

Understanding Your Buying Power Worksheet

This worksheet is designed to help you evaluate your income, debt, and savings so you can understand how much home you can afford and prepare for the mortgage process.



NMLS # 2396714 

Work Harding Home Mortgage Team

1. Income Snapshot

Monthly gross income _____

Other steady income (if any) _____

Total gross monthly income _____

2. Debt Snapshot (List All Monthly Debt Payments)

Auto loan _____

Student loan _____

Credit cards (minimum payments) _____

Personal loans/other _____

Estimated future mortgage payment _____

Total monthly debts _____

3. Calculate Your Debt-to-Income Ratio (DTI)

- Use this formula: $\text{Monthly Debt} / \text{Monthly Income} = \text{DTI}$
- Example: $\$2000 / \$5000 = 40\% \text{ DTI}$
- Most lenders prefer under 43-50%, depending on loan type.

4. Budgeting for a Mortgage

Comfortable monthly payment range _____

Estimated savings available for down payment _____

Estimated savings for closing costs _____

- Note: There are grant and assistance programs that may help cover these costs.

Need Help?

- Want to go over your numbers with a loan expert?
- Book a free call and we will help you understand what you can afford.