

SEATTLE DOWNPAYMENT ASSISTANCE PROGRAM

Please see [Section 13 \(Downpayment Programs\)](#) of the *Home Advantage manual* for all other terms and conditions that also apply to this Downpayment Assistance program.

PROGRAM DESCRIPTION

(Revised 5/22/17)

Seattle DPA (also known as House Key Plus Seattle) is a downpayment assistance program that must be used with either the Home Advantage or House Key first mortgage program. The Seattle DPA was created in 2004 from a partnership between the Commission and the [City of Seattle's Office of Housing](#).

PROGRAM ELIGIBILITY

(Revised 3/5/2019)

1. The borrowers must be first-time homebuyers. A “first-time homebuyer” is one or more individuals purchasing a home who are members of a household that does not include any person who has owned any interest in a residence within the 3-year period immediately preceding the home purchase for which assistance is provided,
2. The Borrower must attend a Commission-approved homebuyer education class either [in person](#) or [online](#).
3. The Borrower must participate in one-on-one homebuyer counseling conducted by an approved agency.
4. Seattle DPA program loans may NOT be combined with any other of the Commission's downpayment assistance funds.
5. If using a Home Advantage 1st mortgage, utilize the [Home Advantage Specialty DPA Affidavit](#)

MORTGAGE DETAILS

(Revised 5/22/17)

- Interest Rate - 3.00% simple interest, payment deferred
- Loan Term - 30 years
- Repayment – Due at the time of sale, transfer, refinance, early payoff of 1st mortgage, ceases to be borrower's primary residence, or 30 years, whichever comes first.
- Assumptions - Seattle DPA loans are NOT assumable.

Eligible households may qualify for a maximum loan amount of up to \$55,000 towards downpayment and closing costs. Lenders to determine loan amount using the [Needs Assessment Form](#). Front-End DTI must remain *over* 25.00%.

BORROWER REQUIREMENTS

Cash to Close

(Revised 12/05/14)

The Borrower's downpayment requirement is 1% of the purchase price or \$2,500, whichever is greater. Gifts are allowable up to 25% of the Borrower's portion of the required downpayment.

Maximum Income Limits

(Effective 5/1/2022)

To be eligible for the Program, an applicant's Annualized Gross Household Income (as of the date of signing the Purchase & Sale Agreement, in the case of new home being constructed, or as of the date of purchase, in the case of an existing home) must not exceed:

Household Size	1	2	3	4	5	6	7	8*
Household Income Limit	\$75,380	\$86,140	\$96,910	\$107,680	\$116,290	\$124,910	\$133,520	\$134,600

** While City of Seattle allows 8-person household's income [to go higher](#), the Commission program requirements limit the income to a lower amount. Income limits are normally updated annually based on [HUD HOME income limits](#).*

This down payment assistance program uses [Compliance Income](#) for the Seattle 2nd mortgage.

Homebuyer Education and Counseling

(Revised 8/3/17)

The Borrowers(s) are required in to attend a Commission approved Homebuyer Education Seminar. One-on-one pre-purchase counseling is also required, in addition to Commission sponsored Homebuyer Education Seminar. A counseling certificate issued by an approved housing counseling agency must be provided in the closing package to Commission. One-on one post-purchase counseling for the Borrower is also encouraged within 30 days of closing, with the same agency that conducted the pre-purchase one-on-one counseling. The Borrower will be

charged up to \$260 for the one-on-one counseling session. The fee will include both pre & post-purchase counseling and can be paid for from the proceeds of the second mortgage as an allowable closing cost. Please instruct escrow to pay the fee directly to the housing counseling agency at closing.

The Borrower must contact one of the following approved agencies to schedule an appointment for counseling, after the Borrower(s) has a signed and accepted a purchase & sale agreement, a reservation for funds, and is fully approved to close:

<http://wshfc.org/buyers/counseling.htm>

PROPERTY REQUIREMENTS

Purchase Cost Limit

(Revised 6/21/18)

There is no longer a purchase price limit on the Seattle Down Payment Assistance program. Bear in mind if using the House Key Opportunity first, the loan must still be under the [Acquisition Limits](#). This not the case if using the Home Advantage first.

Lead-Based Paint and Housing Quality Standards

(Revised 12/5/14)

Mortgage Lenders must provide a copy of HUD's "[Lead Paint Safety](#)" Field Guide (6/1999) (HUD #1779-LHC) to appraisers and instruct them to specifically address the condition of the paint and note any areas of deterioration. If the appraiser identifies areas of deteriorated paint, the Mortgage Lender must provide a written letter to the Seller, notifying them that the paint deterioration must be corrected in a lead paint-safe manner. Once the paint condition has been corrected, the appraiser must re-certify the painted surfaces of the home.

A signed Lead Paint Disclosure form is required for homes built before 1978. Please include a copy with the Pre-Closing package submission.

Housing Choice Voucher Program Inspection Checklist

(Revised 12/5/14)

Mortgage Lenders are also required to have a home inspector licensed in the State of Washington complete HUD's Housing Choice Voucher Program Inspection Checklist form HUD-52580 (3/2001) to ensure the property meets HUD's Housing Quality Standards and the City of Seattle Housing and Building Code Standards. The inspector must sign the form and note their license number. An electronic signature is also acceptable.

Eligible Areas

(Revised 6/8/18)

The property must be within the City of Seattle city limits. Please utilize [this form](#) to validate.

Seattle City Limits

