

Student Loan Payment Comparison

	FANNIE	FREDDIE	FHA	VA	RD
Student Loan Payment used to Calculate DTI	Include in DTI: <ul style="list-style-type: none"> Monthly payment from credit report or 1.0% of loan balance or the documented full amortized payment. 	Include in DTI: <ul style="list-style-type: none"> If the monthly payment from the credit report is greater than zero, use that payment or payment from other documentation. If payment on credit report is zero, use 0.5% of balance from the credit report or a current payment > 0 if document in the file 	Include <ul style="list-style-type: none"> the payment amount reported on the credit report or The documented payment amount if above zero, but below what is reporting on the credit report or 0.5% of the outstanding loan balance, when the monthly payment on the Borrower's credit report is zero. 	Calculate 5% of student loan balance divided by 12... then... <ul style="list-style-type: none"> If calculation is > bureau reported payment, then verify and use payment from lender If calculation is < bureau reported payment, then use bureau payment 	Include the payment as follows: <ul style="list-style-type: none"> Fixed payment loans: A permanent amortized, fixed payment may be used in the debt ratio when the lender retains documentation to verify the payment is fixed, the interest rate is fixed, and the repayment term is fixed. Non-Fixed payment loans: Payments for deferred loans, Income Based Repayment (IBR), Graduated, Adjustable, and other types of repayment agreements which are not fixed must use: <ul style="list-style-type: none"> The current documented payment under the approved repayment plan with the creditor, when the payment amount is above zero; or 0.5% of the outstanding loan balance documented on the credit report or creditor verification, when the payment amount is zero
Deferred Student Loan Payment	Use 1.0% of Loan Balance to calculate DTI			Student Loan Payments are not included in DTI calculation if payments are deferred over 12 months past the closing date	
Re-payment Plan Federal Student Loans (Income Based)	Use current payment from re-payment plan in DTI to qualify				
Re-payment Plan Private Student Loans (Income Based)	Use fully amortized payment in DTI to qualify. Cannot use the minimum from the Re-payment Plan			If Income Based repayment plan has 12 months remaining at the reduced amount the lower amount can be used in DTI	

