



Guide to Buying Your First Home



Introduction

Today, there are a number of obstacles for homebuyers, including credit score and down payment requirements, among other things. Consumers should have a thorough understanding of the mortgage market when seeking home financing.

Greenway Mortgage has created this guide to help first time home buyers prepare for one of the most significant financial transactions they will enter into. We will outline the steps involved, provide guidance on finding the right professionals to work with and choosing the right mortgage product. We will also touch on making sure the home you buy is within your means.

Visit us online at www.greenwaymortgage.com. We are always here for you with expertise, guidance and support to help make everything go as smoothly as possible throughout the entire process.



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Chapter 1: Mortgage 101

Benefits of Home Ownership



Home ownership brings a lot of added responsibilities. It may also bring a lot of advantages for you, from financial gain to a secure place to raise your family.

For example:

- Your home may appreciate in value
- You can build equity to use for home improvement loans, education and other expenses
- Your home is your own – you can do what you like with it to reflect your lifestyle
- Home ownership can give your children roots in a community
- You may save money at tax time by deducting mortgage interest and property taxes*

A home offers stability, especially as your children grow up. It's a place where you can live the life you want, and where you can create the memories of a lifetime.

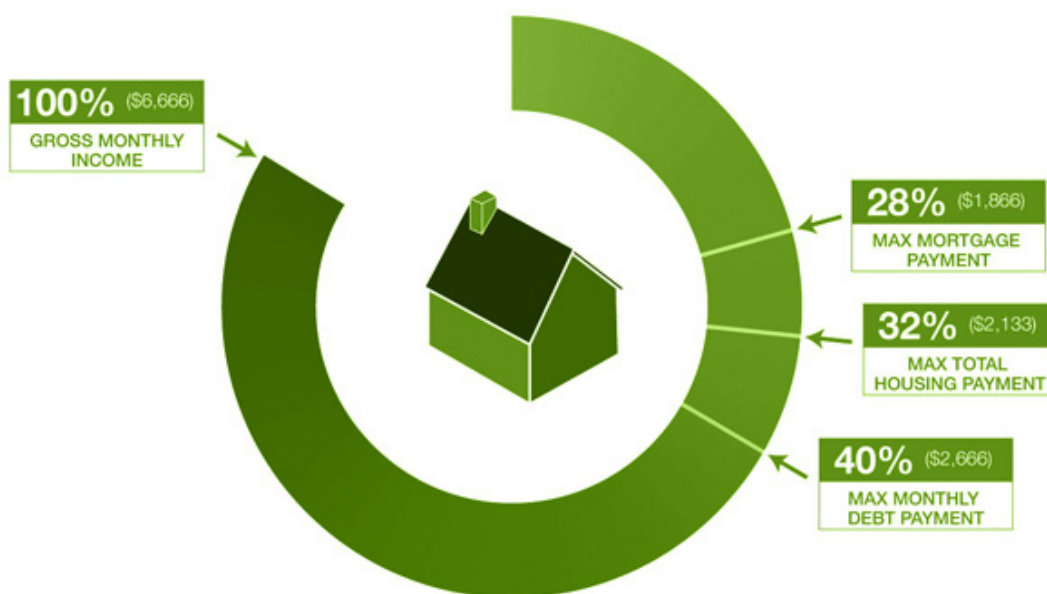
*Consult a tax advisor regarding the deductibility of interest.

Know What You Can Afford

There is a general rule of thumb that says your total monthly debt – mortgage payments, car payments, credit cards, gas, utilities, etc. – should not exceed 36 percent of your gross monthly income. Lenders typically follow a similar guideline when qualifying a borrower for a mortgage, although the exact criteria depends on the lender, the borrower and the mortgage program.

First, let's clarify what the lender actually does when qualifying a borrower for a mortgage. The lender qualifies a borrower for a maximum monthly payment that they can afford based on the borrower's current financial situation, as well as the down payment amount.

Remember, your monthly mortgage payment includes PITI – principal, interest, taxes and insurance. Many online mortgage calculators don't include all four components.



Second, just because you qualify for a certain monthly payment, that doesn't mean you should purchase a home that puts you right at that limit or anything close to it.

"But wait," you say. "I've crunched the numbers in my monthly budget and I have no doubt that I can swing that payment with plenty left to spare!"

Are you sure about that?

Do you plan to have kids? Will they go in daycare? If you plan to stay home with your kids, how much income will you lose? Will you start saving for their education? Do you plan to buy a car within the next five years? Would you like to go on vacation? Will this home you've fallen in love with require any improvements?

In other words, if these or other life events add significantly to your monthly expenses, will you still be able to swing that mortgage payment?

Many first-time home buyers become house poor because they buy based on today and fail to consider where they'll stand tomorrow. Their lifestyle tends to suffer, and they often struggle to meet their financial obligations. If an unexpected life change occurs, they could be in real trouble.

On the other hand, if significant money will be coming off the books within a few years, you may determine that it's worth it to make sacrifices in the short-term to own the kind of house you really want.

The Better Question to Ask

First-time buyers constantly come to us and say, "How much house can I afford?" Unfortunately, we can't answer that question with any certainty. We can only tell you how much of a monthly payment you qualify for.

The better question to ask is, "How much should I buy?" Again, the lender can't answer that question. That's a personal decision you have to make based on your income, lifestyle, family situation, and priorities, both now and in the future.

For a lot of first-time home buyers, mortgage qualification is a reality check. They experience payment shock when they come from paying low rent for a small apartment, or no rent from living with parents.

Common sense tells us that upgrading to a home with more rooms, more square footage, and outside property will result in higher living expenses.

Resetting Expectations

You may find that you can't afford the kind of home you want in the exact town you want. But you still have options. Would you be satisfied with a smaller house in the same town? Would you be satisfied with the same house in a different neighborhood or town where prices are lower?

Location is important. Location affects property taxes, home and auto insurance, commute times and expenses, traffic, social life, quality of schools, public services and more. Choosing how much home you can afford requires you to determine the importance of these and other factors.

In any of these scenarios, you have to look at how your decisions will affect your lifestyle. Would you be willing to compromise now and then move to a new home in the future? Is it best to live at home or rent for another year, save money, and look for ways to increase your income? Do you feel confident enough to pull the trigger right now on the home you really want, even if it's a little more than you want to pay?

There is no mathematical formula that tells you exactly how much home you could afford. Greenway Mortgage will take the time to discuss these issues with you instead of simply approving you for a mortgage and wishing you luck.



The Basics

STEP 1: GET PRE-APPROVED

Know the difference between “**pre-qualified**” and “**pre-approved**.”

Getting **pre-qualified** is a process where we calculate how much house you can afford based on your credit report and non-verified financial figures you provide verbally.

Pre-approval, on the other hand, is a more in-depth look at your finances which renders a more accurate picture of your financial situation. By looking at tax returns, pay stubs and bank statements we can pinpoint your price range. A pre-approved buyer is more attractive to sellers and their agents.

BE HONEST WITH YOURSELF AND YOUR LENDER

You don't want to borrow more than you can afford. We will work with you to determine what you can afford.

LOOK AT THE BASICS OF THE LOAN

Don't get distracted by bells and whistles. Choose the type of loan that makes the most sense for you. Use financial calculators to determine if you should go with a fixed rate mortgage or an adjustable rate mortgage.

Fixed Rate Mortgage: interest rate never changes

Adjustable-Rate Mortgage (ARM): lower starting rate that may increase or decrease over time depending on the current market.

KNOW YOUR CREDIT SITUATION

Greenway will run a credit check for you, analyze your FICO scores for any blemishes, and help fix any errors or recommend actions to raise their score.

CONSIDER ALL COSTS

Greenway will review the costs involved with purchasing a home. It's important to talk with your Loan Officer about additional costs. While these costs vary from home to home, you'll want to know what they are before making a final offer. These include:

- Title and other third-party fees
- Homeowners insurance
- Taxes and escrows
- Your Down Payment - generally 3% or more of the sale price
- Closing costs - includes a variety of fees and other expenses

But once the house is yours, maintenance and repairs are your responsibility. As a homeowner, you are responsible for those additional costs – there won't be a landlord to call.

CONSIDER FIRST-TIME BUYER PROGRAMS

We will review your eligibility for various federal, state, county and municipal programs. These may include grants and other forms of aid as well as reduced fees or rates.

Greenway Mortgage Offers the following First-Time Home Buyer Programs:

- No Money Down FHA Loan
- NJ FHA Down Payment Assistance Program
- Conventional 97 First-Time Home Buyer Program
- FHA Mortgage
- The HomeReady Program
- NJ Conventional DPA Program

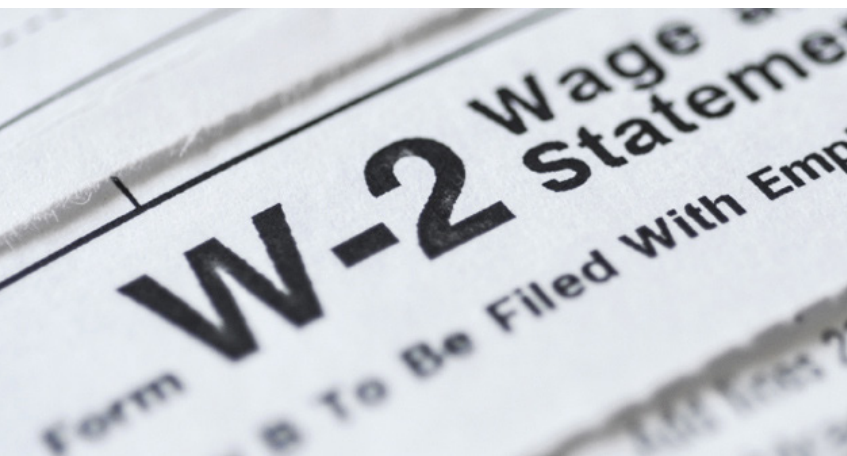
[Information on our First-Time Home Buyer Programs can be found here.](#)



Organize Your Finances

In order to get you pre-approved we need the documentation below. All of this and more will be needed once your loan is in process so might as well pull it together now.

- Pay stubs – last 30 days
- W2s – last 2 years
- Federal tax returns – last 2 years, all pages and schedules
- Bank statements – Last 2 months, all pages
- Realtor and attorney contact info
- Copy of photo ID – must be legible



Give Yourself Credit

The mortgage process can be intimidating. During the early stages of qualification, we have to ask many questions that may not seem to relate to a mortgage, and we request a lot of documentation. This is necessary because guidelines have become more stringent to ensure borrowers don't bite off more than they can chew.

Understanding the underwriting process can help ease stress and streamline the effort. In general, mortgage lenders like Greenway Mortgage observe the 4 Cs of borrower qualification – Character, Credit, Capacity and Collateral. Since every individual's financial situation varies, this method helps Greenway Mortgage determine if a particular borrower and property are mortgage worthy.

CREDIT:



DETERMINE LIKELYHOOD BORROWER WILL REPAY DEBTS

- **PAYMENT HISTORY**
Late payments, Judgments, Bankruptcy
- **CREDIT BUREAUS**
Render credit score
Lower scores means higher interest rates and more difficulty qualifying.

CHARACTER:



WORK & INCOME HISTORY IS INVESTIGATED

- **HELPS DETERMINE THE
BORROWER'S ABILITY TO REPAY**
- **EMPLOYMENT HISTORY**
- **REGULAR FLOW OF INCOME**
Salary, bonus and commission
Self-employed income
- **ASSETS**
Funds to close, Reserves

CAPACITY:



ASSESS ABILITY TO REPAY

- **DEBT-TO-INCOME RATIO (DTI)**
- **HOUSING COSTS (PITI)**
- **OTHER DEBTS: CAR PAYMENTS,
LOANS, CREDIT CARDS, STUDENT
LOANS, ETC.**

COLLATERAL:



DETERMINE VALUE OF THE HOME THAT IS BEING FINANCED

- **ENSURES LENDER CAN
RECOUP IF DEBT IS NOT PAID
(FORECLOSURE)**
- **APPRAISAL TO DETERMINE
VALUE & PROPERTY
CONDITION**



Getting Your House In Order

For first-time homebuyers, one of the most important steps towards home ownership may not be as fun as wandering through various open houses, but it is no less essential.

Before you're ready to make a serious offer on the property of your choice – or even start your real estate search in earnest – you need to know how much you can afford. In other words, before you can sign the papers on that new house, you need to focus on getting your financial “house” in order.

At Greenway, we help our clients with this every day... it's called getting pre-approved. Trust Greenway to help guide you through the process of gathering and reviewing your financial information. Your loan officer will ask you a series of questions about your income such as salary, overtime and bonuses.

We will also ask about debts such as student loans, credit cards and car payments as well as any savings accounts you have.

Because calculating your “qualified” income isn't exactly straightforward, we ask for bank statements, W2s and pay stubs.

Using this information, our mortgage professionals will calculate your net income, debt to income ratio and help identify a mortgage and down payment amount that fits your profile. Greenway's loan officers are well-versed in working with first-time home buyers and will help identify the right mortgage product for your specific financial situation. And, if necessary, we will help you get your finances in order and work with you on improving your credit score.

As a first-time homebuyer, it's also important to remember that your credit score and credit history are key to being approved for a loan – and getting a good rate.

In talking with your Greenway loan consultant, you'll want to discuss any credit problems up front so we can address and correct where possible.

Getting pre-qualified at Greenway is free and takes only a few minutes to get the ball rolling. Give us a call (732) 832-2967 or visit our [website](#) today to find out how Greenway can help you get your house in order.

Ready to get started?

Click here to get prequalified today!



The Hunt



Now that you've decided you're ready to become a homeowner, it's time to get out there and hunt for your dream home. Before you go cruising through new neighborhoods to find a place to call your own, let Greenway Mortgage share some tips to help make your house hunt just a little bit easier.

BEFORE YOU BEGIN...

As you are preparing for your house hunt, it's important to stop and make sure the numbers add up before you actually start seriously considering home(s) to purchase. Make sure there are no major outstanding debts or other blemishes on your credit report; if there are, take the time to get them cleaned up and off your record.

HOUSE HUNTING TIPS

Here are some things to keep an eye or two out for on your hunt...

1. TAKE A DRIVE AROUND THE NEIGHBORHOOD

For many people, house hunting begins with hopping into the car and driving around neighborhoods they want to live in.

2. VISIT OPEN HOUSES

An Open House sign planted on a lawn is an open invitation to come in and look around. Take notes and photos of anything you can. Do so with every open house you find and you'll be able to get a better idea of what you might want in your new home's fixtures, layouts and more.

3. BRING A TAPE MEASURE

This might seem to be above and beyond the call of house hunting, but it's better to know sooner rather than later that your favorite arm chair won't fit into the room you wanted to set it in, or that your bed frame won't make it up to the second floor.

4. CHECK EVERY NOOK AND CRANNY

Remember, this could be your future home, so make sure you get a look at EVERYTHING to know it's all in top condition.

5. COME BACK AT VARIOUS TIMES OF THE DAY

Any house you decide to come back for another look at should ideally be done at a different time of day. That way you can get a better feel for not only the home, but the whole neighborhood.





Chapter 2: The Process



The Purchase Process

By this point in the process, you have...

- Been pre-approved by Greenway Mortgage
- Selected your real estate agent
- Found your ideal home
- Prepared with a down payment

When you apply for a loan the lender will give you a Good Faith Estimate (GFE) which details the estimated settlement charges. The amounts on the GFE are only estimates and actual costs may vary slightly with market conditions.

YOUR NEXT STEPS

Negotiate the deal. Work with your real estate agent to negotiate the sales price and other terms of the sale.

Search for a clear title. A title search will be performed and will show that the seller can provide title to the home free and clear of all claims.

Secure a home inspection. A licensed home inspection should determine the condition of the plumbing, heating, cooling and electrical systems. The structure is also examined as well as the condition of the roof, siding, windows and doors. Any issues should be discussed with your attorney and/or Realtor.

Prepare for your loan closing. At this last step in the mortgage process, you'll meet with the closing agent (typically your attorney) to sign all your documents.



The Mortgage Process

1. APPLICATION

Provide documents below:

- Pay stubs – last 30 days
- W2s – last 2 years
- Federal tax returns – last 2 years, all pages/schedules
- Bank statements – Last 2 months, all pages
- Purchase contract – All pages
- Realtor and attorney contact info
- Copy of photo ID – must be legible
- Appraisal payment

2. PROCESSING

Loan file is turned into the processing department. The processor will immediately order your appraisal and begin to process your loan file.

3. APPRAISAL

Appraiser contacts realtor to schedule appraisal. Report available 3-5 days after the appraisal is performed.

4. UNDERWRITING

Appraisal is reviewed and file submitted for underwriting. Approval is typically available within 3 days.

5. APPROVAL

Once your loan is approved, the Mortgage Commitment is sent to you, your Realtor and attorney. Processing will contact you to discuss any outstanding documentation (conditions).

6. CLEARING CONDITIONS

Once outstanding conditions are supplied to processing, the file returns to underwriting for final review. Typically this process takes 48 hours.

7. CLEAR TO CLOSE

Once underwriting reviews the conditions, they clear the loan for closing. The closing department will contact your attorney to set up a closing date. Closing can take place any time after this point.

A FEW THINGS TO KNOW

- Do not make any large purchases without consulting your loan officer. Spending cash or incurring new debt could negatively impact your ability to qualify for a mortgage.
- After closing, your loan may be transferred to a new servicer. You will receive a notice in the mail when this happens. It is normal and everything is okay with your account.



The Happy Homeowner



You've considered countless properties and visited many open houses, before finally zeroing in on your choice house, making an offer, securing financing and closing on the property. Congratulations, you are now a homeowner! But there are a few more things you'll want to consider now that you've moved and settled into your new home. Here, we'll detail what you'll want to be aware of when it comes to maintaining your new property, as you continue on the path to becoming what Greenway likes to call the Happy Homeowner.

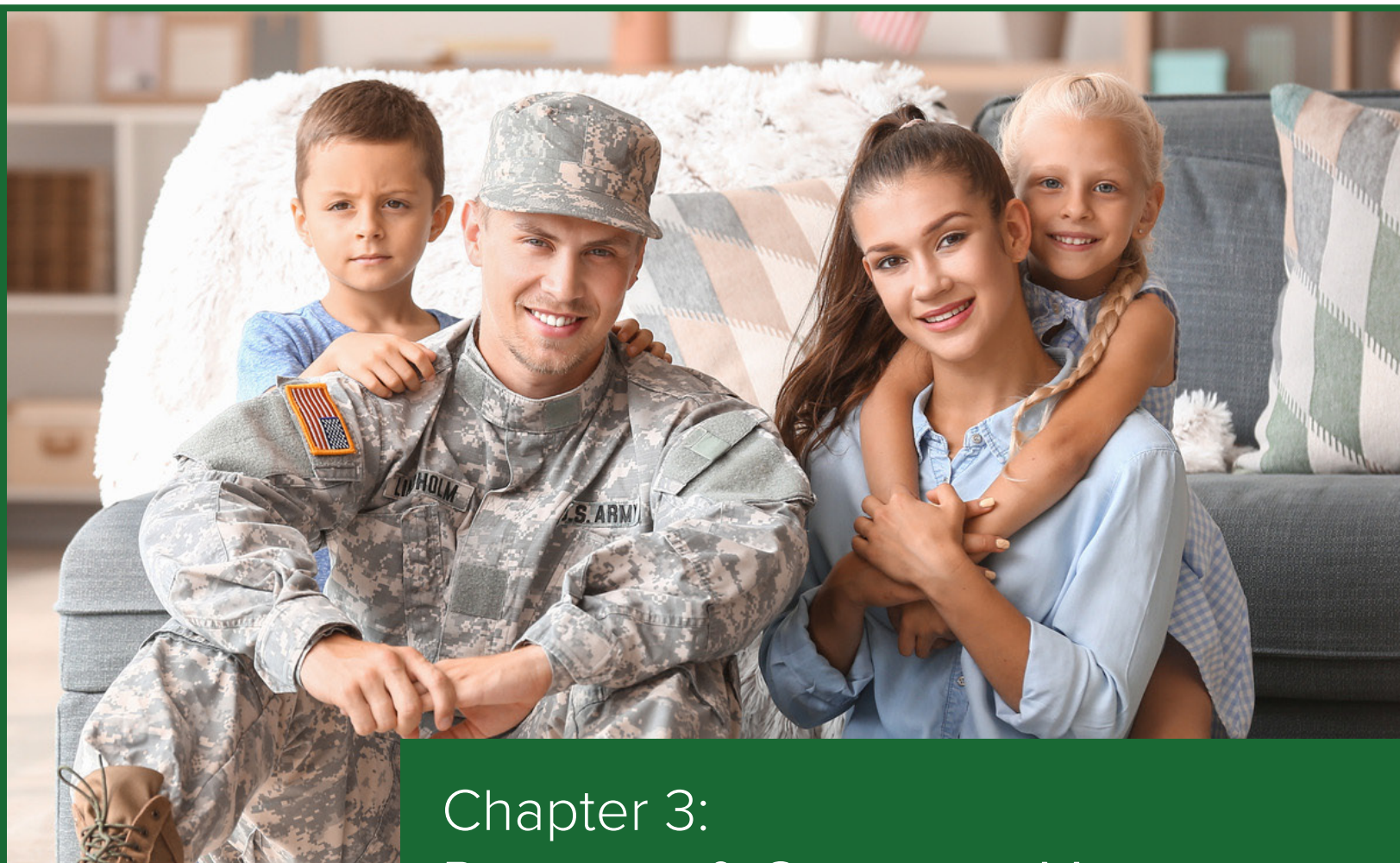
KEEP YOUR HOUSE CLEAN

You might have always wondered why your parents were so insistent on keeping a clean house when you were a kid, and now as an adult you know – not only does a spotless house look good to you and your guests, it can also be very attractive to prospective buyers should you eventually decide to sell the property. Do a little here and there to make sure your house is always ready for company, and be sure to break out the big guns occasionally for some deep cleaning.

KEEP YOUR HOUSE WELL MAINTAINED

In addition to making sure your new home is as clean as it can be, you'll want to make sure it is well maintained. That means keeping up with the cost of repairs when they pop up, and not leaving them to fall to neglect.

Make sure to take some time to keep the fences mended, the house paint looking fresh, and the roof nice and stable. Do your best to keep the interior updated as well – putting in new fixtures, painting the rooms, even adding new flooring! If you can afford to, be sure to upgrade any items you might be changing out, such as lighting and fixtures. Again, not only will these help keep your house looking as good as when you bought it, they'll also help you build home equity and make the house attractive when you decide to sell.



Chapter 3: Programs & Greenway Mortgage



Programs for the First-Time Homebuyer

There are a number of loan programs available that are suitable for first-time homebuyers. At Greenway Mortgage, we are proud to offer many conventional home loans that are tailored to you based on your current finances. We also offer special government loan program options to help you get into your new home.

FEDERAL HOUSING ADMINISTRATION (FHA) LOANS

These are government-insured loans from the US Department of Housing and Urban Development (HUD) that offer low down payments, making them especially attractive to first-time homebuyers who are looking to save where they can.

The rates on these loans are often lower than conventional products and have less stringent credit requirements. FHA loans are also often assumable, meaning you can take over the loan from the previous owner, and pass it on to someone else if you decide to move.

VETERANS AFFAIRS (VA) LOANS

VA loans are offered by the government to veterans of the armed forces, as well as those currently on active duty, and widows or widowers of veterans. VA loans have less strict requirements and require no down payment.

UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) LOANS

For would-be homeowners living in smaller towns or rural areas, USDA loans are a great option for fulfilling their dreams of buying a home. Like VA loans, they require no down payment but are subject to USDA eligibility maps.

[Click Here To View All Of Our First-Time Home Buyer Programs.](#)



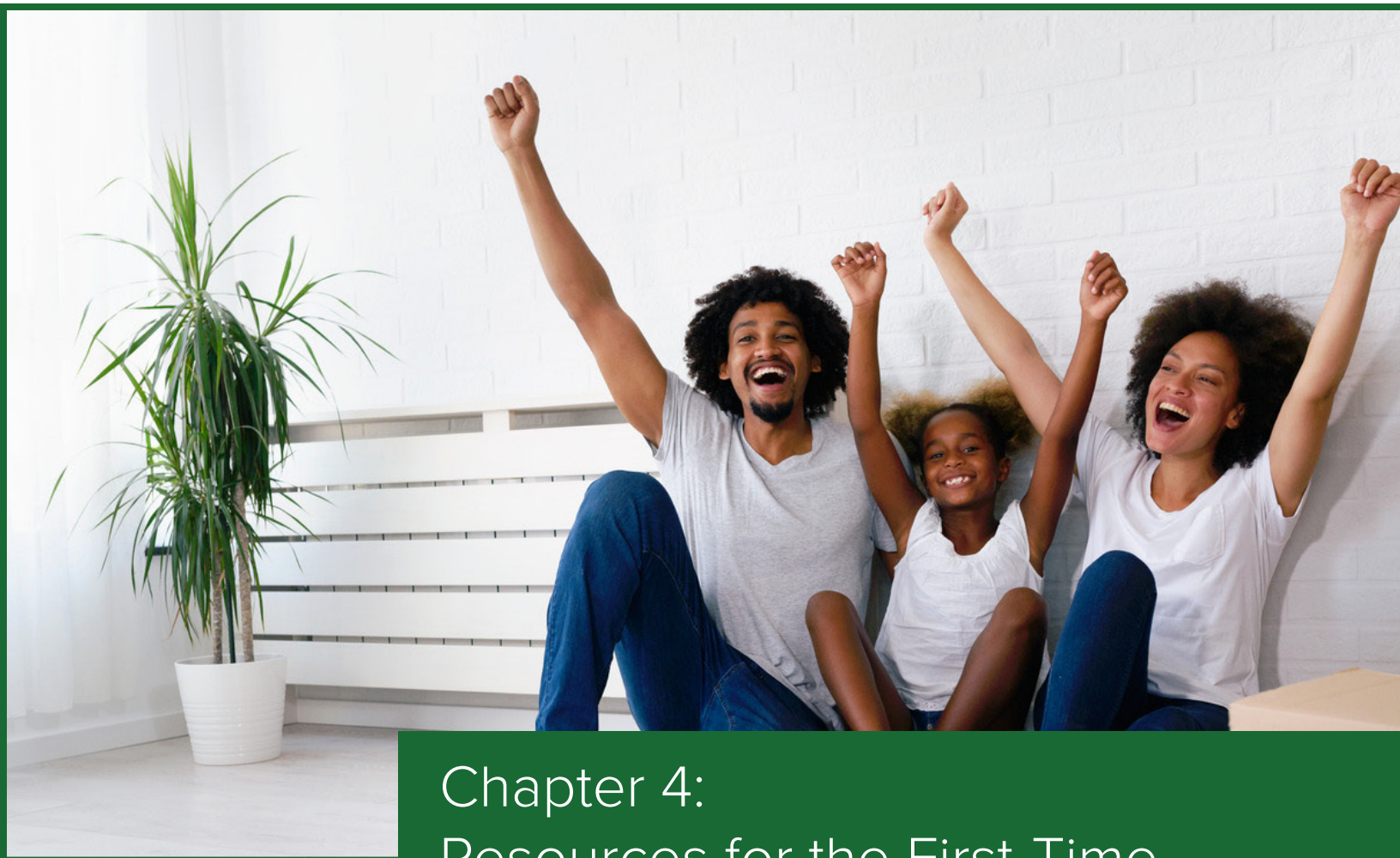
About Greenway Mortgage

Greenway Mortgage is a full-service mortgage lender that is committed to helping clients find the right mortgage to fit their budget. Thanks to the wide array of mortgage programs Greenway offers, we can help you get the right loan based on your financial situation.

From the day we opened our doors, Greenway Mortgage has been committed to providing a transparent process and open communication with our clients. Our commitment to our clients - offering speed, efficiency and the first-rate experience they expect from a mortgage company - has helped make us the Shore's Premier Home Finance Lender.

With Greenway, you have 24/7 access to a team of trusted loan officers and full-time support staff who are ready to guide you through every step of the loan process. In addition to Conventional products, Greenway offers FHA, VA, 203k, and USDA home loans, as well as Fannie Home style renovation programs. Additionally, we have niche products and outlets for borrowers with difficult financial situations.

What sets Greenway apart the most, however, is our ability to close loans quickly by utilizing our in-house underwriting department. Our files are processed in our branch and underwritten by our team in Middletown, so you'll never have to worry about your paperwork being sent to a central office to get lost in a paper shuffle. In addition, we make it a priority that we remain accessible and responsive to everyone involved in a transaction, you most of all. We are high-touch and high-tech which means we get deals done quickly and as smoothly as possible. When there is an issue, we handle it promptly and professionally.



Chapter 4: Resources for the First-Time Homebuyer



Glossary

ADJUSTABLE RATE MORTGAGE (ARM)

A mortgage with an interest rate that changes during the life of the loan according to movements in an index rate.

AMORTIZATION

The gradual repayment of a mortgage loan, both principal and interest, by installments.

ANNUAL PERCENTAGE RATE (APR)

The cost of credit, expressed as a yearly rate including interest, mortgage insurance, and loan origination fees. This allows the buyer to compare loans, however APR should not be confused with the actual note rate.

APPRAISAL

A written analysis prepared by a qualified appraiser and estimating the value of a property.

APPRAISED VALUE

An opinion of a property's fair market value, based on an appraiser's knowledge, experience, and analysis of the property.

CLOSING

A meeting held to finalize the sale of a property. The buyer signs the mortgage documents and pays closing costs. Also called "settlement."

CLOSING COSTS

These are expenses over and above the price of the property that are incurred by buyers and sellers when transferring ownership of a property. Closing costs normally include an origination fee, property taxes, charges for title insurance and escrow costs, appraisal fees, etc. Closing costs will vary according to the area and the lenders used.

CREDIT SCORE

Measure of a consumer's credit risk based on an individual's credit history. The system most widely used by lenders is the FICO® score, developed by the Fair Isaac Company. The score, ranging from 300 to 850, is determined by information obtained by the credit bureaus. Higher scores represent lower credit risks, which typically equate to better loan terms. In general, credit scores are critical in the mortgage underwriting process.

DEFAULT

Failure to make mortgage payments on a timely basis or to comply with other requirements of a mortgage.

DELINQUENCY

Failure to make mortgage payments on time.

DEPOSIT

This is a sum of money given to bind the sale of real estate, or a sum of money given to ensure payment or an advance of funds in.

DOWN PAYMENT

Part of the purchase price of a property that is paid in cash and not financed with a mortgage.

EQUITY

The amount of financial interest in a property. Equity is the difference between the fair market value of the property and the amount still owed on the mortgage.

ESCROW

Funds deposited by the buyer with a third party to be delivered upon the fulfillment of a condition. For example, the deposit of funds or documents into an escrow account to be disbursed upon the closing of a sale of real estate.

ESCROW DISBURSEMENTS

The use of escrow funds to pay real estate taxes, hazard insurance, mortgage insurance, and other property expenses as they become due.

ESCROW PAYMENTS

The part of a mortgagor's monthly payment that is held by the servicer to pay for taxes, hazard insurance, mortgage insurance, lease payments, and other items as they become due.

FIXED-RATE MORTGAGE (FRM)

A mortgage where interest rates are fixed throughout the entire term of the loan.

LOAN ORIGINATION FEE

A fee paid to a lender for processing a loan application. The origination fee is stated in the form of points. One point is 1 percent of the mortgage amount.

POINTS

A point is equal to one percent of the principal amount of your mortgage. For example, if you get a mortgage for \$165,000 one point means \$1,650 to the lender. Points usually are collected at closing and may be paid by the borrower or the home seller, or may be split between them.

PRE-APPROVAL

An analysis of a buyer's ability to afford the purchase of a home. Reviews income, liabilities, and available funds, and considers the type of mortgage you plan to use, the area where you want to purchase a home, and the closing costs that are likely.

PRINCIPAL

The amount borrowed or remaining unpaid. The part of the monthly payment that reduces the remaining balance of a mortgage.

PRINCIPAL BALANCE

The outstanding balance of principal on a mortgage not including interest or any other charges.

PRINCIPAL, INTEREST, TAXES, INSURANCE (PITI)

The four components of a monthly mortgage payment. Principal refers to the part of the monthly payment that reduces the remaining balance of the mortgage. Interest is the fee charged for borrowing money. Taxes and insurance refer to the monthly cost of property taxes and homeowners insurance, whether these amounts are paid into an escrow account each month or not.

PRIVATE MORTGAGE INSURANCE (PMI)

Mortgage insurance provided by a private mortgage insurance company to protect lenders against loss if a borrower defaults. Most lenders generally require MI for a loan with a loan-to-value (LTV) percentage in excess of 80 percent.

QUALIFYING RATIOS

Calculations used to determine if a borrower can qualify for a mortgage. They consist of two separate calculations: a housing expense as a percent of income ratio and total debt obligations as a percent of income ratio.

RATE LOCK

A commitment issued by a lender to a borrower or other mortgage originator guaranteeing a specified interest rate and lender costs for a specified period of time.

SERVICER

An organization that collects principal and interest payments from borrowers and manages borrowers' escrow accounts. The servicer often services mortgages that have been purchased by an investor in the secondary mortgage market.

STANDARD PAYMENT CALCULATION

The method used to determine the monthly payment required to repay the remaining balance of a mortgage in substantially equal installments over the remaining term of the mortgage at the current interest rate.

TREASURY INDEX

An index used to determine interest rate changes for certain adjustable rate mortgage (ARM) plans. Based on the results of auctions that the U.S. Treasury holds for its Treasury bills and securities or derived from the U.S. Treasury's daily yield curve, which is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market.

TRUTH-IN-LENDING

A federal law that requires lenders to fully disclose, in writing, the terms and conditions of a mortgage, including the annual percentage rate (APR) and other charges.

UNDERWRITING

The process of evaluating a loan application to determine the risk involved for the lender. Underwriting involves an analysis of the borrower's creditworthiness and the quality of the property itself.

VA MORTGAGE

A mortgage that is guaranteed by the Department of Veterans Affairs (VA). Also known as a government mortgage.

HOME COMPARISON CHART

	Home 1	Home 2	Home 3
ADDRESS			
SQUARE FOOTAGE			
LOT SIZE			
YEAR BUILT			

NEIGHBORHOOD	Home 1	Home 2	Home 3
Near work			
Near schools			
Near shopping			
Near thoroughfares/ expressways			
Near public transportation			
Near doctors/dentists			
Near churches			
Near train tracks/ airport			
Near industry			
Parks			
Traffic volume			
Environmental concerns/influences			
Neighbors' properties well-maintained			
Streets/alleys well- maintained			
Street lights			
Sidewalks			
All utilities installed			
Garbage collection			
Area zoned residential			
Neighborhood restrictions/ covenants			
Proposed special assessments			
Flooding danger			
Restrictive easements			

HOME FINANCIALS	Home 1	Home 2	Home 3
Asking price			
Estimated monthly principal & interest			
Estimated water and sewerage bill			
Estimated heating bill			
Estimated electric bill			
Property taxes			
Homeowner's Association (HOA) fee			

HOME LAYOUT	Home 1	Home 2	Home 3
Number of bedrooms			
Number of closets			
Number of bathrooms			
Living room			
Separate dining room			
Kitchen eating area			
Family room			
Finished basement			
Attic			
Laundry space			



HOME EXTERIOR	Home 1	Home 2	Home 3
Number of stories			
Construction (wood frame, brick aluminum siding, vinyl siding, stucco, stone)			
Roof condition			
Foundation condition			
Overall exterior condition			
Garage size			
Garage: attached or detached			
Ability to expand or enlarge house			
Patio			
Backyard fence			
Landscaping			
Clear property boundaries			

INTERIOR FEATURES	Home 1	Home 2	Home 3
Fireplace			
Window treatments – number of rooms			
Flooring type			
Refrigerator			
Stove/oven (gas or electric)			
Garbage disposal			
Dishwasher			
Washer/Dryer			
Laundry chute			
Walk-in closets			
Adequate lighting			

UTILITIES & MAINTENANCE	Home 1	Home 2	Home 3
Heat (oil, gas, electric)			
Age of heating system			
Hot-water heater			
Age of hot-water heater			
Capacity of hot-water heater			
Insulation			
Central air-conditioning			
Energy-conservation features			
City water and sewer			
Age of electrical wiring			
Plumbing condition			
Sump pump/drainage			
Connected to sewer system			
Washer/dryer outlets			
Security (dead bolt locks, smoke detectors)			
Broken windows			
Storm windows/screens			
Building code compliance remodels & additions)			

NOTES	Home 1	Home 2	Home 3
PROS			
CONS			
OTHER NOTES			

Monthly Budget Worksheet

NET MONTHLY INCOME FROM ALL SOURCES:

	Description	Monthly expenses
MONTHLY PAYMENTS	rent/mortgage	
	alimony/child support	
	child care	
LOANS	car	
	car	
	student loans	
	other	
CREDIT CARDS	visa/mastercard	
	other	
	other	
UTILITIES	electricity	
	heat	
	internet/cable tv/landline	
	cell phone	
	water/sewage	
INSURANCE	auto	
	health/dental	
	life	
	homeowners/renters	
	disability	
DONATIONS & DUES	church	
	charity	
	union	
	organizations	
MEDICAL	doctor/dentist	
	prescriptions	
	hospital	
TRANSPORTATION	gas	
	car maintenance	
	parking	
	public transportation	
FOOD & BEVERAGE	groceries	
	school or work lunches	
	restaurants/bars	
	coffee shops	
CLOTHING & PERSONAL CARE	new clothes	
	dry cleaning/laundry	
	uniforms/required items	
	haircuts/salon services	
HOUSEHOLD	repairs	
	household supplies	
	pet supplies	
	other	
ENTERTAINMENT	streaming services (Netflix, etc.)	
	clubs, sports, hobbies	
	movies, concerts, etc.	
	vacations	
	gifts	
	other	
SAVINGS CONTRIBUTIONS	savings account	
	after-tax retirement (Roth IRA, etc.)	
	other	
	other	
TOTAL MONTHLY EXPENSES		



How to use the monthly budget worksheet

Enter your income

- Income is the money you expect to receive every month. Include take-home pay and any other sources of income, such as interest, Social Security benefits, pension payments, alimony, child support, workers' compensation, unemployment and disability.
- If your earnings are irregular — for example, from commissions — it's better to underestimate than overestimate your income.

Enter your expenses

- Some expenses stay the same from month to month, like your rent or mortgage payment. Others are variable, like food, clothing and gas. It's better to over-budget for these!
- Record any monthly contributions to savings you're already making.

Compare your income and expenses

After you complete the worksheet, compare your total expenses to your total income.

- If your income is considerably greater, you may want to increase your savings contributions to help you reach your down payment goals sooner.
- If your income is less than your total expenses, you need to examine your expenses for opportunities to cut back to eliminate the difference.
- Do you currently have enough in savings for 3 to 6 months' living expenses? If not, it's good to build up those reserves in addition to saving for a down payment or any other large expenses.

Make a budget, then track and adjust

Based on your comparison, set a budget for reasonable expenses. Jot it down on the back of this worksheet or enter it into a spreadsheet. Then track your actual expenses each month.

Every few months, compare your actual expenses to your budgeted expenses. If there are discrepancies, adjust your budget and/or behavior to continue saving for your goals.

This can help you spend more mindfully. If you see you've been exceeding your budget for coffee shop purchases every month, set your own limit for coffee trips per week and stick to it.