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The Mortgage Credit Analysis Worksheet has been revised to reflect changes to the percentage of financeable closing costs. Several of the more important changes are discussed below:

Line 5 Closing Costs: On line 5a, show the total buyer's closing costs of the transaction. On line 5b, subtract any amount of buyer's closing costs paid by the seller. Line 5c is the total amount of borrower-paid financeable closing cost. Borrower-paid closing costs will be added on line 10c.

Line 10d (Subtract Sales Concessions): Refers to seller-paid prepaid items, personal property items, seller concession exceeding 6% from Attachment A, etc. This does not include seller-paid closing costs from line 5b. This amount should also appear on line 101 to correctly determine total cash requirements.

Line 10f (1) Multiply Mortgage Basis: Multiply the amount on line 10e by 97% on the first \$25,000, 95% on the amount between \$25,000 and \$125,000, and 90% on the remainder. (However, if line 10e is \$50,000 or less, multiply the entire amount by 97%.) Note: If the value is less than sales price, then multiply the value plus closing costs by the amounts described above.
Certain types of loans (e.g., 90% new construction loans, loans to Veterans, etc.), may require alternative calculations on line 10f (1). Such variations must be indicated in the "remarks" section of the worksheet.

Line 10f (2) Do not complete for loans to Veterans under & 203(b)(2)

*** Notes on Refinances:** The following instructions should be substituted on the appropriate line for refinance transactions.

Line 10a. Unpaid Principal Balance

Line 10b. (Repairs not allowable on streamline refinances.)

Line 10c. Add borrower's closing costs and discount point.

Line 10d. (Subtract MIP Refund, if appropriate)

Line 10f (1) Add Appraised Value and Closing Costs; then multiply by appropriate LTV Ratio (i.e., 97/95, 85% for cash-out refinances, etc.)

Line 10g. Mortgage (without UFMIP) Note: This may not exceed lowest of lines 10e, 10f (1) or 10f (2).