

# House Hacking

Use these worksheets while you complete the Financing Avenues for Buy and Hold Investors course

What is house hacking?

Why is it a good strategy for newbie investors?

## FHA Loan Terms

- Down payment:
- Terms:
- Mortgage insurance:
- Primary vs. investor residence



# House Hacking

## Example Scenario (Duplex)

Purchase Price: \$150,000

Down Payment: 3.5% = \$5,230

Interest Rate: 5%

Base Loan Amount= \$144,750

Upfront Premium for MI =1.75%

New Base Loan Amount= \$147,283.12

Insurance/Taxes = #125/month

Monthly MIP= \$98.19

Total Monthly Payment (PITI, MIP) \$1,000

Julie's Payment= \$1,000

Monthly Rent Collected (other unit)= \$900

Julie's Total monthly payment =\$100

### One both units are rented:

Gross Monthly Income= \$1,800

Net Monthly Income = \$800

Net Yearly Income= \$9,600

