BUYER CHECK

Your existing debts already exceed the 43 percent debt-to-income cap, so the affordability math comes out to $0 right now. Three changes over the next 12 months could raise your math ceiling to roughly $145,000.

WAIT AND PREPARE

$0: debts exceed DTI cap

THE NUMBERS

COMFORTABLE TARGET

$0

where we suggest you shop

MATH CEILING

$0

absolute max at 43% back-end DTI cap

EXPECTED RATE RANGE

7.005% to 7.255%

affordability solved at 7.130%

TOTAL MONTHLY HOUSING

$0/mo

P&I, taxes, insurance, PMI, at the ceiling

WHAT YOU TOLD US

These are the numbers we ran the analysis on. If anything looks off, re-run your Buyer Check with the corrected value.

Monthly gross income (pre-tax)	**$5,500/mo**
Monthly debts (car, student loans, cards)	**$2,400/mo**
Down payment	**$18,000**
Credit score range	**620-679**
Location	**San Antonio, TX**
Property type	**Condo or townhouse**
Loan term	**30 years**
First-time buyer	**Yes**

WHAT THIS MEANS IN PRACTICE

On $5,500 monthly gross income with $2,400 in non-mortgage debts (car loan, federal student loans, credit-card minimums, child support), your debts already take 43.6 percent of gross income before a single dollar of housing is added. We cap the back-end debt-to-income ratio at 43 percent, a common lender limit, including the new mortgage payment. You are over the cap with zero house. An aggressive lender might still make an offer, but it would likely come with tighter terms and a top-of-the-sheet rate. The honest answer is that the lender math has to change before you shop.

This is not a wait-forever answer. It is a wait-about-12-months answer. There are three levers, in order of impact.

Lever one: pay off the credit cards behind the $400/month minimum. Most cards charge 22 to 27 percent APR, and minimum payments are set to keep balances rolling. Putting about $1,000/month toward them clears $5,000 to $7,000 of card debt in 6 to 7 months and frees that $400/month.

Lever two: ask your federal student-loan servicer about an income-driven repayment plan. At your income, the $750 monthly payment could drop to roughly $300 to $400 if you qualify, freeing about $400/month. The trade-off is a longer payoff and more interest over time, but the goal here is mortgage qualification.

Lever three: trade down the car. If the car is worth more than you owe on it, sell it, keep the equity, and buy a paid-off used car for $8,000 to $12,000. That removes the $550/month payment entirely.

Do all three and your monthly debts drop from $2,400 to about $1,050 (the $700 child support plus about $350 in student-loan payments). At $5,500 monthly gross, that allows a maximum housing payment of about $1,315, which works out to a math ceiling of roughly $145,000 at this report's rates and your current credit tier. Move up to the 680-719 credit tier in the same window (every payment on time, card balances under 30 percent of your limits) and grow your savings to about $25,000, and the ceiling rises to roughly $156,000. As in every Buyer Check, that ceiling is the math max, not the price to shop at: with a cushion for surprises, the comfortable target would be closer to $110,000 to $117,000.

That's an entry-level budget: condos, townhouses, or older starter homes in the lower-cost parts of the San Antonio area. Check it against real listings before you plan around it. It isn't the $300K you started with; getting there takes more income, a co-borrower, or a bigger down payment. The plan above is the first step either way.

Rate range rationale: 620-679 credit tier on a conventional 30-year fixed in Texas. The Freddie Mac 30-year average on this report's date is 6.50 percent, and your tier prices about 0.63 percent above it because lenders' risk-based pricing climbs steeply below 680. We used 7.13 percent in the affordability math, which still returned zero because your debts exceed the cap. Moving up to the 680-719 tier would bring that to about 6.88 percent, 0.25 lower. Pull your actual scores and check how close you are to 680.

COST BREAKDOWN ASSUMPTIONS (ACTUAL VALUES USED)

Freddie Mac PMMS 30-year average, week of Jun 4, 2026	**6.500%**
Affordability rate	**7.130% (the market average adjusted for your credit tier)**
Property tax rate	**1.80% / yr ($0/yr at $0)**
Homeowners insurance (TX adjusted)	**1.10% / yr ($0/yr at $0)**
PMI rate (credit-tier adjusted)	**0.95% / yr of loan ($0/mo at the ceiling)**
DTI cap	**43% back-end**

PREPARATION PLAN (6 TO 12 MONTHS)

- Months 0 to 6: pay down the credit cards behind the $400/month minimum. Put about $1,000/month toward them until the balance is zero. That frees $400/month for housing.
- Months 0 to 2: ask your federal student-loan servicer about an income-driven repayment plan. At your income, the $750/month payment could drop to roughly $300 to $400, freeing about $400/month.
- Months 3 to 6: sell the financed car and replace it with a paid-off used car in the $8,000 to $12,000 range, using whatever equity the current car has. That removes the $550/month payment.
- Months 6 to 12: rebuild savings to $25,000 to $30,000 to cover closing costs and a real reserve. Lenders increasingly want 2 to 3 months of mortgage payments in reserve at closing, especially below 680 credit.
- Every month: pay every bill on time (including the ones on autopay), keep card balances under 30 percent of your limits on the cards you keep open, and don't open new credit. The goal is to reach the 680-719 credit tier before you re-run this analysis.
- Month 12: run Buyer Check again with your updated numbers. With the plan above, the math ceiling would be roughly $145,000 to $156,000 at this report's rates, with a comfortable target closer to $110,000 to $117,000.

LENDER CATEGORIES WORTH EXPLORING

- Before you shop: with your debt-to-income ratio over the cap, lenders are likely to decline or counter with a tighter loan product, and each application adds a credit inquiry.
- When you do shop (after the paydown): start with Texas credit unions and online direct lenders. Both tend to be more flexible than big banks about re-verifying debts you've just paid off.

FIRST-TIME-BUYER PROGRAMS TO RESEARCH

- TSAHC (Texas State Affordable Housing Corporation) Home Sweet Texas Home Loan Program. 30-year fixed-rate loan with down-payment assistance up to 5 percent, as a grant or a deferred forgivable second loan, for income-eligible buyers. tsahc.org.
- TDHCA My First Texas Home. 30-year fixed-rate with down-payment assistance up to 5 percent of the loan amount.

Program list last updated September 2026. Funding, income limits and terms change often, so confirm the current details with each agency before you rely on them.

CAUTIONS

- Pre-approvals pull your credit. Mortgage inquiries within a short shopping window count as one, but inquiries outside it add up, so it can pay to apply once your debt-to-income ratio is under the cap.
- FHA allows a higher debt-to-income ratio, but its mortgage insurance lasts 11 years with at least 10 percent down and for the life of the loan with less. Compare its total cost with a conventional loan with PMI before choosing. Neither changes the underlying debt load.
- Don't co-sign anyone else's loan while you prepare. A co-signed loan counts fully against your debt-to-income ratio even though you don't make the payments.

- Texas reassesses property taxes annually. The 1.80 percent state-average property tax rate we use is a midpoint, and Bexar County neighborhoods can run higher, especially inside a MUD or PID. When you re-run this analysis in 12 months, use the actual county rate for the area you're shopping.
- The 620-679 credit tier sits on the steepest part of the rate sheet. Small score moves (one card paid off, 6 months of on-time payments) can move you into the 680-719 tier and lower your expected rate by about 0.25 percent.

> *Affordability estimates assume a 43% back-end DTI cap. Your specific lender's underwriting may differ. Program details and amounts change, so confirm them with the program before you rely on them. We are not your lender or financial advisor. Treat this as one input among several.*