

Fitting the Housing of Your Choice Into Your Budget

The following may be helpful in determining if you have the financial stability to afford the housing of your choice. If records are not available to determine your spending patterns, look back at the past three months' spending and divide by three to find the average spent for each basic expense. Your check register and billing/bank account statements are a good place to start.

Living Expenses

Food	\$ _____
Clothing	_____
Transportation	_____
Medical and dental	_____
Recreation/entertainment	_____
Insurance premiums	_____
Pension/retirement, etc.	_____
Education	_____
Savings	_____
Installment loans	_____
Miscellaneous	_____
Total living expenses (minus housing)	_____

Now you can take your total monthly income and subtract this figure from it. This will give you the total amount you have been spending on housing.

You can break your housing expenses down on the following form. The form also can be used when you are looking at housing options.

Housing Expenses

• Fixed expenses

Rent or mortgage payment	\$ _____
Property insurance	_____
Property taxes	_____
Association fees	_____

• Flexible expenses

Utilities (heat, water, electricity, etc.)	_____
Cable television	_____
Special assessments	_____
Home and yard equipment	_____
Maintenance	_____
Other	_____
Total housing expenses	_____

For Additional Help

If you need additional help in determining whether your budget can handle increased housing costs, contact a mortgage lender, real estate agent or consumer credit counselor. They may have additional resources to help you make that decision.

In addition, first-time homeowners' classes may be available in your community. First-time homebuyer programs can make you eligible for special financing. Local real estate agents, lenders and your Extension agent can provide further information.