

Change Your Real Estate Perspective

Look at real estate a little different.

For many years, I let my ignorance about real estate keep me from buying a home. I can remember looking at home prices and thinking there was no way in hell I would ever be able to afford a home. Most of us don't have a couple of hundred thousand dollars lying around for a new home. The dollar sign, commas, and zeros put a fear in my head that would not allow me to change my perspective.

Change to Live in the payment, not the price.

For many, there comes a breaking point where they realize that their monthly rent is paying someone else's mortgage. This is usually the trigger to exploring the home buying process. Then comes the question of what can you afford. Often, this is where the process becomes stagnant. Whether you think you are ready or not, it is often wise to visit with a qualified and licensed mortgage expert. This is where my perspective changed.

Looking at what you are spending in rent versus what your monthly payment would be with a mortgage is usually a surprise when you compare that against the overall home price. Below are very informative mortgage scenarios that will help you change the way you look at home prices.

Live in the **PAYMENT,** Not the **PRICE**

With mortgage rates at historic lows, the changing rates can impact your monthly mortgage payment. Check out the two common mortgage scenarios based on the duration of the loan.



Sample Mortgage Scenarios*

Home Purchase Amount: **\$300,000**
20% Down Payment: **\$60,000**
Loan Amount: **\$240,000**

Conventional 30-Year Fixed Mortgage

Interest Rate	Monthly Payment
3.75%	\$1,111.48
3.50%	\$1,077.71
3.25%	\$1,044.50
3.00%	\$1,011.85
2.75%	\$979.78

Home Purchase Amount: **\$300,000**
20% Down Payment: **\$60,000**
Loan Amount: **\$240,000**

Conventional 15-Year Fixed Mortgage

Interest Rate	Monthly Payment
3.50%	\$1,715.72
3.25%	\$1,686.41
3.00%	\$1,657.40
2.75%	\$1,628.69
2.50%	\$1,600.29

(Difference between total payment for the highest and lowest rates)

**Total Savings With Lowest Rate
(30-Year Fixed Mortgage):**

47,411.49

**Total Savings With Lowest Rate
(15-Year Fixed Mortgage):**

\$20,776.32

Putting less than 20% down? A down payment under 20% often requires an additional payment for Private Mortgage Insurance (PMI). This is a fee (0.55% to 2.25% of total loan) lenders tack onto conventional loans to protect themselves from default, and it can be divided up and added to your monthly payment.

Wondering what your mortgage options look like? I know an excellent lender who can help you navigate the current mortgage rates. Give me a call!

*Payments exclude property tax and insurance.

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If you have questions, I have

answers .



If you or anyone you know has been thinking about buying, let me help you. At [Osgood Team Real Estate](#), we have an army of experts ready to educate you in the home buying process and put you in great position realize your dreams. Contact me via phone (720) 689-1378, email me at nic@osgoodteam.com, or social media (links below).

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