

**BUILDING ON OWN LAND CALCULATION WORKSHEET For Stick-Built and Manufactured Homes (MFG Homes are only applicable to approved Retail Branches)**  
**Land must be owned**  
**Based on FHA Handbook 4000.1**

\$	+	<b>Value of land</b> At the date of Case Number Assignments: <ul style="list-style-type: none"> <li>When the land has been owned for 6 months or less use the lesser of the cost of the land, or appraised value of the land.</li> <li>When the land has been owned for greater than 6 months or the land was received as an acceptable gift use the appraised value of the land.</li> </ul>
\$	+	<b>Builder's price or the sum of all subcontractor bids &amp; materials.</b> <ul style="list-style-type: none"> <li>Borrower must have contracted with a builder (licensed general contractor) to construct the improvements. The borrower may act as a general contractor, only if the borrower is a licensed general contractor.</li> <li>For manufactured homes, the builder's price to build shall include the sum of the cost of the unit(s) and all on-site installation costs.</li> </ul>
\$	+	<b>Interest and other costs associated with a construction loan obtained by the borrower to fund construction.</b> An itemized list of these costs is required and they must be documented.
\$ <b>A</b>	=	<b>Total Acquisition Cost of the Property From Above</b>
\$ <b>B</b>	=	<b>Appraised Value</b>
\$ <b>C</b> Complete this field using the applicable total from the right.	=	<b>Lesser of "A" or "B" \$_____ multiplied by (Choose One):</b> <ul style="list-style-type: none"> <li><b>96.50%</b>-New Construction that complies with New Construction Documentation Requirements for maximum financing; \$_____ <b>OR</b></li> <li><b>90%</b>-Properties appraised as "Under Construction" or "Existing &lt; One Year", unless they meet Pre-Approval Requirements (Building Permit ((not allowed on manufactured housing)) issued by local jurisdiction prior to the start of construction, Early Start Letter or HUD Approved 10 year Warranty \$_____ .</li> </ul>
<b>Total Payoff Calculation</b>		
\$	+	Payoff of New Manufactured Unit, if applicable
\$	-	<b>Less Trade-In</b> , if applicable
\$	+	<b>Payoff of land</b> and/or other Improvements
\$	+	<b>Hard Costs</b> - Payoff of Construction Loan; Itemized subcontractor's bids, materials, construction costs, etc.
\$	+	<b>Cost to remove existing structure</b> , if applicable.
\$	+	<b>Borrower's own cash expended</b> -Canceled checks and receipts required if refunding to borrower.
\$	+	<b>Soft Costs</b> - Interest/other construction loan costs associated with the loan obtained by the borrower to fund construction of the property (costs associated with the interim/construction loan.
\$	+	<b>FHA Allowable Closing Costs</b> , Prepays and Discount Points
\$	-	<b>Builder/Lender Paid Credits</b> toward closing costs, prepays and discount points.
\$ <b>D</b>	=	<b>Total Payoff Amounts paid by Borrower</b>
\$	=	<b>Maximum Base Loan Amount is the Lower of "C" or "D"</b>
<b>Maximum Base Loan Amount</b>		
\$	=	<b>Maximum Mortgage BEFORE UFMIP</b>
\$	+	<b>Up-Front MIP (if financed)</b>
\$	=	<b>TOTAL LOAN AMOUNT INCLUDING MIP</b>