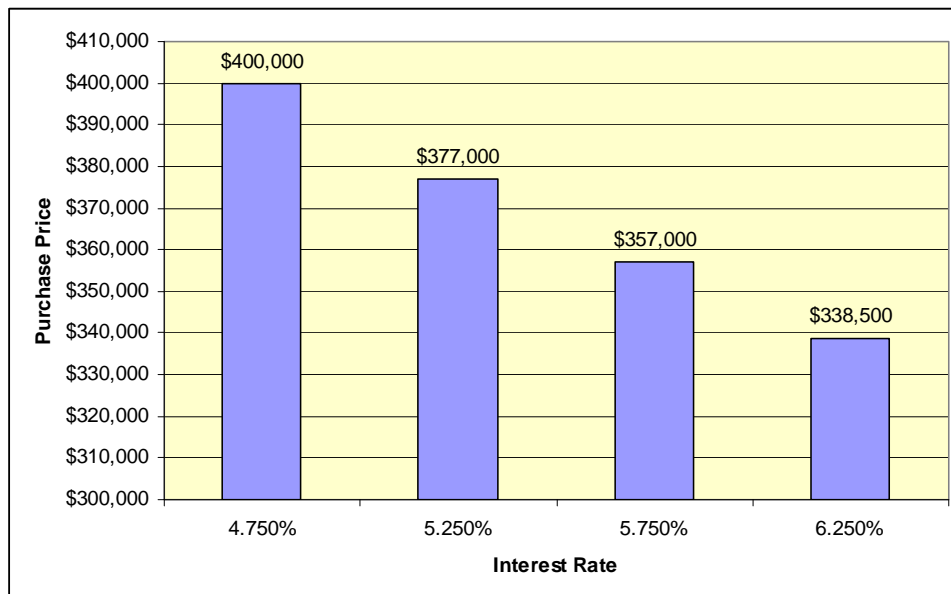


Buy Now or Buy Later

There are many factors to consider when deciding to buy a home, especially now with a soft real estate market. Some say the market has bottomed out and some say it could drift a little lower. What I want you to also think about is how mortgage rates play into the equation.

Rates are still very low but it is pretty much a given that they will continue to creep up as the economy improves. The 30yr fixed mortgage was near 4% in the early part of November, over the next 3 months rates crept up almost 1% and they will probably continue.

This illustrates how much of a home you could buy assuming approximately a \$2000 PITI Mortgage payment and assuming a 20% down payment. The actual payment will vary a little due to property taxes and insurance but this gives you an idea of how much buying power you could lose if rates go up another 1% over the next 3 months.



These are just a few examples of how interest rates will affect your buying power. Please contact me for any question or customized scenarios.

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