

VERMONT HOUSING FINANCE AGENCY
FEDERAL ACT INCOME and ACQUISITION COST WORKSHEET
 Applies to VHFA Programs: MOVE, MOVE MCC, MCC and Advantage

Complete both sections of this worksheet to determine if the income of the borrower(s) and a non-borrowing spouse is within the Federal Act Income (FAI) limit (page 1) and the purchase price is within the Acquisition Cost (page 2) for the selected VHFA program.

Borrower: _____ **Co-Borrower/Non-Borrowing Spouse:** _____

Federal Act Income Worksheet (FAI): For each borrower and non-borrowing spouse the gross annual income from all sources must be disclosed and included in calculating income for program compliance. The chart below does **not** cover all circumstances. VHFA reserves the right to require additional information.

Complete all applicable areas and submit with supporting documentation

Type of Income	How to Calculate FAI	Required Documentation	Borrower	Co-Borrower or Non-Borrowing Spouse
Regular Salaried or Hourly Wage	Total current annual base salary or weekly base pay annualized or multiplied by 52 weeks.	<input type="checkbox"/> Most recent W-2 and 2 most recent paystubs <input type="checkbox"/> Verification of Employment <input type="checkbox"/> Most recent contract (for contracted field positions)		
Overtime, Commission, Tips or Differentials	Total amount paid for last 52 weeks. If with this employer less than 52 weeks use weekly average to date by 52 weeks.	<input type="checkbox"/> Two most recent paystubs <input type="checkbox"/> Verification of Employment		
Bonus or Profit Sharing	If earned once a year, include last bonus paid or if paid multiple times in a year, total bonuses paid over the last 52 weeks.	<input type="checkbox"/> Two most recent paystubs <input type="checkbox"/> Verification of Employment		
Self-Employed	Net profit over the last 52 weeks (<i>depreciation not included.</i>)	<input type="checkbox"/> Most recent 2 years of tax returns with all scheduled and YTD P&L if after March 31.		
Military	Include base pay, any reserve pay for the last 52 weeks and any non-taxable stipends such as quarters, rations, clothing, etc.	<input type="checkbox"/> Most recent leave and earnings statements		
Partnership Income	Total income and distributions reflected on last K-1.	<input type="checkbox"/> Most recent 2 years tax returns with all schedules <input type="checkbox"/> Most recent 2 years corporate tax returns with all schedules <input type="checkbox"/> Most recent K-1		
Social Security, Pension or Disability	Annualized amount received.	<input type="checkbox"/> Most recent award letters or VA Certificate of Eligibility, if available		
Income/Support from Separated Spouse	A. With court order-see VHFA Borrower Affidavit for Separated Spouse. Add the amount the borrower receives per the agreement. B. IF no court issued order, add spouse's gross income (spouse will be treated as a non-borrowing spouse)	A. Copy of the court-issued Separation Agreement and any amendments and Borrower Affidavit for Separated Spouse B. Spousal income verification		
Alimony and/or Child Support	Annualized base amount decreed in court documents.	<input type="checkbox"/> Most recent year filed Federal Tax Return with all schedules <input type="checkbox"/> Divorce Decree and/or Child Support Order		
Dividend, Interest and Capital Gains	Include amount reflected on most recently reported tax return. (<i>Note: If asset is being liquidated do not include. If assets are being partially liquidated reduce by % liquidated.</i>)	<input type="checkbox"/> Most recent filed Federal Tax Return with all schedules		
Stipends	Annualized amount based on most recent award letter.	<input type="checkbox"/> Most recent contract, paystub or award letter		
Unemployment	Include unemployment income when recurring (i.e., seasonal worker) and show total amount received for the last 52 weeks.	<input type="checkbox"/> Most recent 1099-G		
Public Assistance	Annualized amount based on most recent award letter.	<input type="checkbox"/> Most recent award letter		
Subject Property Rental Income	Duplex or Single-Family w/ADU add 75% of gross rent based on lease or market rent. If no rental history, VHFA will rely on https://www.rentdata.org/states/vermont/2023	<input type="checkbox"/> Appraisal or Lease		
Other Specify:		<input type="checkbox"/> Sufficient documentation to support the income		
Gross Annual Income:				
Total number of people in household:				
Based on applicable program, VHFA maximum income:				

Acquisition Cost Worksheet

Per Internal Revenue Service (IRS) requirements, all properties must be within the VHFA published Acquisition Cost Limit available in the Loan Origination Center. This worksheet is to assist in calculating the Acquisition Cost. **NOTE:** Changes at closing can reduce the acquisition cost (e.g., seller concessions, repair escrow funds paid to borrower).

Existing or Turn-Key Construction:

1. Amount to be paid to a seller for the purchase of a residential unit and land per a Purchase and Sale Agreement including turnkey. \$ _____
 2. **ADD** - Any amount to be paid for the benefit of the seller, for any purpose, by the purchaser or any other person (e.g., seller broker fees, seller moving costs, seller portion of pro-rated property tax). + \$ _____
 3. **ADD** – If the residence is "Incomplete, Unfinished" or requires improvements (see #1 below) amount to be paid to complete. "Sweat Equity" (see # 2 below) cannot be included. Appraised value must support the total cost. + \$ _____
 4. **LESS** - the fair market value of personal property under state law included purchase price per in the Purchase and Sales Agreement. The cost of personal property is not eligible for financing. Personal property must be identified in the Purchase and Sales Agreement or an amendment and assigned a value. - \$(_____)
 5. **LESS** – the amount of a concession or seller contribution that exceeds the amount of "Usual and Reasonable Closing Costs" (see #3 below). Pre-paid interest and pro-rations cannot be included in the eligible closing costs paid by the seller. Any amount paid to the buyer by the seller at closing outside of eligible closing costs reduce the Acquisition Cost and the eligible mortgage amount. - \$(_____)
- TOTAL A** \$ _____

New Construction Costs and Land Purchase (not turnkey):

1. Total cost for construction of a fully completed residential unit. "Sweat Equity" (see #2 below) cannot be included. \$ _____
 2. Amount paid for land purchased separately. NOTE: if the land was or is financed The full amount paid may NOT be eligible to be included but can be used as equity. The original financing must meet specific requirements to be included. See the Procedural Guide and/or the applicable affidavit. ALSO, the value of gifted Land might represent equity for the loan but cannot be included in the loan amount. + \$ _____
- TOTAL B** \$ _____

Housing Trust Shared Equity with Leased Land (only to determine Acquisition Cost not LTV)

1. Capitalized Value of land rent (see #4 below):
(Monthly land rent x 12) / (mortgage rate % less 1.125%) \$ _____

Either Total A or B	\$ _____
PLUS, Capitalized Value, if applicable	+ \$ _____
TOTAL ACQUISITION COST	\$ _____

- (1) "Incomplete, Unfinished" – means (a) occupancy is not permitted under state or local law, or (b) the residence lacks fixtures or architectural appointments normally included in the design or style of residence or is needed to provide adequate living space for family members who intend to occupy the property.
- (2) "Sweat Equity" – the unpaid cost of labor performed to construct or complete the residential unit by the purchaser or members of their family which includes: spouse, siblings (half or whole) purchaser's parents, children, or other ancestors or lineal descendants. **However**, the cost of materials and work performed by **subcontractors**, even if related to a purchaser, must be included in the acquisition cost.
- (3) "Usual and Reasonable Closing Costs" – Cannot exceed the usual and customary costs which would be paid by the homebuyer who did not benefit from a VHFA program
- (4) The "Capitalized Value" of the land rent is calculated as the present value of a perpetuity using the mortgage rate % allocated to the loan less 1.125% as the discount factor. This calculation is to determine whether the Acquisition Cost is within the VHFA limit. The maximum mortgage amount must be based on **Line A or B**.

LENDER CONTACT: Printed Name of Contact: _____

Email: _____

Ph#: _____