One-Income Affordability Worksheet

Stage: Your Number · **Author:** Gustav Emilio *(pen name; no professional credentials claimed)* **Sources checked:** 23 November 2026 · **For:** Buying a home solo on one income

> **Note:** This worksheet is general information, not financial advice. Rules, limits, and interest rates change. Verify current figures against official sources and your own Loan Estimate, and consult a qualified professional when you need individual advice.

Weekly Mortgage-Rate Context

- **Freddie Mac PMMS 30-year fixed-rate average (week ending 19 Nov 2026): 7.28%** (freddiemac.com/pmms) [1] *This is a U.S. national weekly average from conforming purchase applications, not a lender quote for your credit score, down payment, or location.*

Step 1 — Income and Monthly Debt-to-Income (DTI) Check

Lenders measure your debt-to-income ratio (DTI) by dividing all monthly debt payments (including the proposed mortgage payment) by your gross monthly income (CFPB) [2]. **Lender maximums are not personal comfort targets** — one paycheck carries 100% of your household costs.

Line	Item	Your Monthly Figure
A	Gross monthly income (before taxes; verify 2-yr history for bonus/overtime)	$ _____
B	Existing monthly debt minimums (auto loan, student loans, credit cards, installment debts)	$ _____
C	**Personal housing comfort cap** (choose your own sustainable % of Line A or net pay)	$ _____
D	**Total debt check:** `(Line B + Proposed Housing Payment) ÷ Line A × 100`	_____ %

Official lender DTI ceilings for reference:

- **Fannie Mae conventional (manually underwritten):** 36% maximum total DTI, up to 45% with qualifying credit score and reserves (Fannie Mae Selling Guide B3-6-02) [3].
- **Fannie Mae Desktop Underwriter (DU):** up to 50% maximum allowable DTI (Fannie Mae Selling Guide B3-6-02) [3].
- **FHA (manual underwriting):** 31% housing / 43% total debt standard; up to 40% / 50% only with documented compensating factors (HUD Handbook 4000.1) [4].

Step 2 — All-In Monthly Housing Payment

Your lender payment can include more than principal and interest. Fill in every line for a target home price:

Line	Monthly Component	Your Estimate	Notes
1	Principal & interest (P&I) at lender quote rate	$	Fixed 30-yr or 15-yr quote
2	Property taxes (`Annual tax ÷ 12`)	$	Check county assessor / listing
3	Homeowners insurance (`Annual premium ÷ 12`)	$	Get a real property quote
4	Mortgage insurance (PMI or FHA MIP, if applicable)	$	Applies under 20% down (conv.) or FHA
5	HOA / condo fees (if any)	$	Counted in lender housing expense
6	**Total lender-qualifying payment (`1 + 2 + 3 + 4 + 5`)**	**$**	Compare with Step 1
7	Solo maintenance & repair sinking fund	$	Paid out of pocket, not to lender
8	**All-in monthly ownership budget (`6 + 7`)**	**$**	Compare against net take-home pay

Step 3 — Cash to Close and Solo Post-Closing Cushion

Never let closing day empty your bank account. Fannie Mae's automated underwriting requires **no minimum post-closing reserves** on a 1-unit principal residence (Fannie Mae Selling Guide B3-4.1-01) [5] — so protecting an emergency fund is up to you (CFPB Emergency Fund Guide) [6].

Line	Cash Bucket	Your Figure	Official Benchmark
C1	Total liquid cash available right now	$	Checking, savings, money market
C2	Down payment target (% of target price)	$	Conv. 3% (first-time / HomeReady) [7][8]; FHA 3.5% [9]
C3	Estimated closing costs (`2%–5%` of price)	$	CFPB typical range, excluding down payment [10]
C4	Moving & first-week setup cash	$	Locks, shutoff checks, safety alarms, utility deposits
C5	**Sole-earner emergency cushion (target 3–6 months)**	**$**	Kept untouched in liquid savings after closing
C6	**Total cash needed (`C2 + C3 + C4 + C5`)**	**$**	Must be `≤ C1` before making an offer

Illustrative Arithmetic Box *(Example Only — Not a Quote or Recommendation)*

To see how the pieces fit together, here is the illustrative example from Desire and Hope's Rent vs. Buy guide (using a fixed example rate of **7.11%**, PMMS week ending 12 Nov 2026):

- **Example purchase price:** `$300,000` · **Example down payment (3%):** `$9,000` · **Example loan:** `$291,000`
- **Example 30-year fixed P&I at 7.11%:** `$1,957.58 / month` *(before property tax, homeowners insurance, PMI, HOA, and maintenance)*
- **Illustrative CFPB 2%–5% closing-cost band on $300,000:** `$6,000 – $15,000` *(actual lender, title, tax, and prepaid escrow costs vary by state and loan)*

Sources *(All checked 23 November 2026)*

1. Freddie Mac, *Primary Mortgage Market Survey (PMMS)* (U.S. weekly averages as of 19 Nov 2026). https://www.freddiemac.com/pmms
2. CFPB, *What is a debt-to-income ratio?* https://www.consumerfinance.gov/ask-cfpb/what-is-a-debt-to-income-ratio-en-1791/
3. Fannie Mae, *Selling Guide B3-6-02, Debt-to-Income Ratios* (04/02/2025). https://selling-guide.fanniemae.com/sel/b3-6-02/debt-income-ratios

4. HUD, *FHA Single Family Housing Policy Handbook 4000.1*. https://www.hud.gov/hud-partners/single-family-handbook-4000-1
5. Fannie Mae, *Selling Guide B3-4.1-01, Minimum Reserve Requirements* (08/07/2024). https://selling-guide.fanniemae.com/sel/b3-4.1-01/minimum-reserve-requirements
6. CFPB, *An essential guide to building an emergency fund* (modified 29 Oct 2025). https://www.consumerfinance.gov/an-essential-guide-to-building-an-emergency-fund/
7. Fannie Mae, *97% Loan to Value Options*. https://singlefamily.fanniemae.com/originating-underwriting/mortgage-products/97-loan-value-options
8. Fannie Mae, *HomeReady Mortgage*. https://singlefamily.fanniemae.com/originating-underwriting/mortgage-products/homeready-mortgage
9. HUD, *FHA Loans*. https://www.hud.gov/helping-americans/loans/
10. CFPB, *Determine your down payment*. https://www.consumerfinance.gov/owning-a-home/prepare/determine-your-down-payment/
