King County Home Ownership Programs for 2019 Action Plan

Program details are listed in the recapture and resale guidelines matrix at the end of this document.
## King County Consortium RecapTURE and Resale Programs

### RecapTURE
- **House Key ARCH**
- **HomeSight Revolving Loan Fund**
- **House Key King County**

RecapTURE is used in ownership programs that provide down payment assistance to buyers. RecapTURE means that at any point during the affordability period, the original homebuyer may sell (voluntarily or involuntarily) the property, and the PJ will recapture a portion of the HOME assistance provided to the owner. The homeowner may sell the property to any willing buyer at any price.

### Down payment assistance
RecapTURE provisions apply to down payment assistance programs.

### New Home funds or Program Income
Loans are made with program income from recapTURE HOME funds.

### Administration
<table>
<thead>
<tr>
<th>Program</th>
<th>Name</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State Housing</td>
<td>Washington State Housing Commission</td>
<td>206-287-4459</td>
</tr>
<tr>
<td>Finance Commission</td>
<td></td>
<td><a href="mailto:dietrich.schmitz@wshfc.org">dietrich.schmitz@wshfc.org</a></td>
</tr>
</tbody>
</table>

### Sale during period of affordability

<table>
<thead>
<tr>
<th>Period of affordability</th>
<th>Percentage</th>
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<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME loan - 10 year</td>
<td>10%</td>
<td>Resale</td>
<td>10%</td>
</tr>
<tr>
<td>affordability period up to 80% AMI (regardless of amount of the HOME funds awarded to each borrower)</td>
<td>10%</td>
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</tbody>
</table>

### Resale requirements limit homebuyers during HOME period of affordability
- Income-qualified homebuyers at or below 50% of Area Median Income
- Income-qualified homebuyers at or below 80% of Area Median Income
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### Period of affordability
- 15 year affordability period
- 15 year affordability period
- 15 year affordability period

### Capital improvements
- Capital improvements must increase the gross building space of the home or have a useful life of ten years or more, and must be installed subject to all required permits and approvals. Each HOME assisted program will set dollar-value thresholds for qualifying capital improvements subject to approval by the County and must list items that will be allowed and how the value is calculated. Eligible capital improvement items may include the following: initial landscaping, new construction with in-place utilities, roof, siding, HVAC, water heater, foundation, water & sewer lines, electrical lines, plumbing lines, windows and doors if they improve energy performance, decks, porches, sheds or garages.

### Valuing Capital Improvements
- Improvements are valued based on depreciated cost
- Improvements are valued based on depreciated cost
- Improvements are valued based on market value as determined by an appraisal.
- Improvements are valued based on depreciated cost.

### Range of low income buyers
- 90% to 95% of AMI paying no more than 38% of household income towards principal, interest, taxes and insurance if homeowner dues or lease fees are required, the percentage may go up to 40%.
- 25% to 36% of AMI paying no more than 38% of household income towards principal, interest, taxes and insurance if homeowner dues or lease fees are required, the percentage may go up to 38%.
- 90% to 95% of AMI paying no more than 38% of household income towards principal, interest, taxes and insurance if homeowner dues or lease fees are required, the percentage may go up to 40%.
- 50% to 60% of AMI paying no more than 35% of household income towards principal, interest, taxes and insurance if homeowner dues or lease fees are required, the percentage may go up to 38%.
- 60% to 85% of AMI paying no more than 35% of household income towards principal, interest, taxes and insurance if homeowner dues or lease fees are required, the percentage may go up to 38%.

### Durability and affordability to subsequent buyers
In all cases, in the event sales prices are not such that a fair return can be provided to the original homeowner, the County may provide additional HOME funds if available.

### Non-Compliance
If the original homebuyer no longer occupies the unit as his/her principal residence OR the home was sold during the period of affordability and the applicable recapTURE provisions were not enforced, the HOME Fund must be repaid.

### Market area
- South King County
- Bellevue
- Clyde Hill
- Hunts Point
- Issaquah
- Kenmore
- Kirkland
- Medina
- Mercer Island
- Newallow
- Redmond
- Sammamish
- Woodinville
- Yarrow Point