

FORMAT ONLY - TO BE
REPRODUCED LOCALLY

MAXIMUM AMOUNT PERMITTED TO BE FINANCED THROUGH PROMISSORY NOTES
IN A REFINANCE TRANSACTION

A. When Cost to Refinance Controls:

- 1. Fair Market Value \$ _____
- 2. 85% of Value \$ _____
- 3. Cost to Refinance \$ _____
- 4. Maximum Mortgage Amount \$ _____
- 5. 7.5% of Fair Market Value \$ _____
- 6. 50% of the difference between the cost
to refinance and the mortgage amount \$ _____
- 7. Maximum Amount of Promissory Notes Permitted
(Lesser of 5 or 6 above.) \$ _____

B. When 70% of Value Controls:

- 1. Fair Market Value \$ _____
- 2. 85% of Value \$ _____
- 3. 70% of Value \$ _____
- 4. Cost to Refinance \$ _____
- 5. Maximum Mortgage Amount \$ _____
- 6. 7.5% of Fair Market Value \$ _____
- 7. 50% of the difference between the cost
to refinance and the mortgage amount \$ _____
- 8. Maximum Amount of Promissory Notes Permitted
(Lesser of 6 or 7 above.) \$ _____

C. When 85% of Value Controls:

- 1. Fair Market Value \$ _____
- 2. 85% of Value \$ _____
- 3. Cost to Refinance \$ _____
- 4. Maximum Mortgage Amount \$ _____
- 5. 7.5% of Fair Market Value \$ _____
- 6. 50% of the difference between the cost
to refinance and the mortgage amount \$ _____
- 7. Maximum Amount of Promissory Notes Permitted
(Lesser of 5 or 6 above.) \$ _____

NOTE: If the actual maximum insurable mortgage, determined at cost certification by the MCE, is less than that estimated at the time of firm commitment, the maximum allowable amount of promissory notes must be recomputed using the revised amounts.