loanDepot

STANDARD 203(k) PURCHASE TRANSACTION
MAXIMUM MORTGAGE CALCULATION

BORROWER	Simulated Custtomer	**DATE**	1/1/2021
PROPERTY ADDRESS	123 Main ST	**LOAN NUMBER**	
	Disney World, FL USA	**FHA CASE NUMBER**	

STEP 1: Establishing Financeable Repair and Improvement Costs, Fees and Reserves

A.	**Repair and Improvement Costs and Fees Total** ***(Sum of A1 thru A7)***				$ 46,600.00
	1. Costs of construction, repairs and rehabilitation			$ 45,000.00	(sum rounds down to nearest dollar)
	2. Architectural or Engineering Professional Fees			$ -	
	3. 203(k) Consultant Fees			$ 700.00	
	4. Inspection Fees (work Performed during Rehabilitation)			$ 450.00	
	5. Title Update Fees			$ 450.00	
	6. Permit Fees			$ -	
	7. Feasibility Study when necessary			$ -	
B.	**Financeable Contingency Reserves**	**(1A)** $46,600.00	**X**	10%	$ 4,660.00
C.	**Financeable Mortgage Payments Reserves**				$ -
D.	**Financeable Mortgage Fees Total** ***(Sum of D1 and D2)***				$ 768.00
	1. Origination Fee *(Greater of $350 or 1.5% of (sum of 1A,1B and 1C), Max $3500)*			$ 768.00	
	2. Discount Points *(Applied to Sum of 1A,1B and 1C)*			$ -	
E.	**Total Rehabilitation Costs, Fees and Reserves** ***(Sum of 1A, 1B, 1C & 1D)***				**$ 52,028.00**

STEP 2: Establishing Value

A.	**Purchase Price**	$ 200,000.00	
B.	**Inducement to Purchase**	$ -	
C.	**Purchase Price Less Inducement to Purchase**		$ 200,000.00
D.	**As-Is Property Value** *(As-is Appraisal may be required to comply with Property Flipping Guidelines)*		$ 200,000.00
E.	**Adjusted As-Is Value** *(If As-is appraisal is obtained, then the As-is property value (Step 2D) = Adjusted As-Is Value,* ***OR*** *if As-is appraisal* ***is not*** *obtained, then Step 2C = Adjusted As-is Value)*		$ 200,000.00
F.	**After Improved Value** *(Appraisal Subject to Repairs and Improvement)*		$ 260,000.00

Step 3: Calculating Maximum Mortgage Amount

A.	**Step 2E + Step 1E (Adjusted As-Is Value + Step 1 Total)**				$ 252,028.00
B.	**Step 2F** *(After improved value)* x 110% (100% if Condo)			**110%**	$ 286,000.00
C.	**Lesser of 3A or 3B:** $252,028.00	**x Maximum LTV Factor from 3F**		**96.50%**	= $ 243,207.02
D.	**Nationwide Mortgage Limit**				$ -
E.	**Initial Base Mortgage Amount = Lesser of 3C or 3D**				$ -
F.	**Determine Loan-to-Value Factor for Maximum Mortgage Eligibility**			**96.50%**	

Basis	Criteria	Maximum LTV Factor
MDCS	At or above 580	[ ] 96.5%
MDCS	Between 500 and 579	[ ] 90%
Secondary Residences	With HOC Approval	[ ] 85%
No Credit Score	Manual UW Required	[ ] 96.5%

Note: **MDCS = Minimum Decision Credit Score**

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Step 4:	**Additions to Initial Base Mortgage Amount for EEM, and/or Solar/Wind Energy** ***Note:*** *If no EEM or Solar/Wind additions, then Initial Base Mortgage amount (3F) = Final Base Mortgage amount (4G)*	
A.	**Energy Efficient Mortgage (EEM) Improvement Amount**	$ -
B.	**Step 3E + Step 4A** *(Initial Base Mortgage Amount + EEM Improvement Amount)*	$ -
C.	**Solar/Wind Energy System Actual Cost**	$ -
D.	**Step 2F x 20%** ***(*** *After-Improved Value x 20%* ***)***	$ 52,000.00
E.	**Lesser of (Step 4C or Step 4D) = Maximum financeable Solar/Wind Energy amount**	$ -
F.	**Step 3E x 120%** *(Nationwide Mortgage Limit x 120%)*	$ -
G.	**Final Base Mortgage Amount = Lesser of (Sum of Step 4B + Step 4E) or Step 4F**	$ -

Step 5:	**Calculating the LTV for Application of Annual MIP**	
A.	**MIP LTV** = 4G divided by 2F *(Final Base Mortgage Amount divided by After Improved Value)*	0.00%

Step 6:	**Establishing the Rehabilitation Escrow Account**		
A.	Rehabilitation Escrow Account ***(Sum of A1 thru A3)***		$ 52,028.00
	1. Repair and Improvement Costs, Fees & Reserves (Step 1E)	$ 52,028.00	
	2. Cost of EEM, weatherization or solar energy systems	$ -	
	3. Borrowers Own Funds for Contingency Reserves (if not financed in 6:A1)	**$ -**	
B.	Initial Draw at Closing Total ***(Sum of B1 thru B7)***		$ 768.00
	1. Prepaid 203K Consultant Fees	$ -	
	2. Prepaid Architectural or Engineering Fees	$ -	
	3. Permit Fees	$ -	
	4. Origination Fees (Step 1:D1)	$ 768.00	
	5. Discount Points (Step 1:D2)	$ -	
	6. Material costs for items ordered & prepaid by Borrower/or contractor under contract for delivery	$ -	
	7. Up to 50% of materials not yet paid for by the Borrower/or contractor	$ -	
C.	**Rehabilitation Escrow Amount Balance for future draws = 6A minus 6B**		$ 51,260.00