Debt-to-Income Worksheet

Estimate your housing ratio and total debt ratio before you apply

Utah Homeownership Authority

Debt-to-income compares the monthly obligations a lender counts against your qualifying monthly income. This worksheet produces an estimate for planning. The lender calculates the ratio that actually applies to your file under the program you select.

Step 1 — Gross monthly qualifying income

Use gross (pre-tax) income that can be documented. Variable income such as overtime, bonus, and commission is generally averaged over a documented history, and self-employment income is calculated from tax returns rather than deposits.

Source	Monthly amount	How documented
Base employment income		
Overtime / bonus / commission (averaged)		
Self-employment income		
Retirement, pension, Social Security		
Other documented income		
A. Total qualifying income		

Step 2 — Proposed monthly housing expense

Housing component	Monthly amount
Principal and interest	
Property taxes	
Homeowners insurance	
Mortgage insurance (if applicable)	
HOA dues (if applicable)	
Flood or other required insurance	
B. Total housing expense	

Step 3 — Other monthly obligations

Obligation	Monthly payment used
Auto loans and leases	
Installment loans	
Credit-card minimum payments	
Student-loan payment used for underwriting	
Alimony, child support, or maintenance	
Co-signed obligations	
Other recurring liabilities	
C. Total other obligations	

Student-loan treatment varies by loan program, repayment status, and documentation. Deferred, income-driven, and zero-payment plans are handled differently under FHA, VA, USDA, and Conventional rules. Do not assume one formula applies everywhere.

Step 4 — Estimated ratios

Calculation	Your estimate
Housing ratio: B divided by A	
Total debt ratio: (B + C) divided by A	

Step 5 — What this tells you

- ☐ My estimated ratios are inside the range my loan officer described
- ☐ I have identified which debt, if reduced, would help the ratio most
- ☐ I understand paying off a balance may not remove the payment from the calculation in every case
- ☐ I understand draining reserves to pay off debt can weaken the file even if the ratio improves

Debt I plan to address first, and how

Date I will recalculate

There is no single debt-to-income limit that applies to every borrower or every program. Allowable ratios depend on the loan program, automated underwriting findings, compensating factors, and lender requirements. This worksheet does not determine eligibility.