

Buying a high end home in Southfield is a different experience than buying a starter house. The price point, property taxes, and long term financial implications all scale up. A \$900,000 mortgage is not just a bigger version of a \$300,000 loan. It behaves differently in your monthly budget, in underwriting, and in how you think about risk.

I work with buyers in this range who are often surprised twice. First, by how high the payment feels when we factor in taxes and insurance. Second, by how manageable it becomes when we structure the down payment and loan type correctly.

Let us walk through what a \$900,000 mortgage really looks like in Southfield, Michigan, and use that as a lens to answer some of the related questions that naturally follow: income requirements, property taxes, design tradeoffs, and even where Michigan might be headed by 2026.

What kind of home lines up with a \$900,000 mortgage in Southfield?

In Southfield, you will not find many \$900,000 starter homes. At that price level, you are usually looking at:

- Larger luxury colonials or contemporary homes in prime pockets like Bell Road corridor, Evergreen area, or near the Southfield Municipal Campus, sometimes on oversized or wooded lots.
- High finish new builds or gut renovated homes with premium kitchens, spa baths, and extensive mechanical upgrades.
- Custom homes in or near more established neighboring areas, like the fringe of Beverly Hills, Franklin, or Birmingham, where mailing addresses, school districts, or lot characteristics justify a higher price.

If the loan is \$900,000, the purchase price depends on your down payment. For context:

- With 20 percent down, a \$900,000 mortgage corresponds to about a \$1,125,000 purchase.
- With 10 percent down, you are in roughly a \$1,000,000 price point.
- With 5 percent down, you are near \$947,000, but most jumbo lenders want at least 10 to 20 percent down for this loan size.

So when we talk about a \$900,000 mortgage for a luxury Southfield home, we are realistically talking about a million dollar class property.

The core question: what is the monthly payment on a \$900,000 mortgage?

The industry standard for a fixed rate mortgage is a 30 year term. You can absolutely choose 15 or 20 years, but for this loan amount, most buyers prefer the flexibility of a 30 year payment and then pay extra when cash flow allows.

As of mid 2024, strong jumbo borrowers in Michigan often see rates in the 6 to 7 percent range, give or take, depending on:

- Credit score and overall credit profile.
- Loan to value ratio.
- Type of property and occupancy.
- Relationship with the lender or private bank.

Since mortgage rates move constantly, treat the numbers below as ballpark, not quotes.

For a 30 year fixed, principal and interest only, a \$900,000 loan roughly looks like this:

| Interest rate (approx) | Monthly principal & interest on \$900,000 | |-----|-----
-----| | 5.5% | about \$5,100 | | 6.0% | about \$5,400 | | 6.5% | about \$5,700 | | 7.0% | about \$6,000 |

To be more specific:

- At 6.5 percent, the payment lands around \$5,700 per month.
- At 7.0 percent, it is closer to \$5,950 to \$6,000 per month.

That is before we even discuss property taxes, homeowners insurance, or association dues, which matter a lot in Southfield.

Are Southfield property taxes high?

Compared with the national average, Southfield property taxes are on the higher side. Compared with the core of Detroit, they are less extreme. Oakland County in general has higher property taxes than many rural Michigan counties, in part because of the level of services and schools.

Michigan property taxes are based on taxable value, not strictly the purchase price. Two owners on the same street can pay very different taxes if one has owned for decades and the other just bought at a much higher price. As a rough planning number for a newer purchase of a high value home in Southfield:

- Effective property taxes might land somewhere in the range of 2.0 to 2.6 percent of market value for an owner occupied home, once the dust settles.

On a million dollar home, that could mean \$20,000 to \$26,000 per year, or around \$1,700 to \$2,200 per month. On a \$1,125,000 home, the range might stretch a bit higher.

When clients ask whether Southfield property taxes are high, I usually say:

- They are meaningfully higher than in many smaller Michigan towns, where effective rates can hover closer to 1.0 to 1.5 percent.
- They are part of the cost of being in a well located, inner ring suburb with infrastructure, proximity to major employers, and reasonably quick access to Detroit, Royal Oak, or the I 696 corridor.

If your priority is the lowest possible tax bill, you will likely be looking at entirely different markets.

Which Michigan areas tend to have lower property taxes?

If you are wondering where the cheapest place to buy a house in Michigan might be, or what city in Michigan has the cheapest property taxes, it tends to be smaller cities and rural counties in the northern or upper parts of the state. Some counties historically reported on the low end of property tax rates include:

- Alpena
- Luce
- Oscoda
- Menominee
- Montmorency

But cheap property taxes do not automatically mean a good fit. Job markets, medical access, school systems, and future resale demand look very different than in Oakland County. You also see fewer luxury homes that justify a \$900,000 mortgage, which is part of why this question usually comes up only as a comparison point, not as an actual alternative.

Beyond principal and interest: the realistic monthly payment

For a full picture of your monthly housing cost in Southfield at this level, you need to add:

1. Principal and interest on the \$900,000 loan.
2. Property taxes.
3. Homeowners insurance.
4. Possibly private mortgage insurance (PMI) if you put less than 20 percent down, though many jumbo loans require 20 percent or more.
5. Any homeowners association (HOA) assessments.

Here is a composite example that lines up with what I often see for a buyer purchasing around \$1,125,000 in Southfield with 20 percent down and a \$900,000, 30 year fixed loan at 6.5 percent:

- Principal and interest: about \$5,700 per month.
- Property taxes: using about 2.2 percent of value as a conservative middle, annual taxes would be roughly \$24,750, or about \$2,060 per month.
- Homeowners insurance: for a million dollar home with adequate coverage, figure \$200 to \$350 per month in Michigan, depending on coverage and carrier.
- HOA: if applicable, many single family homes in Southfield either have low dues or none at all, but a luxury community might run anywhere from \$50 to \$300 per month.

Put those pieces together and a realistic total monthly payment for a \$900,000 mortgage in Southfield could easily sit between \$8,000 and \$8,300, possibly higher if taxes or insurance edge up.

This is why looking only at an online “What is the monthly payment on a \$900000 mortgage” calculator that excludes taxes can give you a false sense of affordability.

What income do you need for a payment like that?

Lenders look at debt to income (DTI) ratios. For a conventional or jumbo loan, they usually want all monthly debts, including the new mortgage, car payments, student loans, and minimum credit card payments, to stay under roughly 43 to 45 percent of gross monthly income. Some private banks will stretch for highly qualified borrowers, but that is the benchmark.

Take that \$8,000 to \$8,300 estimated full housing payment. If you have no other debt, you might technically qualify with a lower income. But in practice, most buyers in this price band have at least some existing commitments.

If we assume:

- Total housing payment: \$8,200 per month.
- Modest other debts: \$800 per month total, which is not unusual for autos, cards, or student loans.
- Target DTI: 40 percent, to keep you in a comfortable zone.

You would want combined gross monthly income of:

\$8,200 (housing) + \$800 (other debt) = \$9,000 total debt.

\$9,000 divided by 0.40 = \$22,500 gross monthly income.

That is \$270,000 per year in household income, give or take, in a fairly conservative structure.

So when people ask, "Can I buy a house with a \$90k salary" or "Can I afford a 300k house on a 50k salary," the answer is very different than a \$900,000 mortgage scenario. A \$90,000 salary, even with no other debt, will not support an \$8,000 per month payment under any conventional underwriting model.

If you want a rough test for your own situation, the question "How much should my mortgage be if I make \$3,000 a month" helps highlight the scaling. With \$3,000 in gross monthly income, most lenders will cap total housing near \$1,000 to \$1,200 per month, depending on debts and program. The math scales. A million dollar home with a \$900,000 loan simply lives in a completely different universe.

Can older buyers take a 30 year mortgage?

A frequent concern in Michigan, where many buyers are in their late 50s, 60s, or 70s, is whether a 70 year old woman can get a 30 year mortgage. Age alone is not a barrier. Under federal law, lenders cannot discriminate based on age as long as you have the income, credit, and assets to qualify.

That does not mean every lender will happily set up a 30 year term at 70, but it means:

- If your retirement income is strong and predictable, and your assets are adequate, you can often qualify.
- The bank will care far more about whether you can reasonably make the payment than about your age.

Many retirees wonder, "Do most retirees have their home paid off?" In practice, many do not. I see plenty of retirees carrying modest mortgages for flexibility or tax reasons, especially when rates were very low. On a \$900,000 mortgage, however, retirees usually need substantial retirement income or investment assets to justify the payment.

If you are thinking about this at 65 or 70, it becomes crucial to stress test your plan: what happens to your housing payment if one spouse passes away, if a pension benefit drops, or if investment returns disappoint for a decade.

Michigan tax breaks, seniors, and the "\$6,000 senior tax credit"

Michigan has a patchwork of property tax relief provisions, especially for lower income households and seniors. It also has a homestead property tax credit on the income tax side that can refund part of your property taxes if your income is modest [Home Improvement Southfield MI](#) relative to your tax bill.

People often hear advertising or social media talking about a "\$6,000 senior tax credit" and want to know who is eligible for the \$6,000 senior tax credit. The problem is that there is not one single, universal program in Michigan with that exact label that applies to every senior homeowner.

Instead, you see:

- State homestead property tax credits with maximum amounts that can change and are subject to income limits.
- Local hardship exemptions or poverty exemptions that can sharply reduce or eliminate property tax for low income seniors.

- Federal and state income tax provisions that interact in ways that can save seniors thousands over time.

If you are considering a luxury Southfield home with a \$900,000 mortgage, you are probably not in the income bracket that qualifies for the most generous poverty based property tax exemptions. You might, however, still benefit from state level homestead credits or favorable treatment of retirement income. At this price level, it is worth a conversation with a Michigan based CPA or planner rather than relying on any one advertised figure.

As for how to not pay property tax in Michigan, the only legal ways involve qualifying for specific exemptions (such as poverty exemptions, disabled veteran exemptions, or religious and charitable property exemptions) or not owning taxable real estate. For most luxury homeowners, the practical question is how to manage, budget, and occasionally appeal assessed values, not how to pay nothing.

Popular neighborhoods and design questions around size and style

When high income buyers look in and around Southfield, they often ask about the most popular neighborhoods. Preferences shift, but for move up buyers and luxury shoppers, strong interest often focuses on:

- Established pockets near Lahser, Evergreen, and Bell Roads with larger lots and mature trees.
- Areas that feed into well regarded school districts or magnet programs.
- Southfield locations with quick access to freeways for commutes into Detroit, Troy, or Southfield's office corridors.

The design questions that follow are usually about square footage and layout rather than the city limits themselves.

"How much money is required for a 1500 sq ft house?" is a very different question in Southfield than in a small northern Michigan town. Here, a new construction 1,500 square foot build can range widely based on finishes, but even a conservative build cost at \$175 to \$250 per square foot pushes you toward \$260,000 to \$375,000 in hard construction costs, before land, site work, and soft costs. For a higher end finish, costs per square foot escalate quickly.

"What style is best for a 1500 sq ft house?" comes down to how you live. In southeast Michigan, a well designed 1,500 square foot ranch or compact two story can feel much larger if you:

- Prioritize an open kitchen and living area.
- Avoid hallways that waste space.
- Use higher ceilings strategically.

Similarly, "How many bedrooms should a 2000 sq ft house have?" is more about who lives there. For resale and livability, three bedrooms plus a flexible office or den is often the sweet spot at 2,000 square feet. Four small bedrooms squeezed into that footprint can feel tight, while two bedrooms may limit appeal for families.



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When buyers ponder building rather than buying, the question “What is the most expensive part of building a house” almost always comes up. For most custom builds, the single largest line item tends to be the shell and structural frame, followed closely by mechanical systems and the kitchen. From a value standpoint, though, the most expensive mistakes come from skimping in the wrong places.

What not to skimp on when building a house

You can trim square footage or choose less trendy finishes without destroying value. Where you cut corners can either save you money intelligently or haunt you in resale and maintenance costs.

Here are areas where I consistently advise [Home Improvement Southfield MI](#) clients not to skimp:

1. Structural engineering and foundation work. Problems here are brutal to fix and devalue a house most.
2. Roof, windows, and building envelope. Energy efficiency and water management determine long term durability.
3. Mechanical systems, especially HVAC sizing and layout. Poor air flow or chronic comfort issues show up every day.
4. Kitchen layout and basic cabinet quality. Buyers forgive dated doors, not bad ergonomics or flimsy boxes.
5. Master bathroom waterproofing and tile installation. A slow leak in a luxury bath can erase years of appreciation.

If you want to understand what devalues a house most, it is usually a mix of chronic water issues, obvious structural settlement, poorly executed additions, and neglected maintenance. Outdated finishes can be fixed. Fundamental defects scare both buyers and appraisers.

What you should not say to a builder

Communication with a builder or general contractor is its own skill. The big mistake is treating the relationship as fully adversarial or fully casual. Both can be expensive.

There are a few phrases that reliably raise red flags. These are worth avoiding or at least rephrasing more thoughtfully:

1. "Just do it the cheapest way." This tells a builder you will not distinguish between smart savings and dangerous shortcuts.
2. "We can figure out the budget later." On larger projects, not locking in scope early invites change orders and conflict.
3. "I do not need a detailed contract, I trust you." Trust is good, clarity is better, especially with six and seven figure builds.
4. "My cousin is a contractor, he will be watching everything." It puts the builder immediately on the defensive.
5. "I need this done in half the normal time." Aggressive deadlines often lead to rushed work or higher bids to compensate for the chaos.

Better is to be specific, document everything, focus on shared goals, and stay engaged without micromanaging.

Detroit deals, \$1,000 houses, and reality

Every so often, a buyer contemplating a \$900,000 mortgage will joke, "Can I buy a house in Detroit for \$1000 instead?" Years ago, Detroit's tax foreclosure auctions did sometimes list properties with starting bids around that number. A few brave souls bought them.

The missing context was that most were severely distressed. Many had major structural damage, missing plumbing or electrical systems, or even required demolition. Today, while you may occasionally see auction or land bank offerings at nominal prices, it is not realistic to expect a livable, mortgage ready home in Detroit for \$1,000.

Detroit still has more affordable housing than Southfield, but closing on a conventional loan means the house must meet minimum condition standards. A \$900,000 luxury mortgage and a \$1,000 distressed auction bid are completely different worlds financially and practically.

Down payments at the top of the market

If you are looking one notch above and wondering, "How much of a down payment do I need for a \$1,000,000 house?", the answer depends heavily on your credit profile, loan type, and whether the loan is considered jumbo by the lender.

As a starting point:

- Many jumbo lenders like to see at least 20 percent down at the million dollar level.
- Some high net worth borrowers with strong private banking relationships can secure 10 or 15 percent down programs, but these are not universal.
- If you want to avoid private mortgage insurance entirely and keep interest rates favorable, 20 to 25 percent down is often the target.

For a \$1,000,000 home, that is \$200,000 to \$250,000 down. For the \$1,125,000 luxury Southfield example corresponding to a \$900,000 mortgage, a 20 percent down payment is \$225,000, plus closing costs and reserves.

Credit score matters here as well. When buyers ask, "What credit score is needed for a home loan," I usually distinguish between minimums and practical targets. Technically, you can sometimes qualify for FHA loans with scores in the low 600s or even high 500s. For a large jumbo loan in the \$900,000 range, lenders strongly prefer scores in the high 600s to 700s, and the best pricing typically goes to scores of 740 and above.



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Affordability at lower income levels

Some people reading about a million dollar Southfield home are mostly curious how the other half lives. Others are calibrating their own timelines and want to understand how a \$900,000 mortgage fits into the bigger spectrum.

Questions like "Can I afford a house on a \$40,000 salary" or "Can I afford a 300k house on a 50k salary" are healthy to ask. The honest answer is that with \$40,000 to \$50,000 of gross annual income, you should usually be looking at much more modest home prices.

With a \$50,000 salary and no debts, a \$300,000 house might be realistic in some markets with lower taxes and interest rates, especially with a solid down payment. In higher tax areas like Southfield, and in the current rate environment, that same income might be more comfortable in the \$200,000 to \$250,000 range. The specifics hinge on taxes, insurance, and any other monthly obligations.



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The main lesson is that every jump in home price carries not only a higher principal and interest payment, but also higher taxes, insurance, and maintenance. Moving from a \$300,000 home to a million dollar home is not just “three times the mortgage.” Landscaping, utilities, repairs, and upgrades all scale.

Where might Michigan prices be by 2026?

Buyers in 2024 and 2025 often ask whether there are any signs of house prices dropping in 2026 in Michigan. The truthful answer is that no one can reliably predict exact price movements, especially at the neighborhood level, and especially in a diverse state like Michigan.

What you can watch are:

- Interest rates and inflation trends.
- Local employment and wage growth.
- Housing inventory in your target areas.
- New construction starts and land availability.

If mortgage rates stay elevated and inventory builds, luxury markets can cool, slowing appreciation or even prompting price softening in pockets. If rates fall and inventory remains tight, demand at the top of the market can surge again. For Southfield specifically, its location, commuting patterns, and tax environment all influence demand differently than in, say, Grand Rapids or Traverse City.

For a \$900,000 mortgage decision, the better focus is usually personal timing. If you expect to stay at least seven to ten years, short term price wiggles matter less than whether the home fits your life, risk tolerance, and long term plans.

A note on Michigan mansions and scale

At the far end of the spectrum, someone invariably asks, "Who owns the biggest mansion in Michigan?" The answer depends how you define "biggest" and whether you include historic estates that now operate as museums or institutional properties.

Meadow Brook Hall in Rochester, for example, is an 88,000 square foot historic estate built by the Dodge family, now open to the public. The Edsel and Eleanor Ford House in Grosse Pointe Shores is another sprawling historic property. There are also large private estates and newer mega homes in suburbs like Bloomfield Hills and Franklin, but ownership details often remain private.

The point is less about the exact ranking and more about context. A \$1,000,000 home with a \$900,000 mortgage in Southfield is aspirational for many families, but it sits well below the truly massive estates in the region. That perspective can oddly be comforting. You do not need the biggest mansion in Michigan to enjoy a luxurious, well located home.

Bringing it together

A \$900,000 mortgage on a luxury Southfield home translates, in most realistic scenarios, to a total monthly housing cost in the neighborhood of \$8,000 or more once you include taxes and insurance. To handle that comfortably, you typically need high household income, excellent credit, and a thoughtful plan that accounts for long term maintenance, possible tax changes, and your retirement timeline.

At the same time, the core principles that guide good decisions at this level are the same ones that help you make sense of more modest choices, whether you are asking about a 1,500 square foot build, a 2,000 square foot resale, or a \$300,000 starter home. Understand your true all in monthly cost, respect property taxes, avoid skimping on the structural and mechanical heart of the house, and work with professionals who are willing to walk through tradeoffs instead of just pushing square footage.

If you keep that mindset, a \$900,000 mortgage becomes less of a mystery number and more of a strategic choice within a broader financial and lifestyle plan.

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