

Covenant Downpayment Assistance Disclosure

Thank for you applying for the Covenant Homeownership Downpayment Assistance program. With the passage of SSHB 1696 (the Covenant Homeownership Act “Trailer” Bill) in 2025, some Covenant Homeownership downpayment loans may be forgiven after the loan has been outstanding for at least five years for homebuyers whose income are at or below specified income levels. The following certification is required for participation in the Covenant Homeownership Program.

I understand as a program applicant that:

- The Commission and/or its loan servicer, will notify me within twelve months of loan closing if my income is below the income threshold for potential forgiveness.
- The Commission is not required to forgive my loan.
- My mortgage lender will not be able to provide me with a prediction of my eligibility for loan forgiveness.
- The Commission and/or its designated loan servicer must be the current loan servicer of both my primary and subordinate loans at the time of loan forgiveness.
- As the homebuyer who met Covenant Homeownership program eligibility requirements (for race and family history in Washington prior to 1968), I must both own and occupy the home as my principal residence at the time of loan forgiveness. A minimum of 2 pieces of documentation will be required at time of loan forgiveness. This may include, and is not limited to, current paycheck stubs, most recent social security award letter, utility bills, and/or most recent federal tax return.
- My first mortgage must be current and not in default with the loan servicer at the time of loan forgiveness.
- I will not be eligible for forgiveness if I no longer live in the home or am behind on the payments on my first mortgage loan.
- I will not be eligible for forgiveness if I sell my home before 5 years.
- Other conditions and considerations may apply.
- Matters such as death or divorce may also affect my eligibility for forgiveness.

I, _____, as the homebuyer who met Covenant Homeownership program eligibility requirements (for race and family history in Washington prior to 1968), certify that I have read and understand the above.

Signature

Date