

## ■ SETTING YOUR PRICE RANGE

1. **Gross annual income (include spouse's income)** \_\_\_\_\_  
(Weekly before-tax income, times 52)
2. **Gross monthly income** (Line 1 divided by 12) \_\_\_\_\_
3. **Monthly mortgage payment limit** (Line 2 times .28) \_\_\_\_\_
4. **Monthly debt limit**
  - A. Debt ratio (Line 2 times .36) \_\_\_\_\_
  - B. Monthly payments
    - Auto loans/leases \_\_\_\_\_
    - Student loans \_\_\_\_\_
    - Credit cards (5 percent of balance) \_\_\_\_\_
    - Installment debt \_\_\_\_\_
    - (Furniture, appliances) \_\_\_\_\_
    - Child support/alimony \_\_\_\_\_
  - TOTAL** \_\_\_\_\_
  - C. Debt limit (Line 4A minus 4B) \_\_\_\_\_
5. **Maximum monthly housing expense** \_\_\_\_\_  
(principal, interest, taxes and insurance) (Smaller of Lines 3 or 4C)
6. **Maximum monthly principal and interest** (Line 5 times .90) \_\_\_\_\_
7. **Maximum 30-year mortgage amount** \_\_\_\_\_  
(Line 6 divided by interest rate factor, then multiplied by 1,000)
8. **Maximum purchase price** (Line 7 times down payment factor) \_\_\_\_\_

Percentage Down Payment	Down-payment Factor	Market Interest Rate	Interest Rate Factor
20%	1.250	5%	5.37
15%	1.176	6%	6.00
10%	1.11	7%	6.65
5%	1.053	8%	7.34
		9%	8.05
		10%	8.78
		11%	9.53
		12%	10.29
		13%	11.07