

The Single-Income Carrying Cost Worksheet

What the house actually costs to run, measured against one income instead of two.

Most people asking whether they can keep the house are doing the math on the mortgage payment. The mortgage payment is not the number that decides it.

This worksheet totals the real monthly cost of running the home, then sets it beside one income. It is the tool behind the sell or keep decision, and it is the honest answer to the question underneath that decision, which is almost never whether the house is a good investment and almost always whether you can carry it alone.

Fill it in before you decide anything. A true picture of what life is going to look like is worth more than a guess.

Before you start

- 1 Use monthly numbers.** Divide anything annual by 12.
- 2 Use last year's actual bills, not what you think you spend.** Pull twelve months of statements. People underestimate utilities by a wide margin, and heating a house in February is not the same as heating it in June.
- 3 If a buyout is on the table, fill it in twice, once for each of you.** The answer is often different for each person, and that is useful information for both of you.
- 4 Use the mortgage payment you would have, not the one you have now.** If the mortgage is being refinanced to buy the other party out, or is coming up for renewal, the payment changes. Your mortgage professional gives you that figure.
- 5 Support paid is a cost. Support received is income.** Both belong on this sheet, and both change what a lender will approve.

Rather not add it up by hand? There is a spreadsheet version of this worksheet on our site that totals itself. Same lines, same order. flowersteam.ca

The Single-Income Carrying Cost Worksheet is a planning tool provided by Flowers Team Real Estate. It is general information, not legal, tax, mortgage or financial advice. Your mortgage professional and your family lawyer confirm what applies to your situation. Not intended to solicit properties currently under contract.

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Sections A and B. Everything that has to be paid every month.

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Section A. The house, every month

Line	Monthly	Note
Mortgage principal and interest		Use the payment you would have after a refinance or renewal
Property tax		Annual Town of Milton bill divided by 12
Home insurance		Premiums can change when occupancy or the names on title change
Hydro		
Natural gas or other heating		
Water and wastewater		
Condo fees or common element fees		If your home has them
Internet, phone and alarm monitoring		
Lawn, snow removal, pool, septic or well servicing		Including anything you were doing yourselves and would now pay for
Maintenance and repair reserve		See the note below
Other		
TOTAL MONTHLY COST OF THE HOUSE		

About the maintenance reserve. Set aside a monthly amount for the things that break. A furnace, a roof, a water heater and an air conditioner all have a last year, and on one income there is no second person to help absorb it. Use a figure your own history with this house supports, and be honest about the age of what is in it.

Section B. Everything else that still has to be paid

Line	Monthly
Vehicle payments, insurance and fuel	
Groceries and household	
Childcare, school costs and children's activities	
Debt payments outside the mortgage	
Health, dental and life insurance premiums	
Support paid to the other party	
Everything else you actually spend	
TOTAL OTHER MONTHLY COSTS	

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Sections C and D, and how to read what you find.

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Section C. Your income, on your own

Line	Monthly
Net employment or business income, what actually lands in the account	
Support received	
Other reliable monthly income	
TOTAL MONTHLY INCOME	

Section D. The answer

	Amount
Total monthly income (Section C)	
Less total monthly cost of the house (Section A)	
Less total other monthly costs (Section B)	
SURPLUS OR SHORTFALL	
SHARE OF YOUR INCOME GOING TO THE HOUSE, Section A divided by Section C	

How to read your number

- **A surplus means it is possible, not that it is wise.** Ask what is left afterwards for savings, for the unexpected, and for the year the furnace goes.
- **A shortfall means the answer is not yes today.** It can still become yes with a different mortgage, a longer amortization, or a different arrangement on support. That is a conversation for your mortgage professional, and it is worth having before you rule anything out.
- **Either way, take the sheet to your lender before you commit.** Lenders apply their own ratios to your income and your debts, and those ratios, not this worksheet, decide what you can actually borrow.

One thing this worksheet cannot show you. If you sell during the separation, a gain or a loss on the house is shared between you. If one of you keeps it, that person carries 100% of the downside and 100% of the upside from that day forward. Milton prices have historically risen over time, which has made that risk a small one, but it is a real risk and it matters more in a market that is not climbing.

Want us to run these numbers with you? The Flowers Team at Royal LePage Meadowtowne Realty, Milton's #1 real estate team since 2009. 905-878-6232, homes@flowersteam.ca, flowersteam.ca. We understand that divorce is a sensitive and confidential matter. To respect your privacy, we will not initiate phone calls unless we have received your explicit written consent.

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