

chfa schools to home[sm]

Financial obligation calculation

total financial obligation

CHFA DPA Second Mortgage Loan

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Shared Appreciation

chfa schools to home^{sm}

- Fixed interest rate first mortgage loan for full-time Public School Employees
- Down payment assistance (DPA): CHFA DPA Second Mortgage Loan up to 25% **of the First Mortgage Loan Amount**
  - Example: $350,000 (CHFA First Mortgage Loan) x 25% = $87,500
- Shared appreciation component: borrower shares appreciation gained with PSPF at the time of repayment



CHFA Schools To Home cannot be combined with any other program.

what does shared appreciation mean?

The increase in the home's value is shared between the homeowner and PSPF to provide continuous program availability for future homebuyers.

To calculate Shared Appreciation:

1. Determine appreciation:
   - Subtract the original purchase price from the contract sales price at time of sale
2. Determine percentage of appreciation
   - Divide the original CHFA DPA Second Mortgage Loan amount by the original purchase price
3. Determine Shared Appreciation Owed
   - Multiple (1) appreciation amount by the (2) calculated percentage of appreciation



The appraised or fair market value is used in the event of a refinance, payoff of the CHFA First or DPA Second Mortgage Loan, or other maturity event.

calculating shared appreciation

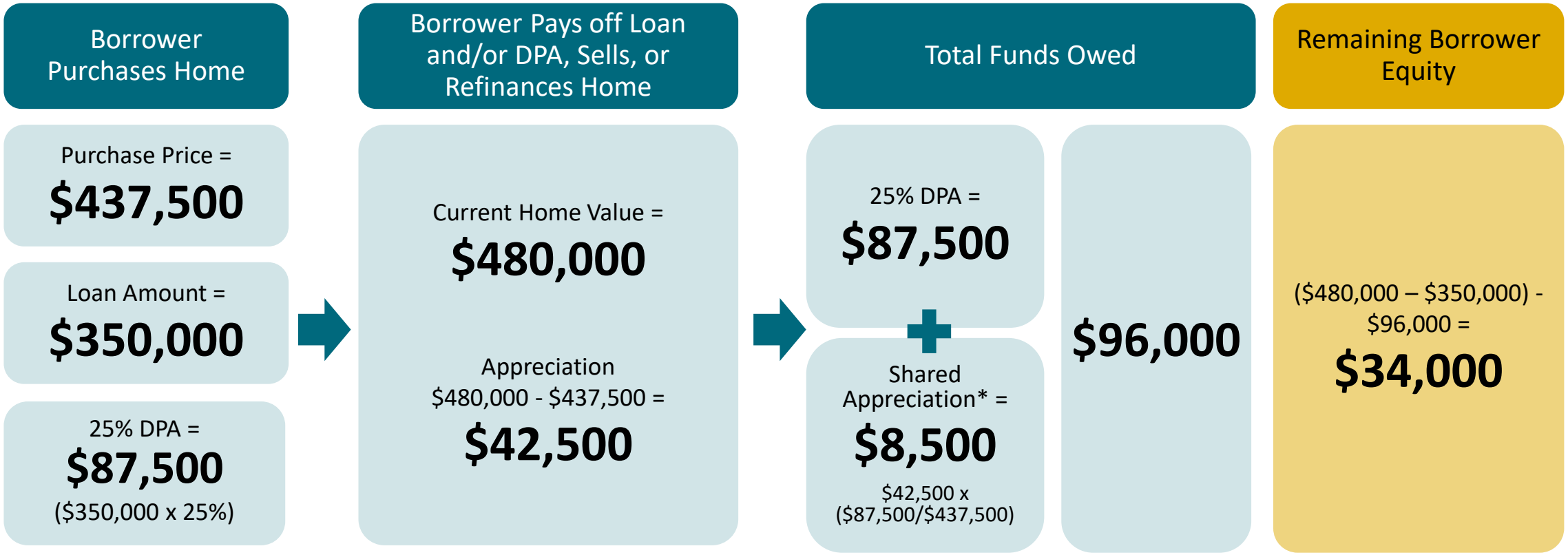
Purchase Price	CHFA First and DPA Second Mortgage Loan Amounts	Percentage of Appreciation*	Appreciation	Shared Appreciation Owed
$437,500	CHFA First Mortgage Loan = **$350,000** CHFA DPA Second Mortgage Loan = **$87,500**	($87,500 ÷ $437,500) x 100 = **20%**	$480,000 - $437,500 = **$42,500**	$42,500 x 20% = **$8,500**

For illustrative purposes only. Appreciation is not guaranteed and any negative appreciation will be considered 0% appreciation.

*Percentage of appreciation is calculated by dividing the original CHFA DPA Second Mortgage Loan amount by the original purchase price.

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total payment example



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additional total payment examples

Purchase Price	CHFA First Mortgage Loan Amount	Percent of DPA	CHFA DPA Second Mortgage Loan Amount	Home Value at Time of Payoff, Sale, or Refinance	Amount of Appreciation	DPA Owed	Shared Appreciation Owed	Total Owed	Remaining Borrower Equity
$437,500	$350,000	25%	$87,500	$480,000	$42,500 ($480,000 - $437,500)	$87,500	$8,500 (20%* x $42,500)	**$96,000**	**$34,000**
$437,500	$350,000	15%	$52,500	$500,000	$62,500 ($500,000 - $437,500)	$52,500	$7,500 (12%* x $62,500)	**$60,000**	**$90,000**
$437,500	$350,000	20%	$70,000	$437,500	$0 ($437,500 - $437,500)	$70,000	$0 (16%* x $0)	**$70,000**	**$17,500**
$437,500	$350,000	25%	$87,500	$425,000	-$12,500 ($425,000 - $437,500)	$87,500	$0 (20%*x $0)	**$87,500**	**$-12,500**

For illustrative purposes only. Appreciation is not guaranteed and any negative appreciation will be considered 0% appreciation.

*Percentage of appreciation is calculated by dividing the original CHFA DPA Second Mortgage Loan amount by the original purchase price.

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