

Instructions

How to Create Your Spending Plan

A form to help you accurately understand your spending is on page 2 of this document. Here are instructions for filling it in.

1. **Fill in the “Now” column** on the Household Monthly Spending Plan form.
2. **Total your current expenses and subtract them from your income.** Does the form show you have money you know you don’t have left over each month? If so, don’t worry. Most of us can’t accurately remember where all our money goes each month unless we’ve kept a written record.
3. **Track every penny you spend for a set period of time** — one or two months — so you can see exactly where your money is going. With detailed information on how you’re spending your money, you have the power to make adjustments to your plan by allocating a specific amount for miscellaneous spending (dining out, clothing), reducing the amount you spend on a specific habit/activity or eliminating the expense.
4. **Make sure your spending plan is realistic** and accurately reflects both your income and expenses. Remember, you’re creating your “road map” to help lead you “home.”
5. **Now fill in the “W/House” column** to estimate your “with house” expenses — in addition to the mortgage payment — that you may have as a homeowner. (You can replace estimates with actual amounts when you start looking at houses.)



HOUSEHOLD SPENDING PLAN

Indicate # of people in household:

Adults _____ Children _____

<u>NET MONTHLY INCOME</u>	NOW	W/HOUSE
Source 1	_____	_____
Source 2	_____	_____
Other Income	_____	_____
Total Income [A]	_____	_____

<u>FIXED EXPENSES</u>	NOW	W/HOUSE
Rent/Mortgage	_____	_____
Electric	_____	_____
Gas/Oil	_____	_____
Water/Sewer	_____	_____
Home Phone	_____	_____
Cell Phone	_____	_____
Internet service	_____	_____
Trash pickup	_____	_____
Cable	_____	_____
Medical Insurance	_____	_____
Auto Insurance	_____	_____
Life Insurance	_____	_____
Renters Insurance	_____	_____
Child Support/Alimony	_____	_____
Child Care	_____	_____
Homeowners Assoc. Fees	_____	_____
Other	_____	_____
Total Fixed [B]	_____	_____

<u>DEBT PAYMENTS</u>	NOW	W/HOUSE
Installment Loans	_____	_____
Automobile Loan	_____	_____
Credit Card Payments	_____	_____
Credit Card Payments	_____	_____
Credit Card Payments	_____	_____
Total Debt [C]	_____	_____

<u>FLEXIBLE EXPENSES</u>	NOW	W/HOUSE
Savings	_____	_____
Groceries	_____	_____
Lunch (work/school)	_____	_____
Eating Out	_____	_____
Entertainment/Hobbies	_____	_____
Laundry/Drycleaning	_____	_____
Cleaning Supplies	_____	_____
Clothing	_____	_____
Gasoline/Bus/Taxi	_____	_____
Newspaper/Magazines	_____	_____
Alcohol/Cigarettes	_____	_____
Church/Charity	_____	_____
Tuition/Books	_____	_____
Barber/Beauty Shop	_____	_____
Auto Maintenance	_____	_____
House Maintenance	_____	_____
Doctor/Dentist	_____	_____
Pets	_____	_____
Parking/Tolls	_____	_____
Lottery/Bingo	_____	_____
Lawn Care	_____	_____
Maintenance/Repairs	_____	_____
Other	_____	_____
Total Flexible [D]	_____	_____

<u>EXPENSES</u>	NOW	W/HOUSE
FIXED [B]	_____	_____
DEBT [C]	_____	_____
FLEXIBLE [D]	_____	_____
TOTAL EXPENSES [E]	_____	_____

Subtract Expenses from Income (A - E):		
TOTAL INCOME (A)	_____	_____
TOTAL EXPENSES (E)	_____	_____
DIFFERENCE + or -	_____	_____

Note: If you have accounted for all your expenses, including savings, your difference should be **\$0.00**.
 If you come up with a positive number, you may want to consider allocating the extra money toward your debt and/or savings.
 If you come up with a negative number, you are spending more than you make. Review the budget thoroughly to examine where you can trim your expenses.

Applicant Signature _____

Applicant Signature _____

CERTIFICATION: I hereby certify that I have reviewed the above budget with the applicant(s) and concur that it is reasonable.

Lender or Counselor Signature: _____