

First Home Buyer Guide — Workbook

This workbook turns the course into action. Each section pairs with a module so you can calculate your real budget, compare loan options, draft a winning offer, and track inspection and closing tasks. Work through it with actual numbers from your situation, and you will finish with a documented plan you can hand to a lender or agent.

Know What You Can Actually Afford

Translate the affordability ratios into your own maximum monthly payment and purchase price.

Exercise: True Cost of Ownership Reality Check

Pick one real listing in your target area and price out every monthly carrying cost, not just the mortgage. Compare the total to your current rent.

- List the sample home price and estimate principal and interest at today's rate.

- Add monthly property tax, insurance, mortgage insurance, HOA dues, and a 1 percent maintenance reserve.

- What is the gap between this true monthly cost and your current rent, and can your budget absorb it?

Worksheet: Debt-to-Income Affordability Calculator

Fill in your real figures to compute your front-end and back-end (or GDS and TDS) limits, then take the lower number as your housing ceiling.

Gross annual income

Gross monthly income

Front-end limit at 28 percent (housing max)

Monthly car payment

Monthly credit card and loan minimums

Back-end limit at 36 percent minus other debts

Lower of the two = maximum monthly housing payment

Checklist: Financial Readiness Checklist

- Pulled my own credit report and noted my score
- Listed all monthly debts and their minimum payments
- Calculated three to six months of total expenses as a reserve target
- Identified at least one debt to pay down to increase buying power
- Confirmed stable income history of at least two years or a plan to document it

Down Payments, Mortgages, and Programs

Compare down payment sizes and loan products and total your real cash to close.

Worksheet: Down Payment Scenario Comparison

Price your target home at three down payment levels and record the monthly cost and mortgage insurance for each so you can choose with eyes open.

Target purchase price

5 percent down: cash, monthly P&I, mortgage insurance

10 percent down: cash, monthly P&I, mortgage insurance

20 percent down: cash, monthly P&I, mortgage insurance

Reserve remaining after each scenario

Chosen scenario and why

Exercise: Program and Assistance Hunt

Research the first-time-buyer programs available where you live and capture the dollar value of each.

- Which loan type fits you best (conventional, FHA, VA, USDA, or insured Canadian) and why?

- List any down payment assistance, grants, or tax-advantaged accounts (FHSA, HBP, state HFA) you qualify for.

- How much total benefit, in dollars, could these programs add to your down payment over the next 12 to 24 months?

Worksheet: Cash to Close Estimator

Add every closing cost on top of your down payment to find the true cash you must bring to the table.

Down payment amount

Loan origination and underwriting fees

Appraisal and inspection fees

Title insurance and search

Land transfer or property transfer tax

Prepaid taxes, insurance, and interest

Legal or attorney fees

Total cash to close

Pre-Approval, House Hunting, and Offers

Assemble your pre-approval package, define your search criteria, and structure a competitive offer.

Checklist: Pre-Approval Document Checklist

- Two years of tax returns or notices of assessment gathered
- Most recent pay stubs and proof of income ready
- Two to three months of bank and asset statements collected
- Authorized the lender to pull credit within a single shopping window
- Received a written pre-approval letter with amount and rate assumption
- Noted the pre-approval and rate-hold expiry dates

Exercise: Needs, Wants, and Dealbreakers

Fix your search criteria before touring so emotion cannot push you past your budget. Be specific and honest.

- List your true needs (non-negotiables) such as bedrooms, commute, or school zone.

- List your wants (nice-to-haves) you would trade away to stay in budget.

- List your dealbreakers and at least two location factors that protect resale value.

Worksheet: Offer Builder

Draft the terms of an offer on a specific home, anchored to comparable sales rather than the list price.

Property address and list price

Three comparable recent sales and price per square foot

Proposed offer price

Earnest money deposit (1 to 3 percent)

Contingencies included (financing, inspection, appraisal)

Escalation cap if used

Proposed closing date

Inspection, Closing, and Moving In

Triage the inspection, manage the closing timeline, and set up your homeowner systems.

Worksheet: Inspection Triage and Negotiation Plan

After your inspection, sort findings by cost and safety, then decide your negotiation ask for the items that matter.

Top safety or structural issues found

Estimated repair cost for each major item

Age and remaining life of roof, HVAC, and water heater

Negotiation ask (repair, credit, or price reduction)

Walk-away threshold if seller refuses

Checklist: Closing Timeline Checklist

- Opened escrow and deposited earnest money
- Completed inspection and appraisal within contingency deadlines
- Received the clear to close from underwriting
- Reviewed the Closing Disclosure against the original Loan Estimate
- Independently verified wire instructions by phone to prevent fraud
- Completed the final walkthrough 24 to 48 hours before signing

Exercise: First-Year Homeowner Plan

Set up the systems that protect your new asset and build equity from day one.

- What monthly amount will you auto-transfer into a maintenance reserve?

- List your seasonal maintenance tasks and the months you will do them.

- What is your plan for extra principal payments or a future refinance, and the trigger for each?

Your Action Plan

1. Pull your credit, list all debts, and calculate your maximum monthly housing payment using the 28/36 or GDS/TDS rule.
2. Set a down payment target and open a dedicated savings or FHSA account, automating contributions.
3. Research and apply for first-time-buyer programs, grants, and tax-advantaged accounts you qualify for.
4. Estimate your full cash to close, including closing costs, and confirm a separate reserve remains.
5. Gather your documents and obtain a written mortgage pre-approval from at least two lenders.
6. Define your needs, wants, and dealbreakers and read your local market with days-on-market and sale-to-list data.
7. Tour homes and write an offer anchored to comparable sales with the right contingencies and earnest money.
8. Hire a licensed inspector, triage the report, and negotiate repairs or credits on the items that matter.

9. Review the Closing Disclosure, verify wire instructions by phone, complete the walkthrough, and close.
10. Set up your maintenance reserve, seasonal calendar, and equity-building plan in the first month of ownership.

