

Choosing where to live in metro Detroit is a balancing act. Around Southfield in particular, you are trading three things against each other: property taxes, commute and job access, and the kind of house you can realistically afford. I have worked with plenty of buyers who start in Southfield, then slowly fan out in a 30 minute circle until they hit the right combination of cost and opportunity.



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This guide walks through how Southfield compares, which nearby cities often give you better property tax value, and how to think practically about what you can afford, whether you plan to buy or build a 1,500 to 2,000 square foot home.

Along the way, I will tackle the questions people actually ask in appointments: from “Are Southfield property taxes high?” to “Can I afford a 300k house on a 50k salary?” to “Can a 70 year old woman get a 30 year mortgage?”

## **Southfield as a starting point: taxes, neighborhoods, and jobs**

Southfield sits in Oakland County, has easy access to the Lodge and I-696, and remains one of the region’s larger office markets. Many people like to live close enough to Southfield to keep the commute short, even if they do not want to live inside the city limits.

### **Are Southfield property taxes high?**

Compared with rural Michigan or many parts of the country, yes, Southfield property taxes are on the higher side. Compared with immediate neighbors like Oak Park or some Detroit pockets, they feel more middle-of-the-pack. The key is that Oakland County millage rates are generally higher than much of the state, and Southfield has its own city and school levies layered on.

For a typical Southfield home, your annual property tax bill might land in the range of 2.5 to a bit over 3 percent of **Home Improvement Southfield MI** taxable value when you add everything together. That is a rough, ballpark figure, not a quote, but it gives you a sense of why many buyers ask whether another nearby city could save them a thousand or two per year in taxes.

## What are the popular neighborhoods in Southfield?

Within Southfield itself, some areas consistently draw buyers:

- City Centre and the Civic Center area, for people who like being close to offices, services, and major roads.
- The residential pockets near Evergreen and 12 Mile, where you find mid-century ranches and colonials on reasonable lots.
- The northwestern sections approaching 13 Mile, which feel more suburban and less commercial.
- The Franklin and Lathrup Village border areas, which offer a quieter, more residential feel and older, character homes.

Inventory shifts quickly in these spots, and you pay for convenience. If taxes concern you more than commute time, it is worth looking just outside Southfield's borders.

## How Michigan property taxes actually work

Before you shop different cities, it helps to understand what drives the tax differences.

Michigan limits growth in taxable value on owner-occupied homes through "Proposal A" rules, but when you buy, your taxable value typically "uncaps" and jumps to a figure close to half of market value. Multiply that by the local millage rate, and you have your base tax.

## Which counties in Michigan have the highest property taxes?

In broad strokes, the highest effective property tax rates tend to show up in more urbanized counties with multiple overlapping millages:

- Oakland County, including Southfield, Farmington Hills, Troy, Novi, and others.
- Wayne County, including Detroit, Livonia, Redford, Westland, and more.
- Washtenaw County, including Ann Arbor and Ypsilanti.

Within each county, some cities and townships are noticeably lower or higher. A township with fewer services often has lower millage than a full-service city.

## What city in Michigan has the cheapest property taxes?

There is no single, permanent winner, and it changes as millages pass or expire. Generally, very small townships in northern Lower Michigan or the Upper Peninsula have some of the lowest rates. Think of rural parts of counties like Oscoda, Luce, or Missaukee.

You need to weigh that against incomes. Property taxes might be low, but so are wages and local job options, which is why many people prefer to stay within metro Detroit and simply look for the best compromise.

## How to not pay property tax in Michigan

You will see internet promises about "how to not pay property tax in Michigan." In reality, there are only narrow paths to significantly reduce or avoid property taxes:



For an existing 1,500 square foot home in the Southfield-Livonia-Farmington Hills corridor, you might see a range something like:

- More affordable older stock or condos: roughly \$160,000 to \$220,000.
- Mid-range single-family homes: roughly \$220,000 to \$320,000.
- Updated or premium-location homes: higher still.

Local market conditions change these numbers, so treat them as directional. As of the mid-2020s, construction costs have risen significantly. If you ask, "How much money is required for a 1500 sq ft house if I build from scratch?" a typical builder cost in metro Detroit might run in the broad range of \$160 to \$250 per square foot for a reasonably finished home, excluding land. That would put the construction budget alone somewhere between \$240,000 and \$375,000, plus land, site work, utility hookups, and soft costs.

## **What style is best for a 1,500 sq ft house?**

At that size, you get the most efficient layout from:

- A single-story ranch with an open kitchen, dining, and living area, and three bedrooms clustered on one side.
- A compact two-story with living spaces downstairs, three bedrooms above, and minimal hallways.

From a resale and cost perspective, keep the footprint fairly simple. Irregular shapes, lots of bump-outs, or complex rooflines drive up cost without adding much usable space.

## **How many bedrooms should a 2,000 sq ft house have?**

For a 2,000 square foot home in metro Detroit, the sweet spot for resale is typically three or four bedrooms. With three larger bedrooms, you can offer a true primary suite, two secondary bedrooms, and perhaps a den on the main floor. With four bedrooms, buyers with larger families feel accommodated, and you still have enough space for decent living areas.

The number alone matters less than the proportions. A badly laid out 2,000 square foot home with tiny bedrooms and chopped-up living space will struggle next to a well-designed 1,700 square foot layout.

## **Building costs: what is the most expensive part of building a house?**

In practice around metro Detroit, the big-ticket pieces tend to be:

- Structural shell: foundation, framing, roof, windows, and exterior finishes usually combine to be the single largest portion.
- Mechanical systems: HVAC, plumbing, and electrical are expensive to redo, so you want them done right the first time.
- Kitchens and bathrooms: cabinet quality, countertops, tile, and fixtures can swing tens of thousands of dollars either way.

If you wonder what not to skimp on when building a house, the answer is structure, envelope (roof, windows, insulation), mechanicals, and waterproofing. You can change countertops and paint later. Fixing a poor foundation, leaking roof, or undersized HVAC system is far more painful.

Similarly, what devalues a house most tends to be a combination of chronic problems and dated, low-quality work: visible water issues, neglected roofs, unsafe electrical, bad DIY add-ons, or layout changes that chopped up flow or removed essential bedrooms.

## What should you not say to a builder?

Years of experience have taught me that certain phrases create immediate tension or risk:

- “Just do it as cheaply as possible.” You will almost always regret the quality level that invites.
- “Do whatever you think is best, I do not need details.” You might get surprises in finishes, layout, or cost.
- “I do not care about the budget.” They may believe you.
- “We can fix it later if I do not like it.” You pay more to rework finished items than to get them right on paper.
- “My cousin knows construction and will check everything you do.” If you truly want third-party oversight, hire an independent inspector or construction manager instead of dangling an unqualified relative.

A good builder respects clear expectations, documented decisions, and realistic budgets. Ambiguity and bravado often show up later as disputes.

## Affordability: salary, mortgage payments, and credit scores

When someone asks, “Can I buy a house with a \$90k salary?” or “Can I afford a 300k house on a 50k salary?” they are really asking how much monthly payment fits safely into their life.

A common rule of thumb is that your total housing costs (mortgage, property tax, homeowner’s insurance, and any HOA dues) should not exceed roughly 28 to 33 percent of your gross monthly income, and all debts combined should stay below about 40 to 43 percent. Lenders look at this debt-to-income ratio when approving you.

### What credit score is needed for a home loan?

In broad terms:

- Many conventional lenders prefer a credit score of 620 or higher, with better rates starting around 740 and up.
- FHA loans can approve borrowers with lower scores, sometimes into the high-500s, but with stricter terms and higher insurance costs.

A higher score lowers your interest rate, which directly reduces your mortgage payment and increases what you can afford.

### Can I buy a house with a \$90k salary?

With a \$90,000 salary, your gross monthly income is about \$7,500. Using a conservative 30 percent housing cost target, you might aim for a total housing payment around \$2,250 per month. At today’s rates in the mid-single digits, that might support a mortgage balance in the neighborhood of the mid-\$300,000s, depending on taxes, insurance, and existing debts.

This is approximate, but it is enough to say that in the Southfield-Livonia-Canton area, a buyer with a \$90k salary, reasonable debts, and decent credit can usually purchase a comfortable single-family home.

### Can I afford a house on a \$40,000 salary?

On \$40,000 per year, your gross monthly income is about \$3,333. Many people also ask, “How much should my mortgage be if I make \$3,000 a month?” The math is similar, because those incomes are close.

Keeping housing costs near 30 percent of gross means a total housing payment around \$1,000 per month. At current interest rates, that might translate into a mortgage of roughly \$130,000 to \$160,000, again depending on taxes, insurance, and debts. That is a challenging price point in many suburbs near Southfield, but not impossible if you consider condos, small starter homes, or some pockets of Westland, Redford, or older parts of Livonia.

With \$3,000 per month of income specifically, the same logic says a safe housing payment might be about \$900. That usually means looking at lower-priced areas or buying with a partner to qualify for more.

### **Can I afford a 300k house on a 50k salary?**

On a \$50,000 salary, a \$300,000 house is aggressive unless you have a very large down payment and almost no other debts. Your monthly gross income is about \$4,166. A conservative housing cost limit at 30 percent would be about \$1,250 per month. At typical interest rates and property taxes in Oakland or Wayne County, a \$300,000 purchase with a standard down payment will likely produce a total payment closer to the \$2,000 per month range, which would push your ratios too high.

This is why couples often qualify more easily by combining incomes, or why buyers step down their price expectations or move farther from the city core.



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### **What is the monthly payment on a \$900,000 mortgage?**

At mid-single-digit interest rates, a 30-year fixed mortgage of \$900,000 will typically carry a principal and interest payment somewhere in the \$5,000 to \$6,000 per month range. Add property tax and insurance, and you can easily land near or above \$7,000 per month in higher-tax Michigan counties. That is why high-end buyers need not only strong incomes, but also solid reserves and credit.

## How much of a down payment do I need for a \$1,000,000 house?

For a \$1,000,000 house, common down payment scenarios are:

- 20 percent, or \$200,000, to avoid private mortgage insurance and fit many conventional loan programs.
- 10 percent, or \$100,000, with mortgage insurance or a second loan, depending on lender policies.
- Jumbo loan requirements, which can be stricter and sometimes expect higher down payments.

If you are asking about a million-dollar home while hoping for the smallest possible down payment, the lender will examine your credit, income, and reserves closely.

## Simple rules of thumb for what you can afford

To sanity-check your plans before you talk to a lender, use these quick filters:

- Keep total housing costs at or below one-third of your gross monthly income.
- Keep all monthly debt payments, including housing, under about 40 percent of gross income.
- Target a down payment of at least 5 to 10 percent if possible, more if you want to avoid mortgage insurance.
- Protect a 3 to 6 month emergency fund after closing, so a job change or car repair does not wreck your budget.
- Remember that higher property taxes in places like Oakland County squeeze your maximum price more than you may expect.

These guidelines do not replace a full preapproval, but they prevent wishful thinking from running the search.

## Retirees, mortgages, and property tax credits

Many buyers around Southfield are downsizing or relocating in retirement. Their questions are more about stability and risk than about maximum price.

### Can a 70 year old woman get a 30 year mortgage?

Yes. Federal fair lending laws do not allow lenders to deny a mortgage solely based on age. A 70 year old woman can get a 30-year mortgage if she meets the same income, credit, and asset standards as anyone else. The lender may ask reasonable questions about retirement income, pensions, Social Security, or required minimum distributions, but the term length itself is not forbidden.

What matters more is whether the payment fits comfortably into lifetime cash flow, even if health issues or care costs arise later.

### Do most retirees have their home paid off?

Various national surveys suggest that a significant portion of retirees still carry a mortgage or home equity loan. It is common for people to enter retirement with 10 to 15 years left on a mortgage, then decide whether to pay it off, refinance, or downsize.



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From a practical standpoint, being debt-free in retirement usually feels more secure, but it is not the only path. Some retirees keep a small mortgage at a low rate while preserving cash in investments. The key is not the existence of a mortgage, but whether total housing costs are easily supported by guaranteed retirement income.

### **Who is eligible for the \$6,000 senior tax credit?**

Programs change over time, and the specifics of any "\$6,000 senior tax credit" figure can vary between federal and state rules, or between tax years. Michigan does offer property tax relief programs for seniors and lower-income households, such as the Homestead Property Tax Credit, along with various income tax credits. Each has detailed eligibility rules based on age, income, and property taxes paid.

Because the dollar thresholds, including any figure like \$6,000, can be updated by law or inflation adjustments, the most reliable move is to check the latest Michigan Department of Treasury guidance or talk to a Michigan tax professional when you file.

### **Ultra-cheap housing claims: Detroit for \$1,000 and the cheapest places in Michigan**

Headlines often promote ideas like, "Can I buy a house in Detroit for \$1000?" or "Where's the cheapest place to buy a house in Michigan?" These questions mix a kernel of truth with a lot of misunderstanding.

You can sometimes find properties in Detroit or very distressed areas that sell for a few thousand dollars at auction or through land banks. In rare cases, publicized examples have changed hands for a symbolic \$1,000. What those articles gloss over is the cost to bring such a house up to code. Major structural repairs, new plumbing and electrical, roof replacement, windows, and mechanical systems can easily run into six figures.

Similarly, while you can buy homes cheaply in some rural Michigan counties, wages, health care access, and amenities are different from metro Detroit. If your job is in Southfield or nearby, the commute alone can make a “cheap” house unaffordable in time and fuel.

So, while it is technically possible to buy a house in Detroit for \$1,000 in isolated cases, it is rarely a practical path for a buyer who wants a move-in ready primary residence near Southfield.

## **Are there signs of house prices dropping in 2026 in Michigan?**

No one can guarantee future home prices. As of the mid-2020s, Michigan has seen tight inventory, moderate to strong demand in many metro areas, and mortgage rates that influence affordability more than asking prices do.

For 2026, watch:

- Interest rate trends, which directly affect what buyers near Southfield and surrounding cities can afford.
- Local job market shifts, especially in auto, tech, and healthcare. Southfield-adjacent communities are sensitive to these.
- New construction levels. If builders add substantial inventory in places like Canton or Novi, that can slow price growth.

Instead of betting on a specific year for price drops, focus on buying a home you can afford comfortably, in a city with a resilient job base and reasonable property taxes. In the Southfield region, that usually means leaning toward diverse economies like Livonia, Farmington Hills, Novi, and Canton, while watching property tax impacts.

## **A brief note on Michigan mansions**

People sometimes ask curiosities like, “Who owns the biggest mansion in Michigan?” Mostly, it comes from reading about large estates in Bloomfield Hills, Grosse Pointe Shores, or on lakefront properties. Ownership of marquee properties changes, and “biggest” is not officially tracked in a public way. For practical homebuyers near Southfield, this matters only as a reminder that Oakland County hosts both some of the state’s most expensive properties and some of its higher property tax burdens.

Your focus should stay on livability and cost rather than record-setting estates.

## **Choosing your city near Southfield**

If your job or daily life keeps you circling around Southfield, you can usually narrow options with a few questions.

First, decide how far you are truly willing to drive. Within about 25 to 30 minutes, Livonia, Farmington Hills, Novi, Canton, Westland, and Redford give you a range of price points, property taxes, and neighborhood styles.

Second, weigh taxes against purchase price. A slightly more expensive house in a lower-tax city can cost the same, or less, per month than a cheaper home with a high millage rate. Run the numbers for each city, not just the list price.

Third, be realistic about your income and debts. Use the affordability guidelines above before you even step into an open house. Whether you are wondering if you can afford a 300k house on a 50k salary or trying to stretch a \$90k salary into your ideal 2,000 square foot layout, the monthly payment and stability of your job matter more than the asking price alone.

Finally, think about the long term. Property taxes tend to rise slowly over time, and interest rates can change, but a well-chosen location with a strong job market usually holds value. Around Southfield, that often points you toward stable suburbs with diverse employment, respectable [Home Improvement Southfield MI](#) schools, and balanced tax rates, rather than chasing the absolute lowest property tax bill at the expense of everything else.

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