

**AFFIDAVIT
ADDENDUM TO RESIDENTIAL LOAN APPLICATION**

House Key Program -Washington State Housing Finance Commission

STATE OF WASHINGTON

COUNTY OF _____ WSHFC LOAN # _____

The undersigned being first duly sworn, depose and say:

1. The information on my/our mortgage loan application is true and accurate.
2. The single-family residence I/we intend to purchase is located in the State of Washington and will be used as my/our personal principal residence. The residence, which land does not exceed 2 acres, will be occupied within 60 days of loan closing, will not be used as an investment property, vacation or recreational home. No more than 15% of the total living area of the residence will be used in a trade or business conducted on any part of the land or improvements (i.e., use which would qualify for a deduction for expenses for federal income tax purposes under Section 280A of the Internal Revenue Code.) I/we will immediately notify the mortgage servicer in writing if the residence ceases to be our personal residence.
3. I/we have provided copies of my/our federal income tax returns as signed and filed with the Internal Revenue Service for the past three years. Or, the reason(s) for exemption from filing are stated on the Statement of Income Tax Filing.
4. I/we have not had a present ownership interest, either alone or with others, in a principal residence at any time during the previous three years. **NOTE: This paragraph is not applicable to mortgage loans for residences located in a Targeted Area.**
5. The purchase price (Acquisition Cost) of the residence does not exceed the purchase price limit established for the county in which the property is located as of the date this document is signed. An Acquisition Cost Certification will be executed by me/us and the seller(s) at the time of closing and the statements therein will be true, accurate and complete.
6. The total of the gross annualized income from any source and before taxes and withholding of all persons age 18 years or older who will reside in the residence shall not exceed the income limit established for the House Key Program as of the date this document is signed and as of the date the loan is closed.
7. I/We understand that I/we may be subject to an income tax surcharge if I/we dispose of the residence financed during the first 9 years after closing. This is further explained in the Notice of Potential Recapture Tax on Sale of Your Home, which I/we will execute on or before loan closing.
8. I/We do not have an application in process nor have I/we received a commitment for a mortgage loan under any other single-family mortgage revenue bond program.

9. No person related to me/us has or is expected to have an interest as a creditor in the mortgage loan.
10. An existing, previously occupied residence for which this mortgage loan will not replace my/our existing mortgage or land contract or a newly constructed residence has not and will not be occupied prior to loan commitment and that the proceeds of the mortgage loan will not be used to replace my/our existing mortgage unless such loan is a construction, bridge or temporary initial financing of 24 months or less.
11. I/We understand that if there is a continuous period of at least one year during which the residence is not the principal residence of at least one of the Borrowers, then no deduction is allowed in computing taxable income for interest on or after the date such one-year period began.
12. I/We must meet all federally locally mandated requirements to qualify for a mortgage Loan.
13. I/We understand that Commission down payment assistance 2nd mortgage funds cannot be used to buy the loan down and **in no event will Commission down payment assistance 2nd mortgage funds result in cash back to the Borrower.** If the check exceeds the amount(s) that I/We originally paid in to the transaction via required earnest money and lender deposits, that I/We will refuse the check. I/We will also refuse the check if the amount of the total refund plus current liquid assets in the bank will result in the greater of \$20,000 or 12 months PITI in reserves.
14. I/We understand if I/we fail to make any mortgage payment as agreed, I understand the servicer of my mortgage, a third party counseling organization approved by the Commission will contact me and advise me about finding ways to meet my mortgage obligation. I hereby authorize the servicer to release pertinent information to the Commission and designated agency, if applicable, who will contact me.

I/we fully understand that each of the above statements and the information on my/our residential loan application is material to obtaining a House Key loan and I/we declare under penalty of perjury, which is a felony offense, that the above statements are true and accurate.

Date

Borrower

Co-Borrower

**AFFIDAVIT
ADDENDUM TO RESIDENTIAL LOAN APPLICATION
REGARDING FOSTER CARE PAYMENTS**

(Use only as Applicable)

House Key Program - Washington State Housing Finance Commission

STATE OF WASHINGTON

COUNTY OF _____ WSHFC LOAN # _____

The undersigned being first duly sworn, depose and say:

1. The information on my/our mortgage loan application is true and accurate.
2. I/We receive, or intend to receive, payments from a state, political subdivision, or tax exempt child-placement agency for providing care to qualified foster individuals (as defined in Section 131 of the Internal Revenue Code) in my/our personal principal residence.
3. I/We will not use more than 15% of the residence for the primary use of a trade or business providing foster care because:
 - 3.1 I/We do not and will not receive foster care payments for (i) more than five individuals at the same time who are not age 19 or older or (ii) more than ten individuals who have not attained the age of 19 and more than five individuals who have and for whom we receive payments for additional care required by reason of their physical, mental or emotional handicap.
 - 3.2 I/We do not and will not receive foster care payments solely to maintain space in such principal residence for emergency foster care.
 - 3.3 I/We do not and will not receive foster care payments that I/we must include in my/our taxable income and we do not take a business expense deduction for foster care costs.

I/We fully understand that each of the above statements and the information on my/our residential loan application is material to obtaining a House Key loan and I/we declare under penalty of perjury, which is a felony offense, that the above statements are true and accurate.

Date

Borrower

Co-Borrower

AFFIDAVIT
ADDENDUM TO RESIDENTIAL LOAN APPLICATION
REGARDING VETERANS EXCEPTION
(Use only as Applicable)
House Key Program
Washington State Housing Finance Commission

STATE OF WASHINGTON

COUNTY OF _____ WSHFC LOAN # _____

Section 416 of the Tax Relief and Health Care Act of 2006 contains a limited exception to the first time homebuyer requirement for borrowers who are veterans.

The undersigned being first duly sworn, depose and say:

1. The information on my/our mortgage loan application is true and accurate.
2. I/We are a veteran as defined in 38 U.S.C. section 101.
3. I/We meet the exception requirement and have not previously used this exception.

I/We fully understand that each of the above statements and the information on my/our residential loan application is material to obtaining a House Key loan and I/we declare under penalty of perjury, which is a felony offense, that the above statements are true and accurate.

Date

Borrower

Co-Borrower