

10-YEAR ANNIVERSARY OF BLUEHUB SUN

# How SUN Benefits Borrowers

BlueHub SUN acquires foreclosed properties before residents are evicted and resells these homes back to the homeowner with a new, 30-year fixed-rate mortgage they can afford. Here's how the SUN program worked for an actual borrower in Massachusetts; like the other borrower examples, this case fits within the typical range of experiences for SUN borrowers.

## Example 1

### THE STORY

In the summer of 2012, the borrowers (who we'll call the Smiths to protect their privacy) had a mortgage outstanding on their house for \$274,000. The Smiths were behind on their payments and they were facing foreclosure. Through SUN, the Smiths were able to repurchase their home with a new mortgage for \$177,000.

Old Mortgage Amount:

**\$274,000**

Old Monthly Payment:

**\$2,490**

New SUN Mortgage Amount:

**\$177,000**

New SUN Monthly Payment:

**\$1,520**

### THE RESULTS

The Smiths lowered their monthly payment amount by \$970, saving up to \$11,640 per year.

A little more than six years later, the Smiths' home had appreciated in value, and was worth \$280,000. The Smiths were able to pay off their SUN mortgage.

Amount of appreciated equity in the home at time of payoff, had the Smiths been able to pay their mortgage **without SUN**:

**\$6,000**

The Smiths' share of the appreciated equity in the home at time of payoff **with SUN**:

**\$59,000\***

### BLUEHUB SUN'S TOTAL BENEFITS

Over six years, the Smiths saved about \$70,000 in monthly payments with SUN and received an additional \$53,000 in appreciated equity in their house, creating **a total benefit to them of as much as**

**\$123,000**

\*Borrowers earn a share of any home appreciation that occurs after they take out a mortgage with SUN. SUN limits the borrower's share of eventual home appreciation to approximately the principal balance of the new SUN mortgage divided by the outstanding principal balance of the older mortgage. To learn more about how SUN works, visit [bluehubcapital.org/programs-services/bluehub-sun](http://bluehubcapital.org/programs-services/bluehub-sun)

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# How SUN Benefits Borrowers

## Example 2

### THE STORY

At the end of 2012, the borrower (who we'll call Janet Doe to protect her privacy) had a mortgage outstanding on her home for \$290,000. Janet was behind on her payments and she was facing foreclosure.

Through SUN, Janet was able to repurchase her home with a new mortgage for \$201,000.

### THE RESULTS

Janet lowered her monthly payment amount by \$1,075, saving up to \$12,900 per year.

Four years later, Janet's home had appreciated in value, and was worth \$320,000. Janet was able to pay off her SUN mortgage.

### BLUEHUB SUN'S TOTAL BENEFITS

BlueHub SUN acquires foreclosed properties before residents are evicted and resells these homes back to the homeowner with a new, 30-year fixed-rate mortgage they can afford. Here's how the SUN program worked for an actual borrower in Massachusetts; like the other borrower examples, this case fits within the typical range of experiences for SUN borrowers.

Old Mortgage Amount:

**\$290,000**

Old Monthly Payment:

**\$2,827**

New SUN Mortgage Amount:

**\$201,000**

New SUN Monthly Payment:

**\$1,752**

Amount of appreciated equity in the home at time of payoff, had Janet been able to pay her mortgage without SUN:

**\$30,000**

Janet's share of the appreciated equity in the home at time of payoff with SUN:

**\$73,000\***

Over four years, Janet saved about \$51,600 in monthly payments with SUN and received an additional \$43,000 in appreciated equity in her house, creating **a total benefit to her of as much as**

**\$94,600**

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# How SUN Benefits Borrowers

BlueHub SUN acquires foreclosed properties before residents are evicted and resells these homes back to the homeowner with a new, 30-year fixed-rate mortgage they can afford. Here's how the SUN program worked for an actual borrower in Rhode Island; like the other borrower examples, this case fits within the typical range of experiences for SUN borrowers.

## Example 3

### THE STORY

In the fall of 2016, the borrowers (who we'll call the Joneses to protect their privacy) had a mortgage outstanding on their house for \$244,000. The Joneses were behind on their payments and they were facing foreclosure.

Through SUN, the Joneses were able to repurchase their home with a new mortgage for \$165,000.

### THE RESULTS

The Joneses lowered their monthly payment amount by \$750, saving up to \$9,000 per year.

The Joneses still live in the home. Today its Zillow value is \$219,000.

Old Mortgage Amount:

**\$244,000**

Old Monthly Payment:

**\$2,240**

New SUN Mortgage Amount:

**\$165,000**

New SUN Monthly Payment:

**\$1,490**

Difference between the Joneses' previous mortgage balance and the current value of their home:

**-\$25,000**

The Joneses' estimated share of the appreciated equity in their home today - with SUN:

**\$36,000\***

### BLUEHUB SUN'S TOTAL BENEFITS

To date, the Joneses have saved about \$27,000 in monthly payments with SUN. If they sold the house today for the Zillow estimate, they would receive an additional \$36,000 in appreciated equity in their house, creating **a total benefit to them of as much as**

**\$63,000**

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To learn more about how SUN works, visit [bluehubcapital.org/programs-services/bluehub-sun](http://bluehubcapital.org/programs-services/bluehub-sun)

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