CHARTS and FACTORS

CHART 1

Estimated TOTAL CASH TO CLOSE

(for Purchases)

Down Payment		$
Pre-Paid Costs	*(see below)*	+
Non-Recurring Costs	*(see below)*	+
TOTAL CASH REQ'D		$

Estimated PRE-PAID COSTS

(called "Pre-Paids")

Interest:	Loan Am't X Int.Rate ÷ 360 X 15 days	=	$
Hazard Insur.:	Loan Am't X .0035 ÷ 12 X 14 mos.	=	$
Prop.Taxes: *[1]*	S.P.- $7000 X.0125 ÷ 12 X No.Mos.in CHART 4	=	$
	SUB-TOTAL ESTIMATED PRE-PAIDS		
UFMIP (if FHA):	Loan Am't X 1.5%	=	$
Funding Fee (If VA):	Loan Am't X Fee shown in CHART 5	=	$
	TOTAL ESTIMATED PRE-PAIDS		$

[1] *if Mello-Roos,use .02 instead of .0125*

Estimated NON-RECURRING COSTS

Loan Costs:	Loan Am't X 1% *[1]*	=	$	+	$1750 *[2]*	=	$
Escrow:	S.P. ÷ 1000 X $2	=	$	+	$650 *[3]*	=	$
Title:	use Chart 8 on reverse	=	$	+	$225 *[4]*	=	$
Misc.:	*cushion for extra days of interest, title endorsements, etc.*						$ 250
	if VA, deduct $1,920; if FHA, deduct $1,720 for Non-Allowables						< >
	TOTAL ESTIMATED NON-RECURRING COSTS						$

[1] *use exact Loan Orig. Fee, if known*
[2] *includes Appraisal, Cr.Rept, Flood Cert., Tax Srvc., Wire Transfer,* Proc.Fee*,"Junk"Fees*
[3] *includes Messenger, Notary,* Loan Tie-In*
[4] *includes Recording,* Sub-Escrow*

* VA/FHA Non-Allowables

CHART 2

PMI Factors

LTV	Annual Factor	*Factor x Ln Amt ÷ 12 to get Mo.Pymt*
80.1 - 90%	.0067	
90.1 - 95%	.0078	
95.1 - 100%	.0122	

CHART 3

CLOSING COSTS Buyer Can Pay

"Allowable"	Con	FHA	VA
Credit Report	√	√	√
Appraisal	√	√	√
Escrow Fee	√	√	**NO**
Title Insur.	√	√	√
Recording	√	√	√
Notary	√	√	√
Loan Fee	√	√	√
"Non-Allowable"			
Sub-Escrow Fee	√	**NO**	**NO**
Loan Tie-In Fee	√	**NO**	**NO**
Processing Fee	√	**NO**	**NO**
Underwriting Fee	√	**NO**	**NO**
Doc Prep Fee	√	**NO**	**NO**

CHART 4

No.Months Tax Impounds

Closing Month	1st Pymt Month	# mo
Jan	Mar	6
Feb	Apr	2
Mar	May	2
Apr	Jun	3
May	Jul	4
Jun	Aug	5
Jul	Sep	6
Aug	Oct	7
Sep	Nov	8
Oct	Dec	3
Nov	Jan	4
Dec	Feb	5

CHART 5

FHA Mutual Mortgage Insurance (MMI)

paid in 2 parts and based on LOAN AMOUNT

1) Up Front Premium (UFMIP) = Loan Amount x 1.5%

[may be PAID IN CASH at closing or ADDED to the LOAN]

2) Monthly Premium = Loan Amount X .005 ÷ 12

VA Funding Fee

Based on Ln.Amt.	0% Dn	5% Dn	10%+ Dn
1st Time User	2.15%	1.5%	1.25%
2nd Time User	3.3%	1.5%	1.25%

Monthly Property Tax Estimate

w/Mello-Roos: (Sales Price - $7,000) X .02 ÷ 12
no Mello-Roos: (Sales Price - $7,000) X .0125 ÷ 12

Monthly Hazard Insurance Estimate

Loan Amount X .0035 ÷ 12

Escrow Fee Estimate (Purchases per Side)

$200 Base PLUS $2 per Thousand of Sale Price

CHART 6

Qualifying Ratios

GUIDELINES ONLY!

Conventional	Front	Back
to 80.0% LTV	32%	38%
80.1 - 90.0% LTV	28%	36%
90.1% +	26%	33%
FHA		
All LTVs	29%	41%
VA		
All LTVs	n/a	41%

CHART 7

Compensating Factors - for ratios exceeding Guidelines

- Excellent credit history
- Conservative use of credit
- Minimal consumer debt
- Long-term employment
- Significant liquid assets
- Sizable down payment
- Amount of equity
- Minimal increase in shelter expense
- Military benefits
- Satisfactory prior homeownership
- High residual income
- Low debt-to-income ratio
- Tax credits for child care
- Tax benefits of home ownership

over for CHART 8 - Title Insurance Rates