

CreditSmart[®] Homebuyer U

Worksheets

How will you know when you're ready to buy a home? There are several things to consider. Complete this self-test to find out if you're ready and to find out which areas.

There are no right or wrong answers, but it's important to be honest with yourself!

	Yes	No
1. Do you want the responsibility of owning a home?	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the thought of working on your home sound exciting or interesting to you?	<input type="checkbox"/>	<input type="checkbox"/>
3. Do you plan on living in the same area for a few years?	<input type="checkbox"/>	<input type="checkbox"/>
4. Do you have established credit?	<input type="checkbox"/>	<input type="checkbox"/>
5. Have you viewed your credit report recently?	<input type="checkbox"/>	<input type="checkbox"/>
6. Do you have a credit score in the range of 620 - 800?	<input type="checkbox"/>	<input type="checkbox"/>
7. Do you have money for a down payment? Closing costs?	<input type="checkbox"/>	<input type="checkbox"/>
8. Are you willing to make financial sacrifices, so you can purchase and maintain a home?	<input type="checkbox"/>	<input type="checkbox"/>
9. Do you pay your bills on time?	<input type="checkbox"/>	<input type="checkbox"/>
10. Do you have sufficient income?	<input type="checkbox"/>	<input type="checkbox"/>
11. Do you have at least two years of work history?	<input type="checkbox"/>	<input type="checkbox"/>
12. Do you use a spending plan or budget?	<input type="checkbox"/>	<input type="checkbox"/>
13. Do you have a reasonable amount of debt? In other words, do you have funds left over after paying your debt to cover the cost of buying a home, while meeting your other needs?	<input type="checkbox"/>	<input type="checkbox"/>
14. Are you willing to maintain a budget so that you can maintain your home and sustain homeownership?	<input type="checkbox"/>	<input type="checkbox"/>
15. If you've had a bankruptcy or foreclosure, did it happen three or more years ago?	<input type="checkbox"/>	<input type="checkbox"/>

If you answered "Yes" to most of these questions, you may be ready to purchase a home. Any question where you answered "No" should be carefully considered before moving forward with a home purchase. If you had a significant number of "No" responses, it doesn't mean you can't or shouldn't purchase a home. These are simply items to consider further and areas for improvements, so you can purchase a home in the future.

	Contractor 1	Contractor 2	Contractor 3
Name			
Company			
Contact Information			
Years of Experience			
Specialties			
Training			
References			
Payment Structure			
Scope of Work			
Shelf- life/ Quality of Materials			
Validate Insurance and License			

Choosing the right home:

- How many bedrooms and bathrooms do you need?
- Do you expect your family size to change in the next few years?
- Do you need a garage?
- Do you have a hobby or job that requires a work area at home?
- Do you have pets that need outdoor space?
- Do you want to have a patio, yard or garden?
- How much storage do you need?
- Do you need to modify your home for better accessibility?
- How many floors do you want to have?
- Do you want a single-family home, a townhome, a condominium, co-op, manufactured home, modular home or a 2–4-unit property?
- Are there considerations around the age of the property that matter to you?
- Have you considered if your home has energy/water efficiency updates?
- What would climate change cost you in your neighborhood? (<https://riskfactor.com/>)

Choosing the right neighborhood:

- Do you need to live near a bus route, other public transportation, or highway?
- How far are you willing to commute to work (keeping in mind that your work location or situation could change)?
- Are groceries or other stores nearby?
- Do you want to live near parks or green spaces?
- Does the school district matter to you and childcare options?
- Do you want to live in a walkable or bikeable community?
- Do you want to live near restaurants, entertainment, fitness or recreational centers?
- Are there critical services, such as hospitals, nearby?
- Have you checked the crime rates in the neighborhoods you're considering?
- Have you checked the environmental health (water, soil or air quality) of the neighborhoods you're considering?
- Do you want to live in a community with a Homeowners' Association or Condo Association (consider the responsibilities and benefits)?
- Have you searched the flood map for the neighborhood?
(<https://msc.fema.gov/portal/search>)

Use this loan comparison worksheet when you're shopping for a loan.

	Loan 1	Loan 2	Loan 3
Name of Lender			
Contact Name, Phone, Email			
Name of Loan Product			
Type of Loan Product (fixed, adjustable, other)			
Annual Percentage Rate (APR)			
Points			
Down Payment Requirements			
Application fee and/or other origination fees			
Type of mortgage insurance (PMI or FHA Mortgage Insurance Premium)			
Appraisal Fee			
Pre-payment Allowed?			
Pre-payment Penalties?			
Fee to Lock in Rate?			
How Long is the Fee Locked in?			
Additional Notes			

Monthly Wages/Salary Calculations:

Net income is your take-home pay, after taxes and other deductions are taken out. Use the calculators below to determine your monthly income. If you share your household with another person/s, calculate the combined net monthly income to create a household budget. Use the Total Household Net Monthly Income from this worksheet in the Spending Plan/Budget worksheet.

Person 1 - *Enter the applicable take-home payment amount below to get an automatic monthly payment.

If you get paid once a week:

\$ _____ X 52 weeks ÷ 12 months = \$ _____
 (Payment Amount*) (Monthly Payment)

If you get paid once every two weeks:

\$ _____ X 26 weeks ÷ 12 months = \$ _____
 (Payment Amount*) (Monthly Payment)

If you get paid twice a month (for example, on the 1st and 15th of the month):

\$ _____ X 2 half-months = \$ _____
 (Payment Amount*) (Monthly Payment)

Person 2 - *Enter the applicable take-home payment amount below to get an automatic monthly payment.

If you get paid once a week:

\$ _____ X 52 weeks ÷ 12 months = \$ _____
 (Payment Amount*) (Monthly Payment)

If you get paid once every two weeks:

\$ _____ X 26 weeks ÷ 12 months = \$ _____
 (Payment Amount*) (Monthly Payment)

If you get paid twice a month (for example, on the 1st and 15th of the month):

\$ _____ X 2 half-months = \$ _____
 (Payment Amount*) (Monthly Payment)

Person 3 - *Enter the applicable take-home payment amount below to get an automatic monthly payment.

If you get paid once a week:

\$ _____ X 52 weeks ÷ 12 months = \$ _____
 (Payment Amount*) (Monthly Payment)

If you get paid once every two weeks:

\$ _____ X 26 weeks ÷ 12 months = \$ _____
 (Payment Amount*) (Monthly Payment)

If you get paid twice a month (for example, on the 1st and 15th of the month):

\$ _____ X 2 half-months = \$ _____
 (Payment Amount*) (Monthly Payment)

*Payment Amount = Take-home pay after taxes and other deductions are taken out.

Now, add any additional monthly income to your monthly payment calculation.

Sources of Income	Person 1	Person 2	Person 3	Notes
Monthly Payment* (Salaries/Wages) *As calculated above				
Overtime/Tips/Commission/Bonus				
Interest/Dividends/Capital Gains				
Additional Jobs/Seasonal Income				
Unemployment Compensation				
Child Support				
Alimony				
Public Assistance				
Social Security				
Social Security Disability				
VA Benefits (Non-Education)				
Military Income				
Pension & Retirement				
Boarder Income				
Qualifying Rental Income				
Mortgage Credit Certificates				
Housing Choice Voucher Program				
Other:				
Other:				
Total Net Monthly Income				

If you combine household income and share expenses with other members of your household, add the monthly amounts together for the net monthly income (NMI).

$$\underline{\hspace{2cm}} \quad + \quad \underline{\hspace{2cm}} \quad + \quad \underline{\hspace{2cm}} \quad = \quad \underline{\hspace{2cm}}$$

(NMI Person 1) (NMI Person 2) (NMI Person 3) (Total Household NMI)

Use this worksheet to create your household spending plan/budget. Not all categories will be applicable to you and you might add categories that you want to track. There is a section for planned savings in this worksheet. You will enter your monthly income from your Net Monthly Income worksheet at the bottom of this worksheet to compare your planned/budgeted amounts and actuals with your take-home income. Accordingly, you can make adjustments to various categories and your spending and savings habits.

Monthly Expenses - Monthly expenses may be fixed/recurring expenses or periodic/variable expenses. To calculate monthly expenses, keep all your receipts for cash payments and track expenses using a credit card or debit card statement. Your credit card mobile app may feature budgeting tools. Average your monthly expenses in any category by month and use the amount as your Monthly Budget. Compare Monthly Budget with Monthly Actual expenses and adjust your budget as needed. For healthcare, indicate out of pocket expenses (not payroll-deducted monthly insurance premiums).

Category	Monthly Actual	Monthly Budget	Difference	My Notes
Housing				
Mortgage or rent				
Home warranty plan				
Homeowner's or condo association fees				
Special assessments				
Property taxes				
Homeowner's insurance				
Other (e.g., cleaning services, landscaping)				
Total Housing Expenses				
Utilities				
Electric				
Gas/heating oil				
Water/sewage				
Cable TV				
Internet				
Cellphone/telephone				
Other (e.g., trash/recycling)				
Total Utilities Expenses				
Transportation				
Car payments				
Public transportation/shared ride/taxi				
Gasoline				
Parking/tolls				
Car insurance				
Car maintenance				
Car registration & taxes				
Roadside assistance				
Other				
Total Transportation Expenses				
Food & Entertainment				
Groceries				
Meals out				
Entertainment (e.g., movies/concerts/sporting events)				
Hobbies				
Books/audiobooks				
Other				
Total Food & Entertainment Expenses				
Care of Children				
Childcare				
School tuition				
Tutoring/lessons/sports activities/camps				
School lunches				
School supplies				
New clothing, shoes & accessories				
Haircuts/grooming				
Allowance				
Diapers/babycare				
Other				
Total Childcare Related Expenses				

Category	Monthly Actual	Monthly Budget	Difference	My Notes
Subscriptions				
Streaming services (e.g., Netflix)				
Shopping memberships (e.g., Amazon Prime, Costco)				
News (e.g., Washington Post)				
Meals/food boxes (e.g., Blue Apron)				
Gaming				
Other				
Total Subscriptions Expenses				
Health, Wellness & Insurance				
Medical insurance (if not payroll deducted)				
Dental insurance (if not payroll deducted)				
Other insurance (e.g., life or disability insurance)				
Doctors/specialists (including insurance deductibles)				
Therapist/counselor				
Eyecare				
Medicines (prescriptions/over-the-counter)				
Supplements				
Gym membership/fitness				
Other				
Total Health, Wellness & Insurance Expenses				
Personal				
Dry cleaning/laundry				
Personal care/grooming				
Toiletries/cosmetics				
Clothing, shoes, accessories				
Other				
Total Personal Expenses				
Miscellaneous				
Child support				
Alimony				
Petcare				
Supplies for education				
Tax preparation fees				
Legal fees				
Gifts				
Donations				
Annual fees for credit cards				
Computer/technology/mobile accessories				
Other				
Total Miscellaneous Expenses				
Credit Cards, Loans & Other Debts				
Credit card 1				Credit Card & Balance:
Credit card 2				Credit Card & Balance:
Credit card 3				Credit Card & Balance:
Student loan 1				
Student loan 2				
Personal loans				
Medical debts				
Other installment debt				
Other				
Total Credit Cards, Loans & Other Debts				
Total Monthly Expenses				

Planned Savings - This section will help you budget for savings goals and needs. Total your savings goals in each category and divide by 12 months to enter Monthly Planned Saving amount. You could transfer the Monthly Planned Saving amounts to a Savings Account on a monthly basis. Compare Monthly Planned Saving with Monthly Actual Saved amounts and adjust as needed.

Category	Monthly Actual Saved	Monthly Planned Saving	Difference	My Notes
Emergency fund (amount needed in addition to current savings)				
Housing				
Down payment for home				
Moving/household essentials				
Furniture/decors				
Appliances				
Home maintenance/repairs fund				
Home improvements				
Total Housing Planned Savings				
Miscellaneous				
Education				
Wedding				
Vacation				
Other				
Total Miscellaneous Planned Savings				
Total Monthly Planned Savings				

Total Net Monthly Income (enter NMI from income worksheet)				
Total Monthly Expenses & Planned Savings				
Difference Between Income vs. Expenses + Planned Savings				

Name of Agent _____

Name of Firm _____

Managing Broker _____

How long have you been in real estate?

Are you a full-time real estate agent?

Are you familiar with the community where I want to look?

Do you speak languages other than English?

How many homes have you sold in the last year?

What is the average sale price of the homes you sold last year?

Do you usually work with first-time buyers, or just move-up buyers?

Do you have experience working with bank-owned or REO homes?

How many buyers are you presently working with?

Are you acting as the exclusive buyer's agent? What type of agreement are you seeking/ how will you be compensated?

How many sellers are you presently working with?

How would you handle a situation if you or your real estate brokerage company are representing the seller for a home that I might be interested in buying?

Can you provide the names of recent homebuyers you have helped for references?

Notes:
