

Problem 4: Borrowing Money

USMA D/Math Problem of the Week

Submission Deadline: 09 October, 2008 at 1600

Circle one: cadet faculty other

Problem Statement:

Suppose you are a freshly commissioned West Point graduate, and your wife, with very little sympathy for your probable future moves, wants a house. This way, she is assured that when she gives birth to your first child (Due April 12th!) she will have somewhere to raise it. Considering the current state of the economy, you take a few minutes to figure out how much you can afford to borrow. You may assume that “Basic Pay” is the only money you’ll be making (false, but it makes it easier) and that you have no prior service (this may also be false). How much can you afford?