

# FHA Refinance Maximum Total Loan Amount Worksheet

## Rate / Term Refinance

### Formula #1

|   |            |
|---|------------|
| Unpaid Principal Balance  | \$ _____   |
| Plus: Purchase money seconds  | + _____    |
| Plus: Any subordinate liens (seasoned for at least 1 yr)*   | + _____    |
| Plus: Allowable closing costs   | + _____    |
| Plus: Reasonable discount points  | + _____    |
| Plus: Prepaid Expenses  | + _____    |
| <i>(May include amount necessary to establish the required escrow account balance and per diem interest on new loan.)</i> |            |
| Plus: Repairs required by appraisal   | + _____    |
| Plus: 30 days interest on current loan  | + _____    |
| Plus: 30 days interest from current monthly payment (if due) **   | + _____    |
| Plus: Cost of repairs if required by appraiser  | + _____    |
| Plus: Accrued late charges  | + _____    |
| Plus: Escrow shortage   | + _____    |
| Plus: Any pre-payment penalty   | + _____    |
| Minus: MIP refund (if applicable) ***   | - _____    |
| Total Base Loan Amount (round down to nearest \$1)  | = \$ _____ |

\* Any equity line with a draw exceeding \$1,000 within the last 12 months is considered a "cash out" refinance.

\*\* May not include delinquent interest. Note: The interest in the current month's payment (current month is the month the loan will close and fund), if due, is not considered delinquent interest.

\*\*\* The amount of the refund cannot exceed the new UFMIP being charged on the new loan transaction.

### Formula #2

|  |                 |
|--|-----------------|
| Appraised Value  | \$ _____        |
| <i>(if property has been owned less than one year, and it not already FHA insured, use lesser of the current appraised value or original purchase price)</i> |                 |
| Multiply by 97.75%   | X <u>97.75%</u> |
| Total Base Loan Amount   | = _____         |

### Formula #3

|                                    |          |
|------------------------------------|----------|
| Statutory Geographic Maximum Limit | \$ _____ |
|------------------------------------|----------|

**Formula #4**

Base Loan Amount is lesser of Formula 1,2 or 3 above

Plus: New UFMIP

Total Loan Amount

\$ \_\_\_\_\_

+ \_\_\_\_\_

= \_\_\_\_\_

**NOTE:**

- Remember the new loan amount cannot exceed the maximum loan limit for the geographical area
- All appraised value calculations are multiplied by 97.75%
- Base loan amounts with “cents” must be rounded down to the nearest whole dollar