

BUILDING ON OWN LAND CALCULATION
 (Borrower owns land or is buying the land separately)
 For Stick-Built and Manufactured Homes
 Calculation Worksheet – **Not an Official HUD Document**
 Revised 8-4-2011

	\$	+	<p>The lesser of Cost of the Manufactured Unit or Value if owned less than 12 months. Use value if owned more than 12 months.</p>
	\$	+	<p>Cost of Land if owned less than 6 months or Value, whichever is less (If owned more than 6 months or received as an acceptable gift, value may be used instead of cost) (Date of acquisition must be verified by the old HUD-1 or other recorded documents)</p>
	\$	+	<p>Hard Costs: Cost of construction including Contractor's price or sum of subcontractor's bids, materials, construction costs, etc. All costs must be itemized and supported. (Included in this figure is borrower's own cash applied to costs)</p>
	\$	+	<p>Soft Costs: Interest/other construction loan costs associated with loan obtained by the borrower to fund construction of the property. (Itemized verification of these costs is required)</p>
A	\$	=	Total Acquisition Cost Above
B	\$	=	Appraised Value
C	\$	=	<p>Lesser of "A" OR "B" \$ _____ X Factor *96.5% = C \$ _____</p> <p>*(Factor adjusted for construction LTV limits, i.e. 90% LTV if not proposed without a 10 year Warranty and/or 2001-27 guidelines)</p>

Footnote:

Hard Cost is the total cost of material and labor necessary for the completion of the construction. Soft Cost is the finance charges and closing costs associated with the interim financing not to be confused with the permanent financing closing costs.

PAYOFF CALCULATION			
	\$	+	Payoff of Manufactured Unit
	\$	-	(Less Trade-In)
	\$	+	Payoff (land and/or Improvements)
	\$	+	Payoff of Construction Loan; Itemized subcontractor's bids, materials, construction costs, etc. (Hard Costs)
	\$	+	Cost of removal of existing structure if applicable
	\$	+	Borrower's own cash expended (canceled checks and receipts required if refunding to borrower)
	\$	+	Interest/other construction loan costs associated with the loan obtained by the borrower to fund construction of the property
	\$	+	Itemized costs required. (Soft Costs)
	\$	+	FHA Allowable Closing Costs, Prepays and Discount Points
	\$	-	Builder/Lender Paid Credits toward Closing Costs, Prepays and Discount Points
D	\$	=	Total Payoff Amounts paid by Borrower

Maximum Base Loan Amount is the <u>Lower of</u> "C" or "D"			
	\$		Maximum Mortgage BEFORE UFMIP

UFMIP: \$ _____

LOAN WITH UFMIP: \$ _____