

The Ultimate Planning Checklist for Buying a Home

Yes/No Cash Flow Checklist:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you know how much it will cost to own and maintain your new home?</p> <p>Consider the following expenses:</p> <ul style="list-style-type: none"> • Mortgage, property taxes, homeowners' insurance, and PMI (if applicable). • Utilities and the cost to maintain the property (such as a new roof).
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Will you renovate or make changes to the property?</p> <p>Consider how those future expenses will impact your financial situation.</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you have a spouse or partner?</p> <p>Consider how you will budget together and meet these costs.</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Will buying a home impact your ability to save for other goals?</p> <p>Make a priority list of your goals and rank them accordingly.</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Will your need for life insurance change in light of a new mortgage?</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Will you need an umbrella policy or need to increase the limits if one is already owned?</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Have you considered the impact of different mortgage variables?</p> <p>Consider the following:</p> <ul style="list-style-type: none"> • Weigh tradeoffs of mortgage terms and rates • Compare FHA loans to conventional loans.
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Did you serve in the military?</p> <p>You may be eligible for a VA Home Loan, which may offer a lower interest rate.</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Have you evaluated competitive interest rates?</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Are you working and will your total monthly mortgage payment (P&I, taxes and insurance) be 28% or more of your gross monthly income?</p> <p>Some lenders may not be willing to lend money to you.</p>

Yes/No Cash Flow Checklist:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>If you have other debts, will the total monthly debt payment(s) (including the future mortgage) be 36% or more of your gross monthly income?</p> <p>Some lenders may not be willing to lend money to you.</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you know your credit score?</p> <p>Consider the following:</p> <ol style="list-style-type: none"> 1. Review your credit report to ensure there are no inaccuracies. You may be charged a higher interest rate or denied a loan. 2. Improve your credit score by paying bills on time and reducing some of your debt levels.
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you anticipate making any large purchases, opening new credit cards, or closing existing credit cards in the months leading up to the purchase of your home?</p> <p>Consult with your lender to ensure that it does not impact your credit score or loan application.</p>

Yes/No Down Payment Checklist:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you need help determining closing-related costs (e.g., appraisals, loan origination fees, processing fees, points, attorney fees)?</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you know how much of a down payment should be made?</p> <p>Consider the following:</p> <ul style="list-style-type: none"> • Compare how different loan amounts impact your cash flow. You can use this free mortgage calculator. https://www.mortgagecalculator.org/ • If you are applying for a conventional loan and put less than 20% down, you may be subject to private mortgage insurance (PMI)
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Have you reviewed your emergency reserves for proper liquidity?</p> <p>A home purchase should not deplete your emergency fund.</p>
<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Do you know how you will fund the down payment?</p> <p>Consider the following:</p> <ul style="list-style-type: none"> • Are you saving via cash in the bank? High Yield Savings? CD's? Treasuries or IBonds? <p>Continued below...</p>

Yes/No Down Payment Checklist:	
	<ul style="list-style-type: none"> • If you have a Roth IRA, contributions can be withdrawn without penalty at any time, and \$10,000 of earnings can be removed without penalty or tax for first-time home purchases, as long as the Roth account has been opened for at least five years (per person limit). • If you have a traditional IRA, \$10,000 can be withdrawn penalty-free for first-time home purchases. However, income taxes still apply

Yes/No Tax Planning Checklist:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	Will property and state income taxes exceed \$10,000? If itemizing deductions on your tax return, your total State and Local tax deduction is capped at \$10,000.
<input type="checkbox"/> Yes <input type="checkbox"/> No	Will the mortgage debt exceed \$750,000? You will not be able to deduct the interest on the debt exceeding \$750,000.
<input type="checkbox"/> Yes <input type="checkbox"/> No	Will you use part of your home for the principal place of your business? Evaluate the home office deduction.
<input type="checkbox"/> Yes <input type="checkbox"/> No	Do you plan on making improvements to the property? Evaluate tracking the cost of improvements, as they can be added to the cost basis, reducing gains if you eventually sell your home.

Yes/No Estate Planning Checklist:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	Consider the best option for taking title to your home at closing. <ul style="list-style-type: none"> • Trust, Community Property, TOD, JTROS, , etc.
<input type="checkbox"/> Yes <input type="checkbox"/> No	Will this purchase require you to update your estate plan?

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