Loan Estimate payment check

A lower estimated total payment can hide a higher loan payment.

Fictional monthly figures. Same home; $320,000, 30-year fixed conventional loans; same initial payment period. These stipulated figures are not rate quotes or complete Loan Estimates. Fees are not shown. Both escrow estimates cover the same categories: property taxes and homeowners insurance.

1. Look inside each estimated payment

Monthly component	Offer A	Offer B
Principal and interest	**$2,000**	**$2,100**
Mortgage insurance	**$0**	**$0**
Estimated escrow: taxes + homeowners insurance	**$600**	**$400**
Estimated total monthly payment	**$2,600**	**$2,500**

What changed? Offer B shows $200 less estimated escrow but $100 more principal and interest. Its $100 lower total does not establish a cheaper loan.

2. Hold one assumption constant - only for illustration

If both used **$600 in monthly escrow**, A would total **$2,600** and B **$2,700**. Their principal-and-interest payments stay unchanged.

This is a hypothetical comparison, not a corrected quote. The actual tax and insurance cost is unknown; ask for the basis of each estimate rather than replacing figures on your documents.

3. Ask each lender, then keep the wider comparison

"Which property-tax figure and homeowners-insurance quote did you use? Do both estimates cover the same bills? Which costs would I pay separately, and can you explain any difference?"

Keep the original estimates. Also compare mortgage insurance, fees, points, lender credits, APR and cash to close. This payment check does not select a lender, verify documents or establish affordability.

Continue the example and comparison guide:
homebuyerspath.com/guides/how-to-compare-loan-estimates

Sources: CFPB Loan Estimate explainer; Compare loan offers. Sources support the method; figures are fictional. CFPB does not endorse this handout.

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