**VERMONT HOUSING FINANCE AGENCY**

**FEDERAL ACT INCOME and ACQUISITION COST WORKSHEET**

Borrower Name: Co-Borrower/Non-Borrowing Spouse:

Property Address: VHFA Loan Number:

**Lender-circle the selected VHFA program: MOVE MOVEMCC ADVANTAGE MCC (standalone)**

All VHFA programs, except ASSIST, have a maximum income (federal act income) and purchase price (acquisition cost). Complete this worksheet to help calculate and determine that the federal act income and acquisition cost are eligible for the selected program.

NOTE: Qualifying Income as accepted by the GSEs differs from VHFA federal act income. Federal act income is the income VHFA is required to use in determining borrower and non-borrowing spouse income for program compliance.

**Income Compliance – Federal Act Income**

All sources of income for each borrower, co-borrower and any non-borrowing spouse must be disclosed and included in the income calculation. The gross annual income must be within the maximum income for the selected program.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Income** | **How to Calculate** | **Borrower** | **Co-Borrower or**  **Non-Borrowing Spouse** | **Gross Annual Income** |
| Regular Salaried or Hourly Wage | Total current annual base salary or weekly base pay annualized or multiplied by 52 weeks. |  |  |  |
| Overtime, Commission, Tips or Differentials | Total amount paid over the last 52 weeks, or if with this employer for less than 52 weeks use the weekly average to date multiplied by 52 weeks. |  |  |  |
| Bonus or Profit Sharing | If earned once a year, include last bonus paid or if paid multiple times in a year, total of all bonuses paid over the last 52 weeks. |  |  |  |
| Self-Employed | Net profit over the last 52 weeks *(depreciation not included.)* |  |  |  |
| Military | Include base pay, any reserve pay for the last 52 weeks and any non-taxable stipends such as quarters, rations, clothing, etc. |  |  |  |
| Partnership Income | Total income and distributions reflected on last K-1. |  |  |  |
| VA Disability | Annualized amount received. |  |  |  |
| Social Security, Disability or Pension | Annualized amount received. |  |  |  |
| Alimony or Child Support | Annualized base amount decreed in court documents. |  |  |  |
| Dividend or Interest | Include amount reflected on most recent reported tax return. *(Note: If asset is being liquidated do not include. If asset is being partially liquidated reduce by % liquidated).* |  |  |  |
| Stipends | Annualized amount based on most recent award letter. |  |  |  |
| Unemployment | Include unemployment income when recurring (i.e. seasonal worker) and show total amount received for the last 52 weeks. |  |  |  |
| Public Assistance | Annualized amount based on most recent award letter. |  |  |  |
| Subject Property Rental Income | Include 75% of gross rent based on (a) market rent or (b) lease agreement. |  |  |  |
| Other | Annualized amount received. |  |  |  |
|  | | | | |
| **Gross Annual Income:** | | | |  |
| **Total number of people in household**: | | | |  |
| **Based on applicable program, VHFA maximum income**: | | | |  |

**Acquisition Cost**

Complete this section to determine the Acquisition Cost, the total cost to acquire the property as a completed residence.

|  |  |  |
| --- | --- | --- |
| **Type of Value** | **How to Calculate** | **Value** |
| Purchase Price | Purchase price reflected on the purchase and sale agreement (or addenda). | + |
| Repair/Improvement | Add any acceptable, suitable, and reasonable improvements that will be made by the borrower to the property and are not factored into the purchase price. *(Maximum of $15,000 may be financed).* | + |
| Purchased or Gifted Land | Purchased: Amount paid for land not included above.  Gifted Land: Current value of land. Amount must be supported by an appraisal. | + |
| Personal Property | Subtract value of any personal property included in the sale (i.e. lawn tractor, above ground pool, any non-standard item that will convey with the sale above what is considered normal and customary). | - |
| **Acquisition Cost:** | |  |
|  | | |
| Community Land Trust (Leasehold) | For properties with a CLT Ground Lease fee, the land rent is calculated as the present value using the mortgage rate as the discount factor. **Do not use this this amount to calculate LTV.**  **Calculation**: Multiply the full monthly land rent by 12, then divide by the VHFA interest rate for this loan. | + |
|  | | |
| **Based on applicable program, must be within VHFA purchase price limit:** | |  |

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**Supporting Income Documentation**

When a file is submitted to VHFA for a pre-closing compliance review, income documents are required to support the income calculations reflected on the prior page. The following outlines the standard income documents required to verify each type of income for all borrowers, co-borrowers and non-borrowing spouses reflected on the previous page. VHFA reserves the right to request additional documents.

|  |  |
| --- | --- |
| **Type of Income** | **Minimum Documentation Required by VHFA** |
| Regular Salaried or Hourly Wage | * Most recent W-2 * 2 most recent paystubs * Verification of Employment * Most recent contract (for contracted field positions) |
| Self-Employed | * Most recent 2 years tax returns with all schedules * YTD P&L after March 31 |
| Military | * Most recent leave and earnings statements |
| Partnership/Corporate  Income | * Most recent 2 years tax returns with all schedules * Most recent K-1 * Most recent 2 years corporate tax returns with all schedules |
| VA Disability | * Certificate of Eligibility (if underlying product is VA) * Award letter or most recent bank statement with VA auto deposit (if underlying product is conventional, RD or FHA) |
| Social Security, Disability or Pension | * Most recent award letter |
| Alimony or Child Support | * Most recent year filed Federal Tax Return with all schedules * Divorce Decree * Child Support Order |
| Dividend or Interest | * Most recent year filed Federal Tax Return with all schedules |
| Stipends | * Most recent contract, paystub, or award letter |
| Unemployment | * Most recent 1099-G |
| Public Assistance | * Most recent award letter |
| Subject Property Rental Income | * Appraisal or Lease |
| Other | * Documentation supporting the income |

Lender Comments: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**LENDER VERIFICATION:**

Lender Authorized Signer -Signature Title

Printed Name

Date

Lending Institution