



Income Calculation Worksheet

Compliance Income: Income of the borrower AND any person who is expected to OCCUPY the subject property, including any household member who is 18 years old (accept a full-time student), even if they will not be secondarily liable the mortgage.

Annual Compliance Income	Borrower	Co-Borrower	Other Household Members
Annual Base Income			
Self-Employed			
Overtime			
Bonus			
Commission			
Part-Time			
Interest			
Dividend			
Child Support/Alimony			
Social Security			
Other			
Total			

Annual Gross Base Income: Multiply hourly, weekly, monthly rate by the appropriate factor to project annual gross base income. Base pay from employment should agree with that shown on a recent pay stub.

Self-Employed Income: Average the reported net income for the previous two years and year-to-date. Year-to-date earnings must be taken from a current year-to-date P&L statement. Depreciation shown on Schedule C must be added back in as income when determining net income.

Bonus and Overtime Income: Average past year and year-to-date to project overtime income. If not employed full-time for twelve months during the past year, average using the applicable number of months.

Commission Income: Average past year and year-to-date to project commission income. If not employed for a full twelve-month period during the past year, average using the applicable number of months.

Part-Time Income: Multiply hourly, weekly, monthly rate by the appropriate factor to project annual gross base part-time income. Base pay from part-time employment should agree with that shown on a recent pay stub.

Note: Income from the above categories should agree with that shown on the pay stub. All discrepancies must be explained.

Interest & Dividend Income: Average past year and year-to-date using the latest tax return and a year-to-date bank statement.

Child Support: Project the amount verified in the divorce decree or legal recorded separation agreement.

Social Security: Annualize gross benefits based on the benefit letter from the Social Security Administration. Social Security benefits include payments received by adults on behalf of minors or by minors for their own support.

Other Income: Annualize gross benefits based on appropriate documentation from the appropriate representative of the source.

Examples of Other Income To Be Included Are: Annuities, auto allowance, disability or death benefits, dividends, education benefits used for subsistence fees, trusts, inheritances, insurance policies, net rental income, pensions, public assistance, recurring monetary contributions or gifts regularly received from persons not living in the unit, royalties, severance pay, sick pay, special pay and allowances of a member of the armed forces (excluding hazardous duty pay), tips, unemployment compensation, veterans administration (VA) compensation and workers compensation, income received from business activities or investments.