



# Projected Payment Schedule

An **interest rate** is the price a borrower pays for the use of money they borrow from a lender.

The term **annual percentage of rate (APR)**, describes the interest rate for a whole year (annualized). Lenders are required to disclose the "cost" of borrowing in a standardized way as a form of consumer protection and is intended to make it easier to compare lenders and loan options. The APR is likely to differ from the interest rate advertised by the lender, due to the addition of the closing fees paid to obtain the loan.

The information provided assumes the purpose of the loan is to purchase a property, with a loan amount of \$300,000 and an estimated property value of \$400,000. The property is located in Sacramento, CA and is within Sacramento County. The property is an existing single family home and will be used as a primary residence. The rate lock period is 30 days and the assumed credit score is 740.

At a 3.750% interest rate, the APR for this loan type is 3.897%. The payment schedule would be:

- 359 payments of \$ 1,389.35 at an interest rate of 3.750%
- 1 payment of \$ 1,387.29 at an interest rate of 3.750%

Payments shown include principal and interest and do not include amounts for taxes and insurance, which will result in higher monthly payments.