A. Proposed Construction Without BSPRA - applicable to 236 NP and cooperative projects.

The symbols used in this formula relate to the following expressions:

\[ X = \text{Replacement Cost} \]
\[ A = \text{Est. Market Price of Site} \]
\[ B = \text{Total of all known items except land value} \]
\[ C = \text{Total of all unknown items expressed as decimal fraction} \]
\[ L = \text{Value of Leased Fee} \]

Using the above symbols, determine replacement cost using the equation;

\[
X = \frac{A + B - CL}{1.0 - C}
\]

This is completed as follows:

1. Total of all known Items including land value. \((A + B)\) $__________
2. The value of the leased fee is multiplied by the total of all unknown items expressed as a decimal fraction. \((L \times C)\) $__________
3. Line 2 is subtracted from Line 1. $__________
4. The total of all unknown items expressed as a decimal fraction is subtracted from 1.0. \((1.0 - C)\) $__________
5. The dollar amount in Line 3 is divided by Line 4 to Indicate the Replacement Cost. $__________

Mortgage Amount = \(X - L\). The resulting mortgage estimate, rounded down to the even one hundred dollars, will be used in the completion of Section G of the 2264 (Section H of the 2264-B in the case of cooperatives) to calculate all cost estimates that are based upon a percentage of the expected mortgage.
B. Proposed Construction with BSPRA - applicable to 236 LD projects.

The symbols used in this formula relate to the following expressions:

\[ X = \text{Replacement Cost} \]
\[ A = \text{Est. Market Price of Site} \]
\[ B = \text{Total of all known items except land value} \]
\[ C = \text{Total of all unknown items expressed as decimal fraction} \]
\[ L = \text{Value of Leased Fee} \]

Using the above symbols, determine replacement cost using the equation:

\[ X = \frac{A + 1.1B - .99CL}{1.0 - .99C} \]

This is completed as follows:

1. Estimated market price of site (A) $__________
2. The total of all known items except land value is multiplied by 1.1 (B x 1.1) $__________
3. Sum of Line 1 and Line 2 $__________
4. The total of all unknown items expressed as a decimal fraction is multiplied by the value of the Leased Fee. The product of this multiplication is then multiplied by .99 (C x L x .99) $__________
5. Line 4 is subtracted from Line 3 $__________
6. The total of all unknown items expressed as a decimal fraction is multiplied by 0.99 (C x 0.99) $__________
7. Line 6 is subtracted from 1.0 $__________
8. The dollar amount in Line 5 is divided by the decimal fraction in Line 7 to indicate the Replacement Cost $__________

Mortgage Amount = .90 (X - L). The resulting mortgage estimate, rounded AM to the even one hundred dollars, will be used in the completion of Section G of the 2264 to calculate all cost estimates that are based upon a percentage of the expected mortgage.