HOME ADVANTAGE - NEEDS BASED 1% OPTION

Please see Section 13 (Downpayment Programs) of the Home Advantage manual for all other program guidelines, terms and conditions.

PROGRAM ELIGIBILITY

Eligible Borrowers who purchase within the state of Washington and meet the following guidelines.

MORTGAGE DETAILS

(Updated 12/27/2018)

Interest Rate - 1% simple interest, payment deferred
Loan Term - 30 years

Maximum Loan Amount - up to $10,000.

Repayment – Due at the time of sale, transfer, refinance, early payoff of the 1st mortgage or 30 years, whichever comes first.

Lenders to determine need using **Needs Assessment Form** **unless Borrower is a Veteran**. There is no assessment of need if Borrower is a Veteran.

If Front-End DTI is under 25.00%, the loan amount is based upon **maximum** financing for first mortgage type. In other words, on an FHA loan, the minimum down payment is 3.5%. The Commission will not cover additional amounts toward down payment.

MAXIMUM INCOME LIMIT & LOAN AMOUNT

(Updated 6/08/2026)

To be eligible, an applicant's income must not exceed the following limits:

King/Snohomish	$ 164,400
All Other Counties:	$ 126,800

INCOME CALCULATION

This down payment assistance program uses Credit Underwriting Income for the Home Advantage 2nd mortgage. Please see page 61 of Home Advantage manual.

A copy of the underwriter's signed income worksheet or loan approval reflecting final income figures must be included in the Pre-Closing Compliance Review File.

VETERAN EXCEPTION

Veterans do not have reserve requirements or any assessment of need.

Eligible individuals are defined as:

1. Washington state residents who are veterans, as defined by RCW 13 41.04.007, as follows: A person who has received an honorable discharge or received a discharge for medical reasons with an honorable record, where applicable, and who has served in at least one of the following capacities:

   (A) As a member in any branch of the armed forces of the United States, including the national guard and armed forces reserves, and has fulfilled his or her initial military service obligation;

   (B) As a member of the women's air forces service pilots;

   (C) As a member of the armed forces reserves, national guard, or coast guard, and has been called into federal service by a presidential select reserve call up for at least one hundred eighty cumulative days;

   (D) As a civil service crewmember with service aboard a U.S. army transport service or U.S. naval transportation service vessel in oceangoing service from December 7, 1941, through December 31, 1946;

   (E) As a member of the Philippine armed forces/scouts during the period of armed conflict from December 7, 1941, through August 15, 1945; or

   (F) A United States documented merchant mariner with service aboard an oceangoing vessel operated by the department of defense, or its agents, from both June 25, 1950, through July 27, 1953, in Korean territorial waters and from August 5, 1964, through May 7, 1975, in Vietnam territorial waters, and who received a military commendation.

2. Members and honorable discharged former members of the Washington national guard and reserve; or

3. Never remarried spouses and dependent children of deceased veterans, as defined in paragraph #1 above.