



The Early Bird Gets the Worm



If prices go down by 2.5% but rates increase more than 1/4% you lose in your payment!

Rate	6.000%	\$1,079	\$1,109	\$1,139	\$1,169	\$1,199	\$1,229	\$1,259	\$1,289	\$1,319	6.118%	APR
	5.750%	\$1,050	\$1,080	\$1,109	\$1,138	\$1,167	\$1,196	\$1,226	\$1,255	\$1,284	5.867%	
	5.500%	\$1,022	\$1,050	\$1,079	\$1,107	\$1,136	\$1,164	\$1,192	\$1,221	\$1,249	5.615%	
	5.250%	\$994	\$1,022	\$1,049	\$1,077	\$1,104	\$1,132	\$1,160	\$1,187	\$1,215	5.363%	
	5.000%	\$966	\$993	\$1,020	\$1,047	\$1,074	\$1,100	\$1,127	\$1,154	\$1,181	5.111%	
	4.750%	\$939	\$965	\$991	\$1,017	\$1,043	\$1,069	\$1,095	\$1,122	\$1,148	4.860%	
	4.500%	\$912	\$937	\$963	\$988	\$1,013	\$1,039	\$1,064	\$1,089	\$1,115	4.608%	
	4.250%	\$885	\$910	\$935	\$959	\$984	\$1,008	\$1,033	\$1,058	\$1,082	4.357%	
	4.000%	\$859	\$883	\$907	\$931	\$955	\$979	\$1,003	\$1,026	\$1,050	4.105%	
	\$180,000	\$185,000	\$190,000	\$195,000	\$200,000	\$205,000	\$210,000	\$215,000	\$220,000			
	-10.0%	-7.5%	-5.0%	-2.5%		2.5%	5.0%	7.5%	10.0%			
	Loan											

This chart demonstrates the relationship between changes in home values and in interest rates. As you will see, while home prices may decrease by 2.5 percent, if interest rates increase by more than 0.25 percent, you will have a higher monthly payment than you would have if you had accepted the greater purchase price and lower interest rate.

Generally, if interest rates increase by 0.5 percent, home values will have to decrease an additional 5 percent in order for you to have the same monthly payment. Waiting in hopes of lower home values is not always the best option, because you can easily wind up paying more on a home you purchased for a lower price if the interest rates don't cooperate.



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Washington License# 520-CL-31271 (NMLS 2258). This chart is based on a 30-year fixed rate loan with a down payment of 80 percent LTV or less. Interest rates subject to change. Borrower must meet qualification criteria. Not a commitment to lend.

