

Financial Considerations In Housing

-Comparing the Costs of Housing Units of Varying List Prices
and with Varying Terms

Teaching Guide To Be Used in Training Session With MI-132

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Total cost of a housing unit by:

- (1) Total list price of housing unit
- (2) Rate of interest on loan
- (3) Amount of down payment (as percentage of list price)
- (4) Number of years of loan.

Instructions

- A. 1. Your group has a total problem and each member has an individual problem. For your group problem, two factors are held constant:
 - (1) the list price and
 - (2) the interest rate. The two variables in the group problem are
 - (3) percentage of down payment and
 - (4) number of years of loan.
2. Sign up for individual and group problem as shown on page 2 of MI-132.
- B. Fill out the pertinent information for your individual problem. (Problem 1 - page 3)
- C. Compile the data for your group in order to compare the cost of your housing based on the variables of amount of down payment and number of years of loan, and answer the questions. (Problem 2 - page 4)
- D. Problems III and IV (pages 5 and 6) are designed to enable you to compare costs.
 1. Transfer the information for your groups' problem on page 4 to the master lists at the front of the room and to your own pages 5 and 6.
 2. Copy the information recorded by the other groups on the master sheets to your own pages 5 & 6.
- E. Answer the questions regarding total class comparison on problem 5 - page 7.

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