



## Frequently Asked Questions

### *SUN helps homeowners in foreclosure repurchase their houses at a mortgage they can afford*

1. **How does the SUN foreclosure prevention program work?** SUN (Stabilizing Urban Neighborhoods) helps individuals who are going through foreclosure remain in their homes. We buy houses or mortgages in foreclosure and sell or refinance them back to the original homeowners or tenants with mortgages they can afford.
2. **How do I know if I qualify for this program?** Our participants have a stable income – through employment, Social Security Insurance, a pension or disability insurance – but cannot afford to make their current monthly mortgage payments. If you meet these criteria we may be able to help you.
3. **Is there a fee to apply for help from the SUN initiative?** If we make an offer for your home and that offer is accepted, there will be closing fees. But there is no fee to apply.
4. **Are the interest rates for SUN loans fixed or variable? Are there ever balloon payments?** The interest rates for the SUN program are fixed for 30 years and there are never balloon payments. SUN provides foreclosed homeowners with a **new 30-year, fixed rate mortgage at 6.375% (6.545% APR)** with one point (interest rate as of January 1, 2015). A biweekly payment plan helps homeowners build up reserves that can be used to pay down the mortgage principal and reduce the length of the loan, or used to pay for necessary repairs.

***To determine if you or someone you know may be eligible, contact SUN toll-free at 855-604-4663, via email at [info@sunhomehelp.org](mailto:info@sunhomehelp.org) or on the web at [www.sunhomehelp.org](http://www.sunhomehelp.org).***

5. **Can I apply for help through the SUN initiative if...**

**...I lost my job?** Only if you have another source of steady income – such as Social Security Insurance, a pension or disability insurance – or a family member living with you, with whom you can apply for the program. Without steady income, we cannot move forward with your application.

**...I have a low credit score or have filed for bankruptcy?** Yes.

**...My home has not yet been foreclosed but I can't make monthly mortgage payments?** Yes, you can apply for help with a short sale if your home is about to be foreclosed because you can no longer afford your current mortgage payments.

**...I'm able to make monthly payments but my house is currently worth less than what I paid for it?** No, SUN is intended only for individuals whose homes are facing foreclosure because they can no longer make their monthly mortgage payments due to some hardship.



SUN is an initiative of Boston Community Capital (BCC). For more information contact [info@sunhomehelp.org](mailto:info@sunhomehelp.org) or 855-604-4663 (855-604-HOME). Mortgage loans are made by BCC affiliate Aura Mortgage Advisers, (NMLS ID23467) [www.nmlsconsumeraccess.com](http://www.nmlsconsumeraccess.com) This institution is an Equal Opportunity Lender, Provider, and Employer.





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#### **SUN reduces 30 year mortgages and monthly payments by 38% on average**

6. **Does SUN have a minimum loan amount?** Yes, the loan amount must be at least \$40,000.
7. **Can multiple loans be consolidated through SUN?** If you currently have more than one loan borrowed to finance your home and are unable to meet those monthly payments, you can apply for SUN assistance.
8. **Can loans cover the cost of repairs?** SUN wants to ensure that the homes we invest in are safe and healthy, and can include the cost of minor repairs in the loan. However, we do not provide mortgages for homes that require significant repairs to make them habitable for the occupants
9. **Is it guaranteed that I can buy my home back from SUN?** Before SUN makes an offer to purchase your home from the bank, you must be qualified for mortgage refinancing. Then SUN commits to sell the property to you, and you commit to buying the home from SUN under the terms outlined in a Purchase and Sale Agreement that is signed by both parties. The next question is whether the Bank will accept SUN's offer for the home. We can't guarantee a purchase will go through until we have a signed agreement from the bank. Once SUN has purchased your home from the bank, SUN will sell the home back to you.
10. **After I buy my home back from SUN, can I resell it and take a profit?** SUN includes a 0% shared appreciation second mortgage on the property, payable on resale or refinance. You don't have to pay anything on that second mortgage until you sell or refinance the house; at that point, SUN is entitled to a percentage of the profits equal to the reduction in the original mortgage amount. For example, if your original mortgage was \$400,000 and your SUN mortgage is \$200,000, your new mortgage represents 50% of your original mortgage. If you sell your house for \$250,000, SUN is entitled to 50% of the proceeds over \$200,000, or \$25,000. Boston Community Capital will reinvest its share of any potential profits in projects that benefit the community, keeping the equity where it belongs—in our neighborhoods.
11. **I have been renting and would like to purchase a foreclosed home. Can I apply for your program?** If you are currently living in a foreclosed property, our program can help you purchase that property. However, we do not assist individuals in purchasing foreclosed properties when they are not currently living in the property. Our program is intended to maintain current occupants in foreclosed properties.
12. **How can SUN afford to help people stay in their homes?** SUN doesn't make grants and we don't give money away. Most of the money we have is borrowed from individuals and foundations, meaning it must be paid back. Working with the families helped through SUN, we ensure that every dollar we borrow is paid back, so our investors will continue to support our efforts.

**ABOUT US** Boston Community Capital ([www.bostoncommunitycapital.org](http://www.bostoncommunitycapital.org)) is a non-profit organization with a 30-year track record of financing affordable housing, child care facilities, schools, community health centers and community programs. SUN's funding comes from individual investors and foundations, the U.S. Department of Treasury's CDFI Fund and East Boston Savings Bank. Since its launch in 2009, SUN has helped more than 500 families remain in their homes.



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