



**John Paul Mulchay**  
Branch Manager, Guaranteed Rate  
NMLS# 375868  
9121 W Russell Road, 210 Las Vegas, Nevada 89148

Office: 7022679443  
Mobile: 7022679443  
Fax: 7022679443  
[jp.mulchay@rate.com](mailto:jp.mulchay@rate.com)  
[View My Website](#)

## Fannie Moves to Accommodate Student Loan Debt

At \$1.4 trillion, student loan debt represents the U.S.'s **second largest debt market** behind mortgages and, in several recent surveys, younger respondents have said those loans are a large reason they are unable to save up a downpayment to buy a home. The debt won't easily go away, but Fannie Mae now says it would like to make those loans a slightly little less painful presence in borrowers' lives.

The company is announcing policies that will assist homeowners and potential homebuyers with student loan obligations to **qualify for a mortgage**. The company notes the significant increase in that kind of debt over the last decade has created challenges and put up obstacles to homeownership. In acknowledgement that "one size does not fit all," the new policy provides borrowers three options from which, depending on individual circumstances, they can choose.

- **Student Loan Cash-Out Refinance:** Offers homeowners the flexibility to pay off high interest rate student debt while potentially refinancing to a lower mortgage interest rate.
- **Debt Paid by Others:** Widens borrower eligibility to qualify for a home loan by excluding from the borrower's debt-to-income ratio non-mortgage debt, such as credit cards, auto loans, and student loans, paid by someone else.
- **Student Debt Payment Calculation:** Makes it more likely for borrowers with student debt to qualify for a loan by allowing lenders to accept student loan payment information on credit reports.

"We understand the significant role that a monthly student loan payment plays in a potential home buyer's consideration to take on a mortgage, and we want to be a part of the solution," said Jonathan Lawless, Vice President of Customer Solutions, Fannie Mae. "These new policies provide three flexible payment solutions to future and current homeowners and, in turn, allow lenders to serve more borrowers."

### Recent Housing Data

		Value	Change
Mortgage Apps	May 15	198.1	+0.51%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%
Builder Confidence	Mar	51	+6.25%

## Experience and Service

I absolutely love seeing the faces of new homeowners when they have their keys handed to them for the first time! Helping people achieve their dream of homeownership drives me to be my best every day. Honesty and transparency from day one through closing provide the foundation for client trust. I pride myself on providing my clients with the knowledge, experience, and creativity to make informed decisions when buying a home or an investment property.

My clients continually reward me with referrals citing customer service and comfort with the process. By ensuring my clients understand their decisions rather than simply 'do as I say,' they feel empowered and confident each step of the way. I believe in clients-for-life and that begins with the first phone call, reinforced by a successful transaction, and solidified with service after sale.

Currently licensed in Nevada and Arizona, I have been successfully financing residential real estate throughout the USA for the past 15 years using FHA, VA, Conventional, as well as Portfolio funds. Call now to get started!

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