

Don't End Up House Poor: A Monthly Expenses Worksheet

Even in this economy, when banks are being more selective than ever in their loan approvals, it is possible to bite off more than you can chew when buying a home. Just because you've been pre-approved for a \$400,000 mortgage doesn't necessarily mean you can afford the resulting monthly payment – not when you factor in property taxes, insurance, utilities, groceries, other debts, and the many lifestyle factors that can create a significant drain on one's income. It is very important to examine every facet of your spending, job security, and lifestyle goals before making a home purchase that could leave you "house poor" or worse – at risk of one day losing your home and your investment in it.

MONTHLY EXPENSES	EST.	ACTUAL
Mortgage/Rent		
Property taxes/Co-op fees		
House insurance		
Electricity		
Oil		
Gas (for house)		
Water bill		
Sewer		
Garbage		
Telephone - Reg service		
Telephone - Long Distance		
Cell phone		
Cable / Satellite		
Internet		
Contributions		
Savings		
Home equity loan		
Line of credit		
Other loans		

MONTHLY EXPENSES	EST.	ACTUAL
Credit card _____ (min)		
Credit card _____ (min)		
Credit card _____ (min)		
Credit card _____ (min)		
Auto loan / lease		
Auto insurance		
Car expenses		
Gas (for auto)		
Other transportation (ie bus)		
Groceries/household items		
Child support / alimony		
Child care		
School expenses		
Activities / sports		
Clothing / shoes		
Memberships (ie. gym)		
Dining Out		
Gifts		
Vacation		

TOTAL (A): _____

TOTAL (B): _____

TOTAL (A+B): _____

Compare this total to your monthly income to determine whether or not you can afford that home of your dreams today, or if you might need to make some changes in your spending. If necessary, a financial planner can help you adjust your spending and saving to help you reach your goals.