

# AWE and DTI Worksheet 1

Pre-Bootcamp Activity - To be completed in conjunction with Pre Boot Camp Tutorial

## AWE Calculation

### Assets

Property/ies Value \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_ \$ \_\_\_\_\_ A

Other Investments (Shares, Crypto, Cash, Managed Funds, etc.)

\$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_ \$ \_\_\_\_\_ B

Total Assets.  $A + B = C$  \$ \_\_\_\_\_ C

### Liabilities

Property/ies Loans \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_ \$ \_\_\_\_\_ D

**Personal Loans/Credit Cards** \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_ \$ \_\_\_\_\_ E

**Total Liabilities.  $D + E = F$**  \$ \_\_\_\_\_ F

**Net Equity.  $G = C - F$**  \$ \_\_\_\_\_ G

**How much do you need as a Buffer?** \$ \_\_\_\_\_ H

**AWE.  $((A \times .8) + B) - F = H$**  \$ \_\_\_\_\_ I

NOTE: Can use .9 if you have a high income

# AWE and DTI Worksheet 2

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## DTI Multiplier Calculation

### Income

Earned Income                    \$ \_\_\_\_\_  
     \$ \_\_\_\_\_  
     \$ \_\_\_\_\_                    \$ \_\_\_\_\_ J

Business Income (Taxable)    \$ \_\_\_\_\_  
     \$ \_\_\_\_\_  
     \$ \_\_\_\_\_                    \$ \_\_\_\_\_ K

Property Income (Gross)       \$ \_\_\_\_\_  
     \$ \_\_\_\_\_  
     \$ \_\_\_\_\_                    \$ \_\_\_\_\_ L

**Total Income  $J + K + L = M$**                     \$ \_\_\_\_\_ M

**Total Debts/Liabilities ( From AWE Calculation)**                    \$ \_\_\_\_\_ F

**DTI  $(F / M) = N$**                     \$ \_\_\_\_\_ N

**MAX DTI.  $N \times 6$**                     \$ \_\_\_\_\_ O

**Additional Borrowing Calculation  $O - F = P$**                     \$ \_\_\_\_\_ P

# AWE and DTI Worksheet 3

## What is your Max Purchase Prices based on AWE and Max DTI

But first you need to make sure you have enough money to not only buy the property but also pay for the strategy cost eg. Subdivision, Reno etc

**Cost of your Chosen Strategy (SC)** \$ \_\_\_\_\_ SC

### Starting Money

AWE \$ \_\_\_\_\_ I

### Income for Serviceability

Max additional lending \$ \_\_\_\_\_ P

The Bank will assess you on the lessor of the two.

### Max Purchase Price based on AWE

Max PP= I / .2 \$ \_\_\_\_\_ X

Less Strategy Cost \$ \_\_\_\_\_ SC

**Deal Purchase Price**

\$ \_\_\_\_\_ Y

### Max Purchase Price based on Max DTI

Max PP= P / .8 \$ \_\_\_\_\_ Z

Note: this figure will increase with the rent from the next purchase

### REMEMBER

The bank will assess you on the lower of the Two

### NOTE

Max Purchase Price based on DTI will increase if buying a property with an income

## Choose your TEAM

My Team is:

\_\_\_\_\_

#### Team Alpha

High Ability to Borrow and High Equity

#### Team Bravo

High Ability to Borrow and Low Equity

#### Team Charlie

Low Ability to Borrow and High Equity

#### Team Delta

Low Ability to Borrow and Low Equity

#### NOTE:

High Ability to Borrow would be where your current maximum DTI would allow for additional lending of \$300,000+

Low Ability to Borrow would be where your current maximum DTI would allow for additional lending of \$300,000+

What Team you you?