

Affordability Index (Buyers)

(1% Interest Increase = 10% Decrease in Purchasing Power)

Monthly P&I* Payment Factor (Per \$1,000)		
RATE	15 YEAR	30 YEAR
5.000%	\$7.91	\$5.37
5.125%	\$7.97	\$5.44
5.250%	\$8.04	\$5.53
5.375%	\$8.10	\$5.60
5.500%	\$8.18	\$5.68
5.625%	\$8.24	\$5.76
5.750%	\$8.31	\$5.84
5.875%	\$8.37	\$5.92
6.000%	\$8.44	\$6.00
6.250%	\$8.58	\$6.16
6.500%	\$8.72	\$6.33
6.750%	\$8.85	\$6.49
7.000%	\$8.99	\$6.65
7.250%	\$9.13	\$6.82
7.500%	\$9.27	\$6.99
7.750%	\$9.41	\$7.16
8.000%	\$9.56	\$7.34
8.250%	\$9.70	\$7.51
8.500%	\$9.85	\$7.69
8.750%	\$9.99	\$7.87
9.000%	\$10.14	\$8.05

*Principal & Interest
At 6% , a 30 YR loan factor is
\$6.00 per \$1,000.00 per month.

Using the Monthly P&I Payment Factor (Per \$1,000)

If you are purchasing a \$100K property, here is an example of what an increase in interest rate will mean to you in terms of your monthly loan payment:

6.00% 30-YR \$100K Loan	100 x \$6.00 = \$600 (P&I)
6.25% 30-YR \$100K Loan	100 x \$6.16 = \$616 (P&I)
7.00% 30-YR \$100K Loan	100 x \$6.65 = \$665 (P&I)

Using the Monthly P&I Payment Factor (Per \$1,000)

If you are approved to pay a \$1,800 monthly mortgage (P&I), here is what the Affordability Index does to your purchasing power:

\$300,000	\$270,000	\$245,000
@ 6% (x6)	@ 7% (x6.65)	@ 8% (x7.34)
\$1,800 (P&I)	\$1,794 (P&I)	\$1,795 (P&I)

**DON'T WAIT FOR INTEREST RATES TO GO UP!
WE ARE IN A BUYERS' MARKET AND THERE ARE
MANY WONDERFUL HOMES FROM WHICH TO
CHOOSE. TOGETHER, WE CAN FIND YOUR
DREAM HOME AT A GREAT PRICE!**



RE/MAX

Choice-Champaign

Marjorie Williams, Broker
Relocation Specialist, Residential Construction Certified
Cell: 217.721.4714 || Toll Free: 866.476.3330
Broker@MarjWilliams.com || www.MarjWilliams.com