

Mortgage Power-Up Worksheet

Falling interest rates open doors - literally. But to truly benefit, buyers must know how to turn rate drops into real purchasing power. This worksheet helps you calculate, compare, and clarify your next move so you can buy strategically in today's shifting market.

Step 1: Check Your Starting Point

My Current Homebuying Readiness

- Reviewed credit score (700+ ideal)
- Updated pre-approval (within the last 30 days)
- Estimated total monthly housing costs (taxes, insurance, HOA)
- Have emergency savings (3-6 months of expenses)
- Defined price range and down payment target

Tip: Use your current numbers to establish a baseline before adjusting for lower rates.

Step 2: Calculate Your 'Power-Up'

When rates fall, your monthly payment drops - giving you more purchasing power. Here's an example:

- At 7.0%, a \$400,000 loan = \$2,660/month
- At 6.5%, that same payment buys a \$415,000 home
- At 6.0%, it buys a \$430,000 home

Use an AI-powered mortgage calculator (like Zillow's AI Affordability Estimator or Ellie Mae) to test multiple rate scenarios and see your personalized gain.

Step 3: Reposition Your Search

Now that your buying power is up, align your strategy:

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- Revisit homes that were slightly above your budget - they may now fit.
- Check areas where price reductions are stacking - AI tools can flag these.
- Combine lower rates with seller concessions to amplify savings.
- Ask your lender about rate buydowns or lock-and-shop programs for flexibility.

Step 4: Partner with Data

Smart agents use data - not just listings:

- Request a personalized Affordability Map that shows what you can buy at today's rates.
- Ask for an AI-Enhanced Market Outlook predicting where new listings are likely to appear.
- Use this insight to make faster, more confident offers.

Pro Tip: A lower rate means more than savings - it's timing power. When rates drop, confidence rises. The buyers who move first capture the best homes before the crowd catches on.