

MONTHLY BUDGET WORKSHEET

This worksheet will give you an indication of your financial health and your readiness to purchase a home. As a general rule, your total housing expense, including taxes and insurance, should not exceed 33% of your gross income. Although some programs will allow you to go as high as 45%. You also need to consider your TOTAL debt-to-income (DTI) ratio, which compares your earnings against monthly obligations. Lenders consider DTI when determining whether or not a borrower carries too much debt. Strive to keep yours at 43% (of your gross monthly income) or less, although some program will allow you to go as high as 49%. This number is considered ideal for most people and suggests that you can control your spending in relation to your income. If your monthly budget results in a negative sum, then you should take the time to consider your spending. Is there anything you could cut back on? If not, you may want to consider looking for a more budget-friendly home.

GROSS MONTHLY INCOME (PRE-TAX)

Earners #1	
Earners #2	
Child Support (you receive)	
Other Income	
Total	

MONTHLY HOUSING EXPENSES (USE PROPOSED AMOUNTS IF BUYING)

Mortgage Payment	
Property Taxes	
Home Owners Insurance	
Home Owners Association Dues	
Total	
Percent of Income	

DEBTS (MONTHLY PAYMENTS)

Proposed Housing Expense	
Car Payment/Lease	
Child Support (you pay)	
Student Loan(s)	
Credit Card(s)	
Home Equity Loan/Line of Credit	
Other Real Estate Owned	
Other (includ. co-signed loans)	
Total	
Debt to Income Ratio	

NET MONTHLY INCOME (TAKE HOME PAY)

Earners #1	
Earners #2	
Child Support (you receive)	
Other Income	
Total	

ADDITIONAL MONTHLY EXPENSES

Phone/Cable/Internet	
Gas/Electric	
Water	
Cell Phone	
Groceries	
Dining/Take-out	
Gas (Car)	
Car Maintenance	
Auto Insurance	
Health/Medical Insurance	
Life Insurance	
Medical/Dental/Vision*	
Clothing	
Child Care/Tuition	
Recreation/Vacation	
Entertainment (Movies, etc.)	
Personal Expenses (hobbies, etc.)	
Charitable Donations/Gifts	
Misc.	
Total	
Total Debt & Expenses	

*Not covered by insurance.

CURRENT BUDGET OUTLOOK

Total Income	
Total Debt and Expenses	
Difference	

