Borrower(s) Name(s)

Loan Number

Enact^{SM}

Calculator and Quick Reference Guide: Rental Income

Please use the following calculator and quick reference guide to assist in calculating rental income from IRS Form 1040 Schedule E. It provides suggested guidance only and does not replace Fannie Mae or Freddie Mac instructions or applicable guidelines. This method should not be used when calculating rental income on a borrower's primary residence. Check applicable guidelines when rental income is declining year to year. Please check with your own legal advisors for interpretations of legal and compliance principles applicable to your business.

Property 1

Calculator Usage Note: Click Green Buttons to Divide for Monthly Totals

Rental Income Calculation		2020	2019	NOTES
1 Gross Rents (Line 3)				*Check applicable guidelines if not using 12 months.
2 Expenses (Line 20)	−			
3 Depreciation (Line 18)	+			
4 Amortization/Casualty Loss/Nonrecurring Expenses (Line 19)	+			**Net rental losses are typically included with liabilities when calculating the debt ratio.
5 Insurance (Line 9)	+			
6 Mortgage Interest (Line 12)	+			
7 Taxes (Line 16)	+			
8 Other: (HOA if Applicable)	+			
9 Annual Rental Income/Loss	=			

10 Number of Months Considered (Line 2)*	/			
11 Monthly Income/Loss	=			
12 Monthly Mortgage Payment (Verified)	−			
13 Monthly Net Rental Income/Loss**	=			

Property 2

Rental Income Calculation		2020	2019	NOTES
1 Gross Rents (Line 3)				*Check applicable guidelines if not using 12 months.
2 Expenses (Line 20)	−			
3 Depreciation (Line 18)	+			
4 Amortization/Casualty Loss/Nonrecurring Expenses (Line 19)	+			**Net rental losses are typically included with liabilities when calculating the debt ratio.
5 Insurance (Line 9)	+			
6 Mortgage Interest (Line 12)	+			
7 Taxes (Line 16)	+			
8 Other: (HOA if Applicable)	+			
9 Annual Rental Income/Loss	=			

10 Number of Months Considered (Line 2)*	/			
11 Monthly Income/Loss	=			
12 Monthly Mortgage Payment (Verified)	−			
13 Monthly Net Rental Income/Loss**	=			

This calculator can be found at https://EnactMI.com/self-employed-borrower-calculators

Property 3

Rental Income Calculation		2020	2019	NOTES
1	Gross Rents (Line 3)			
2	Expenses (Line 20) −			*Check applicable guidelines if not using 12 months.
3	Depreciation (Line 18) +			
4	Amortization/Casualty Loss/Nonrecurring Expenses (Line 19) +			**Net rental losses are typically included with liabilities when calculating the debt ratio.
5	Insurance (Line 9) +			
6	Mortgage Interest (Line 12) +			
7	Taxes (Line 16) +			
8	Other: (HOA if Applicable) +			
9	**Annual Rental Income/Loss** =			

10	Number of Months Considered (Line 2)* /			
11	Monthly Income/Loss =			
12	Monthly Mortgage Payment (Verified) −			
13	Monthly Net Rental Income/Loss** =			

Property 4

Rental Income Calculation		2020	2019	NOTES
1	Gross Rents (Line 3)			
2	Expenses (Line 20) −			*Check applicable guidelines if not using 12 months.
3	Depreciation (Line 18) +			
4	Amortization/Casualty Loss/Nonrecurring Expenses (Line 19) +			**Net rental losses are typically included with liabilities when calculating the debt ratio.
5	Insurance (Line 9) +			
6	Mortgage Interest (Line 12) +			
7	Taxes (Line 16) +			
8	Other: (HOA if Applicable) +			
9	**Annual Rental Income/Loss** =			

10	Number of Months Considered (Line 2)* /			
11	Monthly Income/Loss =			
12	Monthly Mortgage Payment (Verified) −			
13	Monthly Net Rental Income/Loss** =			
	Net Rental Income/Loss for All Properties Listed			

Learn More About Training Opportunities

Enact Mortgage Insurance offers a comprehensive suite of training opportunities to boost your know–how, benefit your bottom line and serve your borrowers better. View all of our course offerings at EnactMI.com/course-catalog

Contact the Enact ActionCenter® at 800–444–5664 Monday through Friday from 8:00 a.m. to 8:00 p.m. ET if you have any questions.

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