



Residual Income Worksheet

A. LOAN DATA

- 1. Loan Number _____
- 2. Borrower Name _____
- 3. Total Loan Amount _____
- 4. Total Exceptions (Total Household Size) _____

B. INCOME

	Borrower	Co-Borrower
5. Taxable Gross Monthly Income	_____	_____
6. Federal Deduction	_____	_____
7. State Deduction	_____	_____
8. Social Security Deduction	_____	_____
9. Medicare Deduction	_____	_____
10. Other Deductions	_____	_____
11. Non Taxable Income	_____	_____
12. Sub Total Income	\$ _____	\$ _____
13. Total Net Income		\$ _____

C. ESTIMATED MONTHLY SHELTER EXPENSES FOR SUBJECT PROPERTY

- 14. Mortgage Payment (Principal & Interest) _____
- 15. Hazard Insurance _____
- 16. Property Taxes _____
- 17. Maintenance and Utilities (\$0.14 /square foot) _____
- 18. Other (HOA, Condo Fees etc.) _____
- 19. Total Housing** _____ \$ _____

D. DEBTS AND OBLIGATIONS

	Monthly Payment
20. Total non-real estate debt (including child support and alimony)	_____
21. Total real estate debt (other than subject property)	_____
22. SubTotal Debts	\$ _____
23. Total Debts (Subtotal Debts + Total Housing)	\$ _____

E. RESIDUAL INCOME RESULTS

- 24. Required Residential Income (See Residual Income by Region for details) _____
- 25. Actual Residential Income (Total income – Total debts) _____ \$ _____
- 26. Pass/Fail** _____

F. ACKNOWLEDGEMENT

Name	Title	Date
------	-------	------

Residual Income Worksheet

INSTRUCTIONS FOR COMPLETING RESIDUAL INCOME WORKSHEET

SECTIONS A. GENERAL LOAN INFORMATION

Enter loan data and borrower information.

SECTION B. MONTHLY INCOME

Item	Special Instructions
5	Enter the applicant's monthly taxable qualifying income (minus any unreimbursed expenses.)
6 -10	Enter deductions (can be found on paystub or various websites)
11	Enter non-taxed income. (Do not gross up)
12	Sub Total net income for each borrower (Gross Income minus deductions plus non taxable income)
13	Total Net income (Total net income for both borrowers)

SECTION C. ESTIMATED MONTHLY SHELTER EXPENSES FOR SUBJECT PROPERTY

Item	Special Instructions
14	Enter P&I
15	Enter insurance (Include the flood insurance premium for properties located in special flood hazard areas)
16	If taxes are expected to increase, use the increased amount
17	Calculate maintenance and utility costs using 14¢ per square foot. Example: A 1500 square foot home would have a combined maintenance and utility cost of \$210 (1500sq X .14)
18	For condominiums or houses in a Planned Unit Development (PUD), include the monthly amount of maintenance assessment payable to the homeowner's association
19	Calculate total subject housing payment (add lines 14 through 18)

SECTION D. DEBTS AND OBLIGATIONS

Item	Special Instructions
20	Total of all known non-real estate related debts and obligations of the applicants, including any alimony and/or child support payments. (For VA loans include child care payments.)
21	Include Real Estate related debts excluding subject property (second homes, investment properties etc.)
22	Subtotal Debts (add lines 20 and 21)
23	Total Debts including subject (add lines 19 and 22)

SECTION E – RESIDUAL INCOME RESULTS

Item	Special Instructions
24	Required Residential Income (See Residual Income by Region table for details)
25	Actual Residential Income (lines 13-23)
26	If Required is greater than Actual, enter Fail If Required is less than Actual, enter Pass

BALANCE AVAILABLE FOR FAMILY SUPPORT

Enter the appropriate residual income amount from the following tables in the *Guideline* field. Residual income is the amount of net income remaining (after deduction of debts, obligations and monthly shelter expenses) to cover family living expenses such as food, health care, clothing, and gasoline.

Residual Income Worksheet

SPECIAL INSTRUCTIONS FOR USING TABLES

Count all members of the household (without regard to the nature of the relationship) when determining “family size” including but not limited to:

- An applicant’s spouse who is not joining in title or on the note, and
- Any other individuals who depend on the applicant for support. For example, children from a spouse’s prior marriage who are not the applicant’s legal dependents

EXCEPTION

The lender may omit any individuals from “family size” who are fully supported from a source of verified income which, for whatever reason, is not included in effective income in the loan analysis. For example:

- A spouse not obligated on the note who has stable and reliable income sufficient to support his or her living expenses, or
- A child for whom sufficient foster care payments or child support is received regularly

A key to the geographic regions is listed in the following tables:

Residual Income by Region								
Loan Amounts \$79,999 and less					Loan Amounts \$80,000 and greater			
Family Size	Northeast	Midwest	South	West	Northeast	Midwest	South	West
1	\$390	\$382	\$382	\$425	\$450	\$441	\$441	\$491
2	\$654	\$641	\$641	\$713	\$755	\$738	\$738	\$823
3	\$788	\$772	\$772	\$859	\$909	\$889	\$889	\$990
4	\$888	\$868	\$868	\$967	\$1,025	\$1,003	\$1,003	\$1,117
5	\$921	\$902	\$902	\$1,004	\$1,062	\$1,039	\$1,039	\$1,158
>5	Add \$75 for each additional member up to a family of seven				Add \$80 for each additional member up to a family of seven			

Regional State Breakdown				
Northeast	Connecticut Maine Massachusetts	New Hampshire New Jersey	Pennsylvania New York	Rhode Island Vermont
Midwest	Illinois Indiana Iowa	Kansas Michigan Minnesota	Missouri Nebraska North Dakota	Ohio South Dakota Wisconsin
South	Alabama Arkansas Delaware District of Columbia Florida	Georgia Kentucky Louisiana Maryland Mississippi	North Carolina Oklahoma South Carolina Tennessee	Texas Virginia West Virginia U.S. Virgin Islands
West	Alaska Arizona California Colorado	Hawaii Idaho Montana	Nevada New Mexico Oregon	Utah Washington Wyoming