



## Are the KHHT Homes affordable for your family?

Here's some preliminary information to assist you in answering that question. While guidelines established by MaineHousing First Home Loan Program will determine your ultimate eligibility, the following worksheet can help you assess whether or not you may qualify.

This worksheet can help you assess your ability to afford a KHHT Home. The 2nd page provides more information about the six homes in the Heritage Woods neighborhood.

<b>Step 1 :</b> Identify the purchase price of a home you wish to purchase and multiply by .004587 (one story) OR .0044605 (two story) and enter that number:	\$
<b>Step 2:</b> Add as an allowance for homeowner's insurance and real estate taxes. (For the one story home, enter \$147 in this row. For the two-story home, enter \$216 in this row)	\$
<b>Step 3:</b> Add the results from 1 and 2 to get your monthly cost. This cost covers Principal, Interest, Taxes, Insurance and Guarantee and Lease Fees.	\$
<b>Step 4:</b> Multiply the result in Step 3 by 41.38:  <b>This is the annual income you will need to qualify for the loan necessary for you to purchase the home you have identified.</b>	\$
If this is <b>MORE</b> than your annual income, you will need to select a more affordable home if available or else we will unfortunately not be able to serve you. If this is <b>LESS</b> than your annual income, go on to the following steps.	
<b>Step 5:</b> Calculate your monthly payments on your existing debts (credit card, student loan, car loan, medical expenses and the like) and enter that number:	\$
<b>Step 6:</b> Add the Step 5 number to the Step 3 number and enter:	\$
<b>Step 7:</b> Multiply the result in Step 6 by 29.27:  <b>This is the annual income you will need given your other obligations to qualify for the loan necessary for you to purchase the home you have identified.</b>	\$
If this number is <b>MORE</b> than your annual income, you will need to select a more affordable home if available or else we will not be able to serve you. If this is <b>LESS</b> than your annual income, you are likely to be able to be approved for the required mortgage financing.	

