



Your Housing Plan

A practice and readiness companion for restaurant and hospitality workers. Keep your private income, debt and account details secure.

1. Start with your goal

What would more secure housing make possible for you?

My goal: _____

My main concern: _____

One need I cannot compromise: _____

2. Plan for a slower month

Use take-home income for this household worksheet. Do not double-count current rent when replacing it with a new housing cost.

Household calculation	My monthly amount
Reliable take-home income	\$
Less living costs and existing debt payments	\$
Less savings and repair cushion	\$
Amount left for total housing	\$

Total housing includes the loan payment, taxes, insurance, any mortgage insurance or dues, utilities, upkeep and repairs. Lender approval does not replace this budget.

Could I manage fewer shifts or an unexpected repair? _____

Sources: S07: CFPB - Money and credit readiness; S08: CFPB - Total monthly housing payment



Practice: Compare Two Loans

Alex is a fictional restaurant shift leader buying a \$250,000 home. With \$7,500 down, the loan is \$242,500 for 30 years. Both offers are fictional fixed-rate loans with the same term and amount.

What to compare	Offer A	Offer B
Interest rate	7.40%	6.90%
Monthly principal and interest	\$1,679	\$1,597
Monthly taxes and insurance*	\$520	\$520
Total monthly lender payment	\$2,199	\$2,117
Cash still due at closing	\$13,500	\$16,500

*The \$520 includes \$425 for property taxes and homeowners insurance plus \$95 mortgage insurance. Utilities, repairs and any separate dues are excluded. Whole-dollar rounding is intentional.

1. Which offer has the lower monthly payment? _____
2. How much lower is that payment? _____
3. How much more cash does that offer require at closing? _____
4. What else would you compare on complete Loan Estimates?

The same earlier \$2,000 deposit is credited in both offers. Offer B includes \$3,000 more in fictional upfront pricing. These figures are not lender quotes.

Sources: [S15: CFPB - Loan Estimate explainer](#); [S23: CFPB - Points and lender credits](#); [S25: CFPB - Interest rate versus APR](#)



Practice: Cash and Closing

Cash left after the purchase

Alex has \$20,000 available after the earlier deposit and wants to keep a \$5,000 cushion. This is a personal practice target, not a universal reserve requirement.

Offer A: $\$20,000 - \$13,500 = \$$ _____ left.

Offer B: $\$20,000 - \$16,500 = \$$ _____ left.

Which meets the stated cushion before moving and separate costs? _____

Offer B saves \$82 a month. In 24 months, $\$82 \times 24 = \$$ _____.

Does that recover the extra \$3,000 paid upfront? _____

The final disclosure

Fictional comparison	Loan Estimate	Closing Disclosure
Loan amount	\$242,500	\$242,500
Interest rate	7.40%	7.40%
Total monthly lender payment	\$2,199	\$2,249
Cash still due at closing	\$13,500	\$14,400

Monthly change: \$ _____. Additional cash due: \$ _____.

What explanation would you request before signing? _____

Sources: S15: CFPB - Loan Estimate explainer; S23: CFPB - Points and lender credits; S30: CFPB - Closing Disclosure



Worked Answers

Two loan offers

Offer B has the lower payment: \$2,117 versus \$2,199. Subtract to find an \$82 monthly saving. Its closing cash is \$16,500 versus \$13,500, so it requires \$3,000 more upfront. Compare total costs, loan features, mortgage insurance, APR and rate-lock terms, not just the interest rate.

Cash left after closing

Offer A leaves \$6,500. Offer B leaves \$3,500. Only A preserves Alex's stated \$5,000 cushion with the available funds, before separate moving or other costs.

Twenty-four months of \$82 savings equals \$1,968. That does not recover the extra \$3,000. Divide \$3,000 by \$82 to get about 36.6 months, so 37 monthly savings payments recover the extra cash in this simplified example.

This check assumes the loan stays in place and the difference remains \$82. It omits interest earned on savings, taxes and remaining-loan-balance differences. A longer holding period does not solve an immediate cash shortage. Alex can also seek another offer, save more, or revise the purchase plan.

The final numbers

The payment rises by \$50 per month. Cash due rises by \$900. Ask the lender which charges or payment components changed, why they changed, and whether the applicable disclosure rules were met. The example does not supply the cause or establish whether a change is permitted.

A fixed interest rate does not freeze taxes or insurance. Recheck the household budget and available cash before proceeding.

Sources: S15: CFPB - Loan Estimate explainer; S23: CFPB - Points and lender credits; S30: CFPB - Closing Disclosure



Readiness and Next Steps

Before home shopping

- ☐ I can explain my housing goal and sustainable total payment.
- ☐ I have checked my credit reports and identified corrections or questions.
- ☐ I am organizing paystubs, tip records, returns and bank statements.
- ☐ I know what the lender verified, what remains, and when any letter expires.
- ☐ I can compare the full payment, closing cash and written loan terms.

Before closing

- ☐ I understand representation, compensation, contract protections and deadlines.
- ☐ I have reviewed inspection results, property risks and insurance cost.
- ☐ I have discussed new debt, job changes and large transfers with the lender.
- ☐ I compared the final disclosure with the latest estimate and got answers.
- ☐ I independently verified wiring instructions through a trusted phone number.
- ☐ I know when possession begins and when the first payment is due.

My next action

I will _____

By _____. Support I need: _____

A question for my lender, counselor or tax professional: _____

Remember

No tax on tips is an eligibility-based federal deduction, not a guaranteed refund or automatic increase in mortgage qualifying income. The deduction itself does not reduce AGI. A zero-down loan can still require closing cash. Renting while preparing is a valid choice.

Sources: S12: IRS - Qualified tips deduction; S13: IRS - Form 1040 and AGI; S24: CFPB - Prequalification and preapproval; S31: CFPB - Closing scams and wire safety; S33: HUD - Housing counseling