

# How to Buy Your Own Home

## Unit 1: Lesson 4: How much can you afford to borrow?

### Working with numbers

To find 28% of a \$1,200 monthly income:

1. Change 28% to a decimal by moving the decimal two numbers to the left.  
28% = .28

2. Multiply

$$\begin{array}{r} \$1200 \\ \times .28 \\ \hline 33600. \end{array}$$

Move the decimal two places to the left, \$336.00

To find 36% of a \$1,200 monthly income:

1. Change 36% to a decimal by moving the decimal two numbers to the left. 36% = .36

2. Multiply

$$\begin{array}{r} \$1200 \\ \times .36 \\ \hline 43200. \end{array}$$

Move the decimal two places to the left, \$432.00

### Now try the practice exercises below.

Use another sheet of paper to make the calculations.

1. What is 5% of \$10,000?
2. What is 28% of \$2,108?
3. What is 5% of \$40,000?
4. What is 36% of \$2,108?
5. What is 28% of \$3,000?
6. What is 28% of \$1,232?
7. What is 36% of \$3,000?
8. What is 36% of \$1,232?
9. What is 28% of \$1,800?
10. What is 5% of \$120,000?