Buyer Qualification Worksheet

These ratios may vary by lender and program. However this is a good resource to start analyzing debt-to-income ratios and how they will affect home-buying capabilities.

The maximum monthly house payment a credit-approved buyer may qualify for is determined by 2 things:
1) Debt-to-Income ratio (amount of monthly debt payments divided by gross monthly income)
2) Mortgage loan type (conventional, FHA, VA)

The monthly house payment cannot be greater than 28% (conventional), 29% (FHA), or 41% (VA) of the gross monthly income of the buyer.
The total monthly debt payments plus the monthly house payment cannot be greater than 36% (conventional), 43% (FHA), or 41% (VA) of the gross monthly income of the buyer.

Debt-to-Income and House Payment Allowances by Loan Type

	Conventional	FHA	VA
Debt-to-Income Total Allowed (including house)	36%	43%	41%
Debt-to-Income House Allowed	28%	29%	41%

Examples of monthly debt payments* used when calculating debt-to-income ratio:
- Car loans
- Credit cards
- Student loan
- Revolving credit accounts
- Mortgage payments

*The minimum amount due each month is used to factor the total amount of debt payments.

Estimate the Maximum Monthly House Payment

Enter the total debt allowed based on loan type (gross monthly income x 36%, 41% or 43%)	1)
Enter the max house payment based on loan type (gross monthly income x 28%, 29%, or 41%)	2)
Enter the total monthly debt payments	3)
Subtract line 3 (total monthly debt payments) from line 1 (total debt allowed)	4)
Enter the lesser amount of line 2 or 4	5)

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