

Name: _____



Dream House

- ✓ Find a "dream house" for yourself online or in the newspaper.
- ✓ Cut out an advertisement for the house or write out the details here.

How much does your house cost? _____

- ✓ Decide if you can afford a 10% or 20% down payment and calculate that amount:

Down Payment %: _____ Down Payment: \$ _____

Subtract your Down Payment to get your Loan Amount:

Loan Amount: \$ _____

- ✓ Find an interest rate for a 30-year fixed rate mortgage that is available now.

Interest Rate: _____%

- ✓ Using the Present Value of a Loan formula, determine the monthly payment you will need to make to be able to purchase your home. Show your work here.

- ✓ Calculate the total you would pay for your house, and how much interest you would pay over the life of your loan. Show work here.

Total Paid: _____

Interest Paid: _____

Is this a monthly payment amount you think you will be able to afford to make someday?
Why/why not?



Reflections

What have you learned from this activity? How will this learning affect your future plans?