Q. We want to move to a bigger house. The new mortgage would cost about $600 more per month, and we usually have about $1,000 in extra money after we pay the bills each month. We also have two kids, 4 and 2, and we save $100 a week to a 529 Plan for each of them. We want to pay for all of college someday. How can we decide if the house is worth it or if we need to save more for college?

A. Buying a larger home is a big commitment to higher housing costs in perpetuity — or at least for as long as you own the home.

Understanding your monthly surplus or deficit cash flow is the first place to start, said Gerry Papetti, a certified financial planner and certified public accountant with U.S. Financial Services in Fairfield.

"You indicate that you have approximately $1,000 per month of surplus cash flow after paying your bills so you have tackled one of the critical items you need to understand to determine if purchasing a larger home is affordable — what funds are available to support the purchase," he said.

The fact that you have surplus monthly cash is critical, Papetti said, but you also need to make sure you have sufficient savings to not only assist in the down payment of the large home but to also leave a balance in your savings as an emergency fund.

He said your emergency fund typically should be worth three to six months of your expenses.

Then, you have to consider:
• Increased utility costs
• Increased home maintenance
• Potential repairs that may need to be done now or in the near future
• Property taxes and impact of future increases over time
• Other housing costs that are related to a larger home, such as homeowners insurance (if not included in the mortgage payment)

Then there's college.

Papetti offered this summary of how much you'd need to save monthly toreach the goal of fully funding your children's educations, depending on the kind of school they attend:

Regarding your objective to fully fund your children's college education, based on their ages and contributions of $100 per week into 529 plans

Required Contributions for	4-year-old	2-year-old
In-State Public University	$360/mo	$240/mo
Out-of-State Public University	$520/mo	$350/mo
Private University	$700/mo	$470/mo

Those monthly contributions assume the funds were invested in a 529 Plan with an "Age-Based Portfolio," and includes costs for tuition, room and board, books and supplies, and other related expenses.

So, no matter what you do about the house, you'd need to increase your savings for each child to reach your college funding goals.

Marnie Aznar, a certified financial planner with Aznar Finanical Advisors in Morris Plains, agrees that you need to remember all the higher costs that will come with owning a larger home

She also says through it all, you must not forget your own retirement needs.

"I always encourage my clients to save for their own retirement in advance of their children's education funds," she said. "The reality is that you can get loans, grants, scholarships, and other forms of aid for education, but none of these options are available for retirement."

Email your questions to Ask@NJMoneyHelp.com.