Addendum are true, accurate and complete.
- B. (1) The information contained in the initial Uniform Residential Loan Application and this Addendum was obtained from the Borrower by an employee of the undersigned lender/mortgagee or its duly authorized agent and to the best of lender/mortgagee's knowledge is complete and accurately represents the information obtained by the lender/mortgagee as of the date the Borrower provided the information to the undersigned lender/mortgagee or its duly authorized agent.
- (2) The information contained in the final Uniform Residential Loan Application, which was signed by the Borrower at the time of settlement, was obtained by an employee of the undersigned lender/mortgagee or its duly authorized agent and to the best of lender/mortgagee's knowledge is complete and accurately represents the information obtained by the lender/mortgagee as of the date verified by the lender/mortgagee.
- C. The credit report submitted on the subject Borrower (and Co-Borrower, if any) was ordered by the undersigned lender/mortgagee or its duly authorized agent from the credit agency which prepared the report and was received directly from said credit agency.
- D. The Verifications of Employment, Deposit, Rent and Mortgage, as applicable, were requested and received by the lender/mortgagee or its duly authorized agent without passing through the hands of the Borrower or any Interested Third Party and are to the best of lender/mortgagee's knowledge accurate.
- E. To the best of my knowledge, neither I nor any other Participant (as that term is clarified in HUD Handbook 4000.1, II.A.1.b.ii.(B)) in this Covered Transaction (as that term is clarified at 2 C.F.R. § 180. 200) is suspended, debarred, under a limited denial of participation, or otherwise restricted under 2 C.F.R. part 2424 or 24 C.F.R. part 25, or under similar procedures of any other federal agency.

Items "F" through "H" are to be completed as applicable for VA loans only.

F. The names and functions of any duly authorized agents who developed on behalf of the lender/mortgagee any of the information or supporting credit data submitted are as follows:

Name & Address	Function (e.g., obtained information on the Uniform Residential Loan Application, ordered credit report, verifications of employment, deposits, etc.)
NEWREZ LLC D/B/A NEWREZ MORTGAGE 1100 VIRGINIA DRIVE, SUITE 125, FORT WASHINGTON, PA 19034	

If no agent is shown above, the undersigned lender/mortgagee affirmatively certifies that all information and supporting credit data were obtained directly by the lender/mortgagee.

G. The undersigned lender/mortgagee understands and agrees that it is responsible for the omissions, errors, or acts of agents identified in item F as to the functions with which they are identified.

H. The proposed loan conforms otherwise with the applicable provisions of Title 38, U.S. Code, and of the regulations concerning guaranty or insurance of loans to veterans.

Signature of Officer of Lender/Mortgagee	Title of Officer of Lender/Mortgagee	Date (mm/dd/yyyy)
	LOAN OFFICER	

**WARNING:** This warning applies to all certifications made in this document. The knowing submission of a false, fictitious, or fraudulent certification may be subject to criminal and civil penalties, including confinement for up to 5 years, fines, and civil penalties. 18 U.S.C. §§ 287, 1001 and 31 U.S.C. § 3729



Part III Notices to Borrowers

Public reporting burden for this collection of information is estimated to average 6 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number...

Part IV - Borrower Consent for Social Security Administration to Verify Social Security Number

I authorize the Social Security Administration to verify my Social Security number to the Mortgagee identified in this document and HUD/FHA, through a computer match conducted by HUD/FHA. I understand that my consent allows no additional information from my Social Security records to be provided to the Mortgagee, and HUD/FHA and that verification of my Social Security number does not constitute confirmation of my identity...

Read consent carefully. Review accuracy of social security number(s) and birth dates provided on this application.

Signature(s) of Borrower(s) Date Signed Signature(s) of Co - Borrower(s) Date Signed

Part V - Borrower Certification

22. Complete the following for a HUD/FHA Mortgage.

22 a. Do you own or have you sold other real estate within the past 60 months on which there was a HUD/FHA mortgage? 22 b. Sales Price 22 c. Original Mortgage Amt 22 d. Address: 22 e. If the dwelling to be covered by this mortgage is to be rented, is it a part of, adjacent or contiguous to any project subdivision or group of concentrated rental properties involving eight or more dwelling units in which you have any financial interest?

23. Complete for VA-Guaranteed Mortgage. Have you ever had a VA home Loan? Yes No

IMPORTANT: If you are certifying that you are married for the purpose of VA benefits, your marriage must be recognized by the place where you and/or your spouse resided at the time of marriage, or where you and/or your spouse resided when you filed your claim (or a later date when you become eligible for benefits) (38 U.S.C. § 103(c)). Additional guidance on when VA recognizes marriages is available at http://www.va.gov/opal/marriage/.

24. Applicable for Both VA & HUD. As a home loan borrower, you will be legally obligated to make the mortgage payments called for by your mortgage loan contract. The fact that you dispose of your property after the loan has been made will not relieve you of liability for making these payments. Payment of the loan in full is ordinarily the way liability on a mortgage note is ended.

25. I, the Undersigned Borrower(s) Certify that:

(1) I have read and understand the foregoing concerning my liability on the loan and Part III Notices to Borrowers. (2) Occupancy: HUD Only (CHECK APPLICABLE BOX) (a) I now actually occupy the above-described property as my home or intend to move into and occupy said property as my home within a reasonable period of time or intend to reoccupy it after the completion of major alterations, repairs or improvements. (b) My spouse is on active military duty and in his or her absence; I occupy or intend to occupy the property securing this loan as my home. (c) I previously occupied the property securing this loan as my home. (d) While my spouse was on active military duty and unable to occupy the property securing this loan, I previously occupied the property that is securing this loan as my home. (e) The veteran is on active military duty and in his or her absence, I certify that a dependent child of the veteran occupies or will occupy the property securing this loan as their home. (f) While the veteran was on active military duty and unable to occupy the property securing this loan, the property was occupied by the veteran's dependent child as his or her home. (3) Mark the applicable box (not applicable for Home Improvement or Refinancing Loan) I have been informed that (\$ ) is:

Signature(s) of Borrower(s) - Do not sign unless this application is fully completed. Read the certifications carefully and review accuracy of this application.

Signature(s) of Borrower(s) Date Signed Signature(s) of Co - Borrower(s) Date Signed