



first community mortgage

CORRESPONDENT ANNOUNCEMENT 2021-15

July 7, 2021

FHA Deferred Installment Debt

Effective Date:

Case # assignment on or after July 7, 2021

Summary

First Community Mortgage is aligning with FHA Mortgagee Letter **2021-13** and the updated calculation of student loan payment monthly obligation calculation as outlined below:

Calculation of Monthly Obligation

For outstanding student loans, regardless of payment status, the following calculation must be used:

- The payment amount reported on the credit report or the actual documented payment, when the payment amount is above zero; OR
- 0.5 percent of the outstanding loan balance, when the monthly payment reported on the Borrower's credit report is zero.

Please contact your Account Executive or Client Manager with any questions