



# CHT RESALE SCENARIO

At the time of resale, the home price will be what the current CHT Homeowner paid initially + 25% of the home appreciation (the other 75% appreciation stays with the home to keep it affordable) + 2% fees. The appreciation (increase in value) received upon resale is based on the "fair market value" not the price the CHT homeowner paid when the home was purchased. Therefore, the unit remains affordable for the next homebuyer, and the existing CHT homeowner can walk away with 25% of the home appreciation + the principal paid from mortgage payments (equity).

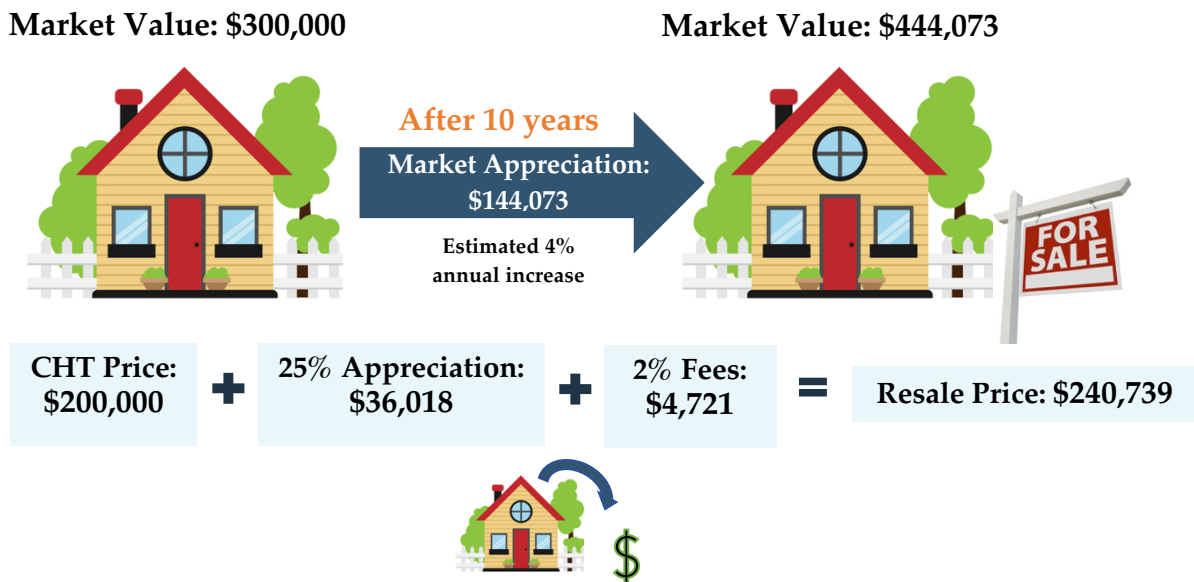
To understand how the resale formula works, take a look at the following information, some of which will be used in the calculation and example below:

**A 900 SQ. FT. 2 BED/1 BATH ROW-HOUSE THAT THE OWNERS ARE SELLING AFTER 10 YEARS.**

(Home appraisal value, annual appreciation % and resale home price may be different based on the time of resale)

- At time of initial purchase:
  - Original Purchase Market Value: **\$300,000**
  - CHT Homebuyer Price: **\$200,000**
- At time of resale after 10 years
  - Estimate of 4% Annual Appreciation (% may be different based on the home market value at time of resale)
  - New Market Value Appraisal at Resale: **\$444,073**
- Appreciation:
  - Market Value at Resale (**\$444,073**) – Market Value at Purchase (**\$300,000**) = Total appreciation **\$144,073**
  - CHT Limited Appreciation (25%): **\$36,018**
- Total Principle Paid from Mortgage Payments: **\$47,241**

The formula below adds the CHT Homebuyer Price, 25% of Appreciation, and 2% fees to calculate the Resale Price.



To calculate what the CHT homeowner walks away with, add the Principle Paid and 25% of Appreciation.

