

NET RECOVERY VALUE WORKSHEET

I. BACKGROUND	
(1) Loan Number:	(2) Borrower Name:
(3) Proposed Liquidation Option:	RD Foreclosure
(4) RD Foreclosure Sale Date:	
(5) Estimated Holding Period (in months):	0
II. CALCULATION OF NET RECOVERY VALUE	
(6) Market Value (use current "as is" appraisal) or discounted value	
(7) Deductions from Market Value	
A. Prior Liens	
B. Selling expenses to be paid by the Agency	
C. Holding Costs, Daily Interest Accrual	0 \$0
D. Administrative Costs	
E. Management Costs PLUS one full year taxes	\$0
F. Lead-Based Paint Testing/Inspection	\$0
G. Total deductions (sum of items 7A through 7F)	\$0
(8) NET RECOVERY VALUE	\$0
(9) RHS Loan Payoff	\$0
The Minimum Bid Amount is the lesser of 8 or 9, this field will automatically calculate	
	\$0

- (1) Loan Number: (2) Borrowers Name (3) Automatically filled in
- (4) RD Foreclosure Sale Date
- (5) Estimated Holding Period (in months). To calculate holding period determine marketing time for area (variable) and add 3 months (2 months to prepare property for listing and 1 month to close).
- (6) Market Value is determined by the following factors:
- * If non program and holding period is 5 months or less use 100% of as is appraised value
 - * If non program and holding period is 6 months use 90% of as is appraised value
 - * If non program and holding period is greater than 6 months use 80% of as is appraised value
 - * If program property and holding period is 6 months or less use 100% of as is appraised value
 - * If program property and holding period is 7-8 months use 90% of as is appraised value
 - * If program property and holding time is greater than 8 months use 80% of as is appraised value
- (7) Deductions are based on the following items:
- A. Prior Liens (include past due taxes, assesments etc.)
 - B. If using an Exclusive Broker, use actual commission percentage plus 1% of the market value, for all others use 8% of market value
 - C. Holding Costs equals holding period in days, multiplied by daily interest accrual. This cell will automatically calculate based on the input of the daily interest accrual (daily interest accrual is stated on the Customer Loan Screen)
 - D. Administrative Costs are the cost of RD foreclosure Trustee Services fees.
 - E. Management Costs; Includes cost of cleaning, (if Meth Lab is involved you may consider \$7,500 for clean up), plus additional costs for securing and maintaining the property during the holding period. These include such things as; utilities, homeowner association dues (if applicable) other assessments, towing vehicles, and yard maintenance, etc. plus one year (at full rate) property taxes.
 - F. For costs on a home built between 1960 and 1978, use \$1,000 (cost of lead paint test and inspection). For a pre 1960 built home, use \$8,500 (\$1,000. testing and \$7,500 abatement). For a house built after 1978 no cost is entered
 - G. Automatically calculates
- (8) Automatically calculates
- (9) Obtain RHS payoff from CSC and insert figure here.