

Real Estate Research Summary

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Conclusion

Because I make a decent wage and have a relatively low monthly debt-to-income ratio, I am able to qualify for a loan up to \$238,750. This means that if I can make a down payment of \$250,000 I can afford to buy a home that costs as much as \$488,750. However, I am choosing to purchase a home that cost considerably less. After doing the calculations and realizing how much I will pay in interest with a thirty-year loan, I have decided that it would be in my best interest to select a home that I can afford to finance over ten or fifteen years instead.

By choosing a home that costs \$372,950 instead of \$488,750, I save an automatic \$115,800 off the purchase price and an additional \$212,092 in interest, for a total savings of \$327,892. Because the home I selected still meets all of the criteria I decided I wanted in my dream home, I haven't compromised my wants in any way.

By making the decision I have, I will now own my home sooner and save a lot of money over time. When I am in my 40's I can invest in other things or additional income properties. I decided it is best to take this route to ensure my financial future and at the same time live in the home of my dreams, one with room to grow into as I look ahead to marriage and starting a family.

