

Shared Equity example:

(For illustrative purposes only, no implied guarantees of actual market appreciation are made)

At Purchase:

\$180,000 original value of condo
- \$70,000 ARCH investment
\$110,000 original purchase price

10 Years later At Resale:

\$245,000 New value
-\$180,000 Original value
\$ 65,000 Market appreciation
x 25% Your share of equity
\$ 16,250

Your Equity:

\$110,000 Original purchase price
+\$16,250 25% of total appreciation
\$126,250 Selling price to ARCH

-\$ 91,432 What you owe the bank

\$ 34,818 Your equity (appreciation plus principal reduction after 10 years)

Example Assumptions: loan of 100%, no down payment. Interest rate 5.75%, 30 year loan with pmts of \$641.93/monthly for ten years

(This is just an example. You cannot assume a property will always appreciate. The amount of principal you owe on your mortgage depends on how long you have owned the property, your interest rate and whether or not you make any extra principal payments.) Closing transaction costs are not included.