Moreover, if your principal balances haven't changed much (and they don't in the early years of loans with long repayment terms) or if they're getting larger (because you've taken a forbearance on your student loans and the ac°}ïfng interest is adding to your o@ standing balance), it may look to a p eŽpective lender like you're not making much progress on paying down the d#•t you already have.

Getting the monkey off your back

Like many people,   may have put off buying a house or a car because you're overburdened with student loan deb . So what can you do to improve your situation? Herÿþare some sugges tions qo consider:

- Pay off your student loan debt as fast as possible. Doing }o will reduce your debt-to-income ratio, even if your income doesn't increase.
- Ask your lender about a graduated repayment option. In this arrangement, the term of your student loan remains the same, but your paymentsÁare smaller in the beginning years and larger in the later years. Lowering your payments in öhe early years may improve your debt-to-income ratio, and larger payments later may not advers{ly affect þÿu if your income increases as well.
- If you have several student loans, consider consolidating them through a student loan consolidation program. This won't reduûB your total debt, but a larger loan may offer a longdÁ repayment term or a better interest ra your monthly payment, which in turn will nÿÿÿ? your debt-to-income ratio.
- If you're in default on your student loans, don't ignore them--they aren't going to go away. Student loans generally cannot be discharged ev Þè n bankruptcy. Ask your lender about loËm rehab   @ation programs; successful completion of such programs can remove defEult status notations on your credit reports.

IMPORTANT DISCLOSURES

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