

RateSpy.com Amortization Scenario

Winner: **1-year Mortgage**

Summary: **The 1-year Mortgage costs \$1009 less than the 5-year Fixed over 5 years. ***

Scenario Description

This scenario compares two term options:

- a) A series of 1-year fixed rates vs.
- b) A 5-year fixed rate.

Rate assumptions are hypothetical. Assumes equal monthly payments to eliminate issues with opportunity cost and time value of money.

1-year Mortgage

Initial Principal	350,000
Amortization Period (In years. 999 for int. only)	25.00
Yearly Compounding Periods (2 or 12)	2

5-year Fixed

Initial Principal	350,000
Amortization Period (In years. 999 for int. only)	25.00
Yearly Compounding Periods (2 or 12)	2

Calculated Data

Average Rate Over Term	2.44%
Average Payment Over Term	\$1,577.94

Calculated Data

Average Rate Over Term	2.49%
Average Payment Over Term	\$1,577.94

Pmt #	Payment Month	BoC Meeting	Prime Rate	BoC Rate Chg	5yr Bond Yield
1	Oct 2019	Yes	3.95%	0.00%	1.32%
2	Nov 2019		3.95%	0.00%	
3	Dec 2019	Yes	3.95%	0.00%	
4	Jan 2020	Yes	3.95%	-0.25%	
5	Feb 2020		3.70%	0.00%	
6	Mar 2020	Yes	3.70%	0.00%	
7	Apr 2020	Yes	3.70%	0.00%	
8	May 2020		3.70%	0.00%	
9	Jun 2020	Yes	3.70%	0.00%	
10	Jul 2020	Yes	3.70%	-0.25%	
11	Aug 2020		3.45%	0.00%	
12	Sep 2020	Yes	3.45%	0.00%	
13	Oct 2020	Yes	3.45%	0.00%	
14	Nov 2020		3.45%	0.00%	1.02%
15	Dec 2020	Yes	3.45%	0.00%	
16	Jan 2021	Yes	3.45%	0.00%	
17	Feb 2021		3.45%	0.00%	
18	Mar 2021	Yes	3.45%	0.00%	
19	Apr 2021	Yes	3.45%	0.00%	
20	May 2021		3.45%	0.00%	
21	Jun 2021	Yes	3.45%	0.00%	
22	Jul 2021	Yes	3.45%	0.00%	
23	Aug 2021		3.45%	0.00%	
24	Sep 2021	Yes	3.45%	0.00%	
25	Oct 2021	Yes	3.45%	0.00%	
26	Nov 2021		3.45%	0.00%	0.87%
27	Dec 2021	Yes	3.45%	0.00%	
28	Jan 2022	Yes	3.45%	0.00%	
29	Feb 2022		3.45%	0.00%	
30	Mar 2022	Yes	3.45%	0.00%	
31	Apr 2022	Yes	3.45%	0.00%	
32	May 2022		3.45%	0.00%	
33	Jun 2022	Yes	3.45%	0.00%	
34	Jul 2022	Yes	3.45%	0.00%	
35	Aug 2022		3.45%	0.00%	
36	Sep 2022	Yes	3.45%	0.00%	
37	Oct 2022	Yes	3.45%	0.00%	
38	Nov 2022		3.45%	0.00%	1.05%
39	Dec 2022	Yes	3.45%	0.00%	
40	Jan 2023	Yes	3.45%	0.00%	
41	Feb 2023		3.45%	0.00%	
42	Mar 2023	Yes	3.45%	0.00%	
43	Apr 2023	Yes	3.45%	0.00%	
44	May 2023		3.45%	0.00%	
45	Jun 2023	Yes	3.45%	0.00%	
46	Jul 2023	Yes	3.45%	0.00%	
47	Aug 2023		3.45%	0.00%	
48	Sep 2023	Yes	3.45%	0.50%	

Rate	Payment	Interest	Principal	Extra Payments	Balance
2.59%					350,000.00
2.59%	1,583.61	751.37	832.24		349,167.76
2.59%	1,583.61	749.59	834.02		348,333.74
2.59%	1,583.61	747.80	835.81		347,497.93
2.59%	1,583.61	746.00	837.61		346,660.32
2.59%	1,583.61	744.20	839.41		345,820.91
2.59%	1,583.61	742.40	841.21		344,979.70
2.59%	1,583.61	740.60	843.01		344,136.69
2.59%	1,583.61	738.79	844.82		343,291.87
2.59%	1,583.61	736.97	846.64		342,445.23
2.59%	1,583.61	735.15	848.46		341,596.77
2.59%	1,583.61	733.33	850.28		340,746.49
2.59%	1,583.61	731.51	852.10		339,894.39
2.29%	1,533.34	645.56	887.78	32.80	338,973.81
2.29%	1,533.34	643.81	889.53	32.80	338,051.48
2.29%	1,533.34	642.06	891.28	32.80	337,127.40
2.29%	1,533.34	640.30	893.04	32.80	336,201.56
2.29%	1,533.34	638.54	894.80	32.80	335,273.96
2.29%	1,533.34	636.78	896.56	32.80	334,344.60
2.29%	1,533.34	635.02	898.32	32.80	333,413.48
2.29%	1,533.34	633.25	900.09	32.80	332,480.59
2.29%	1,533.34	631.48	901.86	32.80	331,545.93
2.29%	1,533.34	629.70	903.64	32.80	330,609.49
2.29%	1,533.34	627.92	905.42	32.80	329,671.27
2.29%	1,533.34	626.14	907.20	32.80	328,731.27
2.14%	1,507.65	583.64	924.01	58.49	327,748.77
2.14%	1,507.65	581.90	925.75	58.49	326,764.53
2.14%	1,507.65	580.15	927.50	58.49	325,778.54
2.14%	1,507.65	578.40	929.25	58.49	324,790.80
2.14%	1,507.65	576.64	931.01	58.49	323,801.30
2.14%	1,507.65	574.89	932.76	58.49	322,810.05
2.14%	1,507.65	573.13	934.52	58.49	321,817.04
2.14%	1,507.65	571.36	936.29	58.49	320,822.26
2.14%	1,507.65	569.60	938.05	58.49	319,825.72
2.14%	1,507.65	567.83	939.82	58.49	318,827.41
2.14%	1,507.65	566.06	941.59	58.49	317,827.33
2.14%	1,507.65	564.28	943.37	58.49	316,825.47
2.32%	1,531.71	609.59	922.12	34.43	315,868.92
2.32%	1,531.71	607.75	923.96	34.43	314,910.53
2.32%	1,531.71	605.91	925.80	34.43	313,950.30
2.32%	1,531.71	604.06	927.65	34.43	312,988.22
2.32%	1,531.71	602.21	929.50	34.43	312,024.29
2.32%	1,531.71	600.35	931.36	34.43	311,058.50
2.32%	1,531.71	598.49	933.22	34.43	310,090.85
2.32%	1,531.71	596.63	935.08	34.43	309,121.34
2.32%	1,531.71	594.77	936.94	34.43	308,149.97
2.32%	1,531.71	592.90	938.81	34.43	307,176.73
2.32%	1,531.71	591.02	940.69	34.43	306,201.61

Rate	Payment	Interest	Principal	Extra Payments	Balance
2.49%					350,000.00
2.49%	1,566.14	722.51	843.63	17.47	349,138.90
2.49%	1,566.14	720.73	845.41	17.47	348,276.02
2.49%	1,566.14	718.95	847.19	17.47	347,411.36
2.49%	1,566.14	717.17	848.97	17.47	346,544.92
2.49%	1,566.14	715.38	850.76	17.47	345,676.69
2.49%	1,566.14	713.59	852.55	17.47	344,806.67
2.49%	1,566.14	711.79	854.35	17.47	343,934.85
2.49%	1,566.14	709.99	856.15	17.47	343,061.23
2.49%	1,566.14	708.19	857.95	17.47	342,185.81
2.49%	1,566.14	706.38	859.76	17.47	341,308.58
2.49%	1,566.14	704.57	861.57	17.47	340,429.54
2.49%	1,566.14	702.75	863.39	17.47	339,548.68
2.49%	1,566.14	700.94	865.20	17.47	338,663.48
2.49%	1,566.14	699.15	866.99	17.47	337,776.49
2.49%	1,566.14	697.36	868.78	17.47	336,887.71
2.49%	1,566.14	695.57	870.57	17.47	336,007.14
2.49%	1,566.14	693.77	872.37	17.47	335,124.77
2.49%	1,566.14	691.97	874.17	17.47	334,240.60
2.49%	1,566.14	690.16	875.98	17.47	333,354.62
2.49%	1,566.14	688.36	877.78	17.47	332,467.84
2.49%	1,566.14	686.54	879.60	17.47	331,579.24
2.49%	1,566.14	684.73	881.41	17.47	330,688.83
2.49%	1,566.14	682.91	883.23	17.47	329,796.60
2.49%	1,566.14	681.09	885.05	17.47	328,902.55
2.49%	1,566.14	679.26	886.88	17.47	328,006.67
2.49%	1,566.14	677.43	888.71	17.47	327,108.96
2.49%	1,566.14	675.59	890.55	17.47	326,210.41
2.49%	1,566.14	673.75	892.39	17.47	325,311.02
2.49%	1,566.14	671.91	894.23	17.47	324,410.79
2.49%	1,566.14	670.07	896.07	17.47	323,509.72
2.49%	1,566.14	668.22	897.92	17.47	322,607.80
2.49%	1,566.14	666.36	899.78	17.47	321,705.02
2.49%	1,566.14	664.51	901.63	17.47	320,801.39
2.49%	1,566.14	662.64	903.50	17.47	320,000.00
2.49%	1,566.14	660.78	905.36	17.47	319,191.53
2.49%	1,566.14	658.91	907.23	17.47	318,383.30
2.49%	1,566.14	657.04	909.10	17.47	317,574.20
2.49%	1,566.14	655.16	910.98	17.47	316,764.22
2.49%	1,566.14	653.28	912.86	17.47	315,953.36
2.49%	1,566.14	651.40	914.74	17.47	315,141.62
2.49%	1,566.14	649.51	916.63	17.47	314,329.99
2.49%	1,566.14	647.62	918.52	17.47	313,518.47
2.49%	1,566.14	645.72	920.42	17.47	312,706.95
2.49%	1,566.14	643.82	922.32	17.47	311,895.73
2.49%	1,566.14	641.92	924.22	17.47	311,084.51
2.49%	1,566.14	640.01	926.13	17.47	310,273.38
2.49%	1,566.14	638.10	928.04	17.47	309,462.34

Payment Difference	Benefit of 5yr Fixed
0.00	28.86
0.00	57.72
0.00	86.57
0.00	115.40
0.00	144.22
0.00	173.03
0.00	201.84
0.00	230.64
0.00	259.42
0.00	288.19
0.00	316.95
0.00	345.71
0.00	290.33
0.00	234.99
0.00	179.69
0.00	124.42
0.00	69.19
0.00	14.00
0.00	-41.14
0.00	-96.25
0.00	-151.31
0.00	-206.34
0.00	-261.33
0.00	-316.28
0.00	-411.90
0.00	-507.43
0.00	-602.87
0.00	-698.22
0.00	-793.49
0.00	-888.67
0.00	-983.76
0.00	-1,078.76
0.00	-1,173.67
0.00	-1,268.48
0.00	-1,363.20
0.00	-1,457.83
0.00	-1,505.28
0.00	-1,552.69
0.00	-1,600.06
0.00	-1,647.40
0.00	-1,694.70
0.00	-1,741.97
0.00	-1,789.20
0.00	-1,836.39
0.00	-1,883.54
0.00	-1,930.65
0.00	-1,977.73

48	Oct 2023	Yes	3.95%	0.25%		2.32%	1,531.71	589.15	942.56	34.43	305,224.62	2.49%	1,566.14	636.18	929.96		307,249.38	0.00	-2,024.76		
49	Nov 2023		4.20%	0.00%	1.58%	2.85%	1,607.69	719.38	888.31		304,336.31	2.49%	1,566.14	634.26	931.88	41.55	306,275.95	0.00	-1,939.64		
50	Dec 2023	Yes	4.20%	0.25%		2.85%	1,607.69	717.29	890.40		303,445.91	2.49%	1,566.14	632.25	933.89	41.55	305,300.51	0.00	-1,854.60		
51	Jan 2024	Yes	4.45%	0.00%		2.85%	1,607.69	715.19	892.50		302,553.41	2.49%	1,566.14	630.24	935.90	41.55	304,323.06	0.00	-1,769.65		
52	Feb 2024		4.45%	0.00%		2.85%	1,607.69	713.09	894.60		301,658.81	2.49%	1,566.14	628.22	937.92	41.55	303,343.59	0.00	-1,684.78		
53	Mar 2024	Yes	4.45%	0.00%		2.85%	1,607.69	710.98	896.71		300,762.10	2.49%	1,566.14	626.20	939.94	41.55	302,362.10	0.00	-1,600.00		
54	Apr 2024	Yes	4.45%	0.00%		2.85%	1,607.69	708.87	898.82		299,863.28	2.49%	1,566.14	624.17	941.97	41.55	301,378.58	0.00	-1,515.30		
55	May 2024		4.45%	0.00%		2.85%	1,607.69	706.75	900.94		298,962.34	2.49%	1,566.14	622.14	944.00	41.55	300,393.03	0.00	-1,430.69		
56	Jun 2024	Yes	4.45%	0.00%		2.85%	1,607.69	704.62	903.07		298,059.27	2.49%	1,566.14	620.11	946.03	41.55	299,405.45	0.00	-1,346.18		
57	Jul 2024	Yes	4.45%	0.00%		2.85%	1,607.69	702.50	905.19		297,154.08	2.49%	1,566.14	618.07	948.07	41.55	298,415.83	0.00	-1,261.75		
58	Aug 2024		4.45%	0.00%		2.85%	1,607.69	700.36	907.33		296,246.75	2.49%	1,566.14	616.02	950.12	41.55	297,424.16	0.00	-1,177.41		
59	Sep 2024	Yes	4.45%	0.00%		2.85%	1,607.69	698.22	909.47		295,337.28	2.49%	1,566.14	613.98	952.16	41.55	296,430.45	0.00	-1,093.17		
60	Oct 2024	Yes	4.45%	0.00%		2.85%	1,607.69	696.08	911.61		294,425.67	2.49%	1,566.14	611.93	954.21	41.55	295,434.69	0.00	-1,009.02		
						93,168.00	39,102.31	54,065.69	1,508.64	294,425.67							93,968.40	40,111.33	53,857.07	708.24	295,434.69
						Payments	Interest	Principle	Pre-payments	Balance							Payments	Interest	Principle	Pre-payments	Balance

* The above information is based on hypothetical assumptions and projections, estimates, calculations, opinions and current market conditions. It is impossible to predict interest rates in the future and all of these factors are subject to change without notice. Your actual results may be better or worse than the hypothetical data shown here. No warranties are provided on this information and this document is provided for general interest only. No recommendations are being made, or should be construed. No expenses are factored in besides interest. O.A.C. Copyright 2019. All rights reserved.