The United States Government has many different plans for people facing foreclosure, as well as people looking to buy homes for the first time. Even if you are looking to buy a home that needs remodeling off the start, or trying to pay off your second home, there probably is a plan for you. Most of them are hard to find or not talked about enough to thoroughly share many people don’t even know about them. Being able to find and understand them is 100% of the housing battle.

Many families were left homeless, and the idea of homeownership began to leave a bad taste in people’s mouths. Feeling cheated by the banks who had set them up for disaster took its toll on the American economy and the housing market plummeted.

The Sad Truth

The Problem

Lack of Knowledge

While the banks are there to keep your money safe, and secure, they are also there as a business with the intentions of generating profit. Sometimes the drive to make money interferes with the ethical aspects of running the banks. Everyday potential customers aren’t anything more than free money, ‘scammed’ into buying houses that they will not be able to afford in the long run, or ‘fluffed’ with discounts and low rates that require a deep understanding of the fine print to be able to see past. Bank employees get paid on a commission where they are rewarded on the number of houses they sell as well as the price of the houses they sell. To most banks, customers aren’t worth more than free money depending on how well they scam you or how much fiscally irresponsible you are to commit yourself to. You will even begin to find out that most of the bank employees are underqualified for the job they say the least. Always make sure to bring an attorney with you whenever you are signing an official bank document to avoid being held accountable when you end up dissatisfied or losing money.

The Solution

Financial Engineering Capstone

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Accessible Education

Presented by: Matthew Rodriguez, Mark Rusinski, Neil Supnukar Advisor: Dr. McAfee

Our Goal

was to bring as much information about housing plans and payment plans for mortgages so we could in one place. Another thing we tried to accomplish was to make the information easy to understand so the common person could come to the website, and within minutes be able to make an educated decision. To accomplish this, we worked with various banks to make the information easy to understand.

Our Solution

The Solution

ercentages in most of the states is poor, as is the ability to find and understand them. The common person could come to the website, and within minutes be able to make an educated decision. To accomplish this, we worked with various banks to make the information easy to understand.

Our Goal

Provide Necessary Information for Free

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Accessible Education

The Solution

provide necessary information to customers with an amortization schedule for their mortgage payments. Most of the reason for this is because an amortization schedule allows you to see your payments on a month by month basis, allowing customers to see just how much money they are paying in interest, as well as monitoring their payments. It is a clear and helpful tool. All customers could use their schedule before they signed the contract with the bank, they would be able to make more educated decisions on mortgage purchases and would be able to more easily avoid incoming debt. Most of the time the banks have in their mortgage plans or how much they can actually afford shouldn’t be different. Simplicity is the key to comprehension.

Your payments will start off small, and then slowly increase over time. The assumption is your paychecks will increase, or you will have more money incoming in the future but want a house now.

Adjustable Rate

The riskiest of all the plans. The interest rate may change by up to 2% each term leaving you uncertain of what your next payment is. It can either increase or decrease rapidly depending.

Graduated

The most common type of mortgage payment plan. The interest rate is fixed and all of the payments are incremental every leaving the house paid in full at the end.

Fixed Rate

Balloon mortgages are one in which you pay a certain amount over a certain period, than finish your payments off in one large lump sum in the end.

Balloon

Interest Only

Only pay the interest for a set period of time, and the remainder is converted to principal and amortized accordingly for the remainder of the payment cycle.

Interest Only

The Riskiest of all plans. The most common type of mortgage payment plan. The interest rate is fixed and all of the payments are incremental every leaving the house paid in full at the end.