

Shared Appreciation Example

City's Share

City Loan		\$ 50,000
Original Purchase Price		<u>\$250,000</u>
	City's Share: (\$50,000/\$250,000)	20%

Acquisition Rehab Example

City Loan		\$ 50,000
Original Contract Purchase Price on HUD line 101		\$200,000
Rehab amount held by bank on HUD line 104 (repairs)		<u>\$ 50,000</u>
	City's Share: (\$50,000/\$250,000)	20%

City's Appreciation Share

Sales Price or Appraised Value of Property (in the future)		\$350,000
Less Original Purchase Price		<u>(\$250,000)</u>
Appreciation		\$100,000
Less HUD1 Settlement Costs at the time of sale		(\$ 28,000)
Net Appreciation		\$ 72,000
City's Percentage Share		<u>× 20%</u>
	City's Appreciation Share	\$ 14,400

Repayment Prior to the Due Date

Unpaid principal under note		\$50,000
City's Appreciation Share		<u>+ \$14,400</u>
	Total amount due	\$ 64,400