

# Home 1<sup>st</sup> Mortgage- Construction Cost Analysis Worksheet

*This form is designed to analyze the cost vs. value of residential construction.*

## 1. COST ANALYSIS

### Land:

Does the borrower currently own the subject property?

If so, the current pay off on the subject property is \$\_\_\_\_\_ (a)

**OR**

Is the borrower purchasing the subject property as a part of the construction loan?

If so, the purchase price is \$\_\_\_\_\_ (b)

### Construction Cost:

Builder's construction contract to build is \$\_\_\_\_\_ (c)

Are closing costs included in the builder's contract cost? \_\_\_\_\_

If *No*, estimated closing costs are \_\_\_\_\_ (d)

### COST BASIS:

(a) **OR** (b) + (c) + (d) = \$\_\_\_\_\_ (e)

## 2. VALUE ANALYSIS

Appraised value \$\_\_\_\_\_ (f)

*Note: This is the "as completed" value assigned by the appraisal.*

## 3. CONSTRUCTION LOAN TO VALUE

90% (80% on investment) of the appraised value (f) \$\_\_\_\_\_ (g)

*Note: Due to loan size and property type of construction loan, 90% LTV may not be guaranteed on all construction loans*

## 4. MAXIMUM CONSTRUCTION LOAN AVAILABLE

The maximum construction loan will be the **LOWER** of (e) **OR** (g) \_\_\_\_\_

Construction Loan Requested \$\_\_\_\_\_