### APPENDIX 11

#### 203(K) Maximum Mortgage Worksheet

**U.S. Department of Housing and Urban Development**  
**Office of Housing**  
**Federal Housing Commissioner**

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**B. Rehabilitation and Other Allowable Costs**

1. Total Cost of Repairs (Line 38, HUD-9746-A) $  
2. Contingency Reserve or Racal Costs (___% of B1) $  
3. Inspection Fee (___ x $ ___ per inspection) + Title Update Fee (___ x $ ___ per draw) $  
4. Mortgage Payments Escrowed (___ months x $ ___) if vacant $  
5. Sub-Total for Rehabilitation Escrow Account (Total of B1 thru B4) $  
6. Architectural and Engineering Fees (Exhibits) $  
7. Independent Consultant Fees $  
8. Permits and Other Fees (Explain in Remarks) $  
9. Plan Reviewer Fees (including mileage, if applicable: ___ miles @ $ ___ per mile) $  
10. Sub-Total (Total of B5 thru B9) $  
11. Supplemental Origination Fee (greater of $350 or 1.5% of B10) $  
12. Discount Points on Repair Costs and Fees (B10 x ___%) $  
13. Sub-Total for Release at Closing (Total of B5 thru B9 + B11 and B12)** $  
14. Total Rehabilitation Cost (Total of B5 and B13) $

**C. Mortgage Calculation for Purchase Transactions**

(See note below)

1. Lesser of Sales Price (A1) or As-is Value (A2) $  
2. Total Rehabilitation Cost (B14) $  
3. Lesser of Sum of C1 + C2 (___) or 110% of After-Improved Value (A4) $  
4. Estimated Closing Costs (A5) $  
5. Maximum Mortgage Amount: Sum of C3 + C4 (___) x 85% (Investor) or 97.95% (Owner-Occupant) $

**D. Mortgage Calculation for Refinance Transactions**

(See note below)

1. Sum of Existing Debt (A1) + Rehabilitation Cost (B14) + Estimated Closing Costs (A5) $  
   - Discount on Refinance (___% of $ ___) ***  
2. Lesser of Sum of As-is Value (A2) + Rehabilitation Costs (B14) ($) or 110% of After-Improved Value (A4) $  
3. Estimated Closing Cost (A5) + Discount Points on Refinance (___% of $ ___) ***  
4. Sum of D3 + D4 ($) x 85% (Investor) or 97.95% (Owner-Occupant) $  
5. Maximum Mortgage Amount, Lesser of D1 or D4, not to exceed Statutory Amount $

**E. Mortgage Calculation for Escrow Commitment Procedure**

1. Maximum Mortgage Amount: After-Improved Value (A3) = Estimated Closing Costs (A5) $  
   - X 97.95% (Owner-Occupant Assumee)  
2. Enter the Value Established in C5 or D5 $  
3. Investors Required Escrow: E2 minus E1 ****

**Remarks:**

* If owned less than 1 year, use lesser of A2 or Original Acquisition Cost
** These Allowable Costs may be released at closing, provided paid receipts or contractual agreements requiring payment are obtained
*** Discount Points on Rehabilitation already included in B12 include Discount Points only on rehabilitation portion
**** Release when an acceptable owner-occupant assumes the mortgage

Preparer's Signature: [Name]  
Title: [Title]  
Date: [Date]

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**Note:** Complete Section C or D, as applicable.

ref: handbook 4240.4  
form HUD-82700 (11/81)

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**Form HUD 92700**