

Lesson 1 Mortgage Logic Buying A Home Name \_\_\_\_\_



*Directions: This lesson will provide you some future logic that everyone must understand completely in order to have an effective safe future. Understanding payroll, budgeting, finance, and mortgaging a home are not only very important but everyone must learn these concepts for their future. You will discover we posted these lessons accompany with this one. You ought to work those lessons first before this one. You do not have to work this lesson last! This lesson will allow you to determine how much of a home you may afford and how much savings per month. You may go to the Zillow website this is posted to consider homes in the city where your wish to purchase a home and live in. You may make a real evaluation by looking at the examples we have provided below. You should use and understand the two examples we have placed before you that are real. Go to the Zillow and browse by state and then city to determine the answer to the two problems listed below. This should allow you to understand why it is imperative that you must (1) Obtain an education (2) Obtain a good trade (3) Make money allowing you to save for a down payment on your own home.*

<p><b>Example 1</b>  <b>Value of home</b>                      \$112,000                      1988 Revere                      Rd, Cleveland Heights,                      OH 44118                      3 bd 2bath                      1,280 square foot</p>	<p><b>Rent estimate \$1,150/month</b>                      Is it worth Paying \$1,150 a month if you buy the house from the figures to the right?                      The difference is  <math>\\$1,150 - \\$674 = \\$476</math> a month savings</p>	<p><b>Your annual income</b>                      \$25,000 Most you may for a home. You can afford a house up to \$91,605</p>	<p>If you buy the house \$22,400 at 20% down payment                      Your payment \$674 a month                      Comprised below: estimate                      Principal &amp; Interest \$439                      Taxes \$188                      Insurance \$47</p>
<p><b>Example 2</b>  <b>Value of home</b>                      \$85,000                      3 bd 1 bath                      1,370 square foot</p>	<p><b>Rent estimate \$1,150 month</b>                      Is it worth Paying \$1,150 a month if you buy the house from the figures to the right?                      The difference is  <math>\\$1,150 - \\$531 = \\$619</math> a month savings</p>	<p><b>Your annual income</b>                      \$25,000 Most you may for a home. You can afford a house up to \$91,605</p>	<p>If you buy the house \$17,000 at 20% down payment.                      Your payment is \$531 a month.                      Comprised below: estimate                      Principal &amp; Interest \$367                      Taxes \$123                      Insurance \$40</p>

<i>Problem 1</i> <i>Value of home</i>	<i>Rent estimate \$</i>	<i>Your annual income</i>	<i>If you buy the house</i>
<i>Problem 2</i> <i>Value of home</i>	<i>Rent estimate \$</i>	<i>Your annual income</i>	<i>If you buy the house</i>

*Please understand that this lesson and the other lesson you find in the Microsoft Excel are designed to allow you to make smarter decisions for your future. Every lesson has been prepared for students to know and understand what is in store for them the rest of their life. It is important that you understand this when completing the lessons. **These are real life lessons for you.***

- 1. There is no elevator to success. You have to take the stairs.*
- 2. The best way to predict your future is to create them.*
- 3. The future depends on what you do in the present.*