KHC Kentucky Housing Corporation

Investing in quality housing solutions.

SHARED APPRECIATION MORTGAGE

KHC's Shared Appreciation Mortgage (SAM) offers down payment assistance in exchange for a percentage of the home's future increase in value (appreciation).

Is SAM Right For You?

Path to homeownership. Borrow up to 25% of the home's price or appraised value to cover down payment and closing cost.

Lower monthly payments. A larger down payment can reduce your monthly mortgage bill and may eliminate the need to purchase private mortgage insurance (PMI).

No appreciation = no equity share. If your home doesn't increase in value, there isn't appreciation to share. You repay only the original SAM principal loan and your first mortgage.

Share future equity. Repay the SAM loan plus a set portion of your home's appreciation in a lump sum when you sell, refinance, pay off your first mortgage, or another maturity event occurs.

Home values can decline. If you sell at a loss, you still owe the full SAM principal even if the proceeds of the sale are not enough to pay off the first mortgage and the SAM Loan.

Limited eligibility. Available only for new construction, first-time homebuyers, and borrowers who meet requirements.

SEE REVERSE FOR MORE

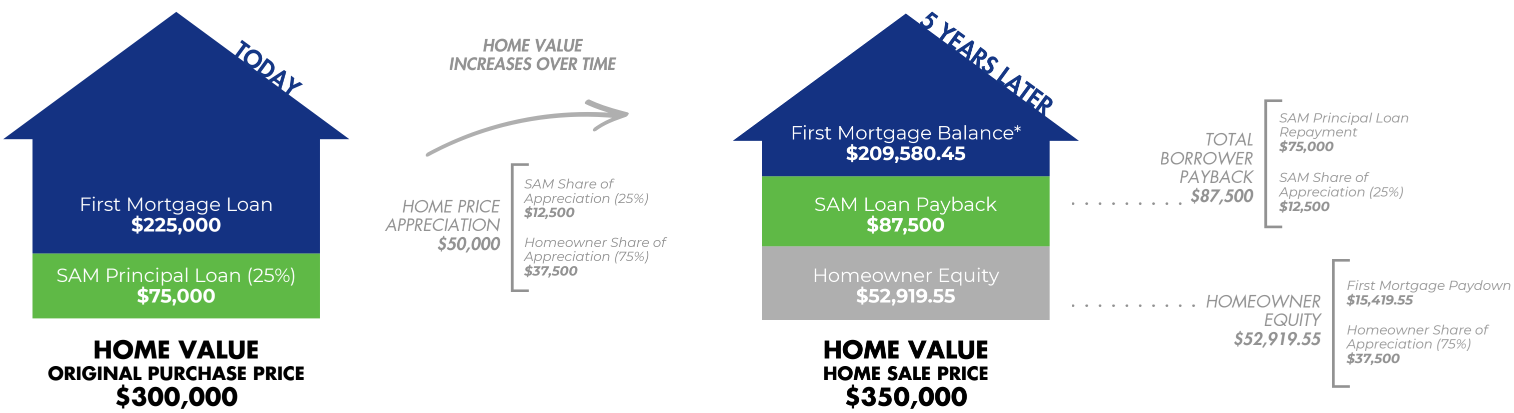
How SAM Stacks Up

Based on $250,000 purchase price, 660 credit score. Taxes & Insurance excluded.

Terms	Conventional HFA 1st SAM 2nd - 20% Down Plus Closing Costs	Conventional HFA 1st 3% Down/Charter MI $12,500 DPA	FHA MRB Funding 3.5% Down $12,500 DPA
Interest Rate	6.625%	6.625%	5.75%
Base Loan Amount	$200,000	$242,500	$241,250
MI Upfront Premium	N/A	N/A	$4,222
Total Loan Amount	$200,000	$242,500	$245,472
Principal/Interest	$1,280.62	$1,552.75	$1,432.51
Monthly MI	N/A	$239.58	$110.57
1st Mortgage Payment *(P/I/MI)*	$1,280.62	$1,792.33	$1,543.08
2nd Mortgage Payment	Deferred	$97.23	$97.23
Total Monthly Payment *(1st & 2nd Mortgage)*	$1,280.62	$1,889.56	$1,640.31

SAM In Action

In this maturity event scenario, the homeowner sells the home in 5 years. Example only.
**estimate is based on a 6% first mortgage interest rate.*



www.kyhousing.org

Get started by visiting our website to review requirements, take the homebuyer education course, and find a SAM-approved lender.

For new construction only. Income limits and other eligibility requirements apply.

(502) 564-7630 | www.kyhousing.org

We invest in quality housing solutions for families and communities across Kentucky.