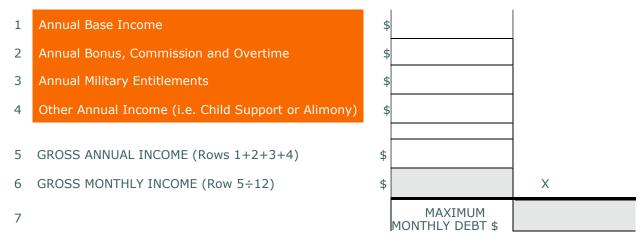


## What Monthly Payment Can You Afford?

There are many online calculators available to help you determine how much of a total monthly mortgage payment you may be able to afford. An easy guideline to follow is the 36% rule; your total monthly debt should stay below 36% of your gross income (Debt-to-Income Ratio or DTI)<sup>1</sup>. To do a quick estimate of what you could potentially afford, you need two basic numbers: Maximum Monthly Debt and Current Monthly Debt. Your lender may permit a different ratio than the estimate below.

## **GROSS INCOME**

Step 1: Calculate your maximum debt based on your desired DTI ratio.



## **DEBTS**

Step 2: Subtract your monthly debt from your maximum debt to calculate your max monthly mortgage payment.

8	Total Monthly Minimum Credit Card Payments	\$		
9	Total Monthly Car Payments	\$		
10	Total Monthly Personal Loan Payments	\$		
11	Total Monthly Student Loan Payments	\$		
12	Total Other Monthly Debts	\$		
13	CURRENT MONTHLY DEBT (Rows 8+9+10+11+12) \$			
14	MAXIMUM MONTHLY MORTGAGE PAYMENT \$ Maximum Debt (Row 7) - Current Debt (Row 13)			

Homeownership doesn't have to be a dream. Mortgage insurance can get you into a house faster with less than a 20% down payment. Talk to your loan officer to learn more about the value of MI.



