

# What does it cost to build a home?

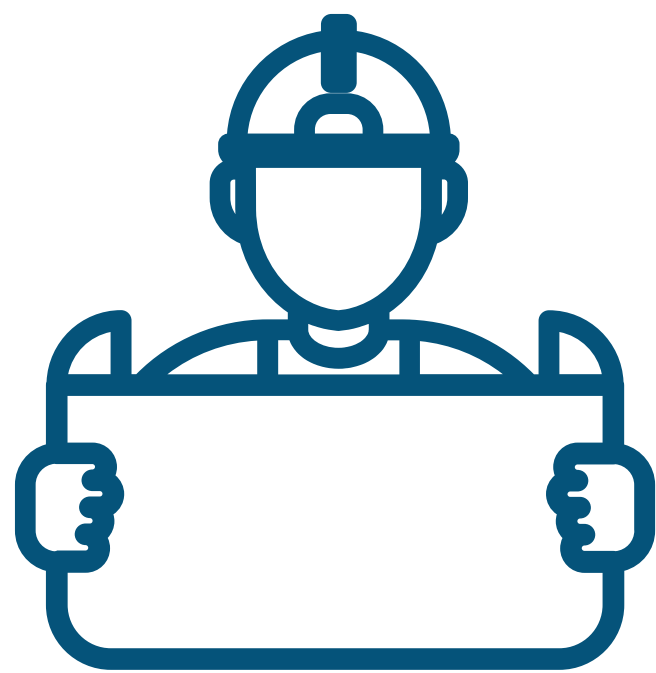
# 1

## Develop a residential lot

There are two ways to build a house on a residential lot:



**Build it yourself:** Secure a construction mortgage with 20% of the sale price as down payment.



**Hire a contractor:** Secure a traditional mortgage and work with a contractor to design and build a house.

# 2

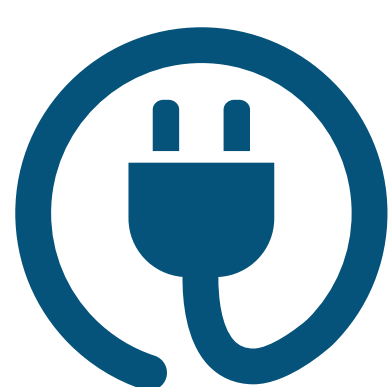
## Build a home



A 1,600 sq. ft., modest 3 bedroom house may cost, on average, \$340,000 - \$390,000, **PLUS** cost of land.

# 3

## Own and maintain a home



**Utilities:**  
\$100 - \$200/mo



**Internet:**  
\$100/mo



**Mortgage:** Current rate: 5 - 5.5%

A \$375,000 mortgage

at 5.5% with 5 % down payment is \$2,275/mo

Would need \$85,000 - \$90,000 household income



**Insurance:** \$800 - \$2,500



**Property Tax:**  
\$2,200 - \$3,500  
*Less outside the city*



**Home Repair:** 1% home value