

Show all work neatly.

Due Date: Friday, February 19, 2016 by 3pm

Late penalty 10 % per day

Algebraic Connections Elearning Feb. 2016

Select a house on the Internet. Email a copy of your selection. Include purchase price, location, real estate company name and your name. You will pay 15% down and have to pay 2 points at the time of closing. Your loan will be a fixed-rate mortgage . Calculate the following showing all work neatly on your own paper.

1. Be sure purchase price and Real Estate Company is with your selection. **10 points**
2. Complete the listed calculations neatly on your own paper. Do not just write answers.
 - a. down payment (15% of purchase price or $.15 \times$ purchase price) **(10 points)**
 - b. amount of mortgage (Purchase price – down payment) **(10 points)**
 - c. Amount of two points closing. (This will be two percent of the amount to be financed or $.02 \times$ amount of mortgage) **(10 points)**
 - d. Monthly payment (excluding escrow taxes and insurances) Use bankrate.com and mortgage payment calculator.
 - A) Calculate payment for 15 yrs at 3.25 % **(5 points)**
 - B) Calculate payment for 30 years at 3.5% **(5 points)**
 - e. Total amount of interest. (mortgage payment times 180 months – amount of mortgage) **(15 points)**
 - A) Calculate interest for 15 year loan **(5 points) 180 months**
 - B) Calculate interest for 30 year loan **(5 points) 360 months**
 - C) Use complete sentence to write how the two compare **(5 points)**
3. **Open a word document. Have your name, date, class/period in the right hand side of the header. Write a paragraph about what you learned from this activity. Be sure this is doubled spaced. Use correct grammar, spelling, etc. This is to be saved as a word document 1997 - 2003. Email to abryant@boazk12.org. In the subject line type your name, class, period. House paragraph. (10 points)**