

# Buying a Home

**EXAMPLE**

**Banker's Rule** You may borrow up to 2.5 times your annual income. Arianna is buying a home. Her weekly income is \$900. What is the maximum amount that she may borrow?

**Step 1:** Find annual income

$$\begin{array}{r} \$900 \text{ weekly income} \\ \times 52 \text{ weeks in a year} \\ \hline \$46,800 \text{ annual income} \end{array}$$

**Step 2:** Apply the Banker's Rule

$$\begin{array}{r} \$46,800 \\ \times 2.5 \\ \hline \$117,000 \end{array}$$

Arianna may borrow up to \$117,000.

**Directions** Use the Banker's Rule to find the maximum amount that may be borrowed with each of these incomes. Remember that 1 year equals 12 months or 52 weeks. Round answers to the nearest dollar.

Renter	Income	Annual Income	Maximum Able to Borrow
1. Makayla	\$8,146 per month	_____	_____
2. Jared	\$1,256 every two weeks	_____	_____
3. Brooke	\$18,450 annually	_____	_____
4. Marissa	\$3,549 monthly	_____	_____
5. Ian	\$2,894 biweekly	_____	_____
6. Marcus	\$6,268 per month	_____	_____
7. Devin	\$44,000 annually	_____	_____
8. Eduardo	\$2,025 every two weeks	_____	_____
9. Vanessa	\$1,563 monthly	_____	_____
10. Miguel	\$28,800 annually	_____	_____
11. Wyatt	\$3,095 monthly	_____	_____
12. Isabelle	\$42,970 annually	_____	_____
13. Lucas	\$940 every two weeks	_____	_____
14. Alexandria	\$3,564 monthly	_____	_____
15. Shelby	\$40,600 annually	_____	_____
16. Trinity	\$2,335 every two weeks	_____	_____
17. Kimberly	\$4,040 monthly	_____	_____
18. Blake	\$800 twice a month	_____	_____
19. Antonio	\$955 twice a month	_____	_____
20. Fernando	\$32,684 annually	_____	_____