

Finance Unit

Lesson 4 – Renting vs. Buying



Home Research

Student Name: _____ Block: _____

	After High School	Career A	Career B
Home Information			
Rent / Buy	Rent	Buy	
MLS # or Website	Castanet	10106048	
Year Build		2007	
Square Footage	2 Bdrm & 2 Bath	2,197	
Address	1481 Glenmore Road North	9830 Montrose Place	
City, Province	Kelowna, BC	Coldstream, BC	
Price	\$1295 / month	\$505,000	
Finance (Bank)			
Down Payment		$\$20,000 + \$300 \times 24 = \mathbf{\$27,200}$	
Taxes (~3%)		$\$505,000 \times \$0.03 = \mathbf{\$15,150}$	
Purchase Price (Price + Tax)		$\$505,000 + \$15,150 = \mathbf{\$520,150}$	
Total Mortgage		\$510,696.20	
Bank Interest Rate		3.040%	
Amortization Period		25 years or 300 months	
Monthly Payment		\$2,427.35	
Total Cost		$\$2,427 \times 300 = \mathbf{\$728,205}$	
Interest		$\$728,205 - \$510,969 = \mathbf{\$217,509}$	

Text

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	After High School	Career A	Career B
Expenses			
Property Taxes (0.5%)	N/A	$\$505,000 \times 0.005 = \2525 $\$2525 \div 12 = \mathbf{\$210.42}$	
Utilities (\$0.25/sqft)	~200 (Electricity & Cable)	$2197 \text{ sqft} \times \$0.25/\text{sqft} =$ $\mathbf{\$549.25}$	