King County Housing Finance Program’s Ownership Programs

HouseKey – ARCH

This program has not been awarded new HOME funds in recent years. Loans made during 2014 and 2015 used program income from recaptured HOME funds. This program is administered by the Washington State Housing Finance Commission as a subrecipient. If a unit is voluntarily or involuntarily sold during the period of affordability, the total loan amount is recaptured, subject to available net proceeds. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the unit, subject to a maximum of $10,000 per unit in this program with a 10-year affordability period. It is estimated that program income available for new loans in this program may be sufficient to assist two or three households.

First Homes Revolving Loan Fund

This program has not been awarded new HOME funds since 2010. Loans made during 2014 and 2015 used program income from recaptured HOME funds. This program is administered by HomeSight as a subrecipient. If a unit is voluntarily or involuntarily sold during the period of affordability, the total loan amount is recaptured, subject to available net proceeds. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the unit, subject to a maximum of $35,000 per unit in this program with a 10-year affordability period. It is estimated that program income available for new loans in this program may be sufficient to assist one or two households.

House Key – King County

This program has not been awarded new HOME funds in recent years. Loans made during 2014 and 2015 used program income from recaptured HOME funds. This program is administered by the Washington State Housing Finance Commission as a subrecipient. If a unit is voluntarily or involuntarily sold during the period of affordability, the total loan amount is recaptured, subject to available net proceeds. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the unit, subject to a maximum of $20,000 per unit in this program with a 10-year affordability period. It is estimated that program income available for new loans in this program may be sufficient to assist one household. No loans have been repaid since the initial loans were originated.

HCLT Advantage Program

This program has not been awarded new HOME funds since 2010. Resales that have occurred have been to income qualified homebuyers. This program is administered by Homestead Community Land Trust as a CHDO. Buyers must have household incomes at or below 80 percent AMI. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the unit, subject to a maximum of
$45,000 per homebuyer in this program with a 15-year affordability period. The resale formula is based on a publicly accessible index, is described in a three-party HOME use agreement, and includes a definition of fair return. The base price is increased 1.5 percent annually and may be adjusted by approved capital improvements, keeping the housing affordable to the defined range of low-income buyers. Resales are restricted to buyers with incomes between 60 and 80 percent AMI.

La Fortuna

This program has not been awarded new HOME funds since 2010. Resales that have occurred have been to income qualified homebuyers. This program is administered by Habitat for Humanity Seattle/King County as a CHDO. Buyers must have household incomes at or below 60 percent AMI. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the units as a development subsidy of $52,000 per homebuyer, with a 15-year affordability period. The resale formulas are based on a publicly accessible index, are described in a three-party HOME use agreement, and include a definition of fair return. If housing is sold within the first five years, the purchase price is the base price, the amount paid by the homeowner. After five years, the base price will be adjusted according to changes in annual median income as issued by HUD. Improvements, to be considered for price adjustment, must be permanent and substantial. The formula price is based on changes in area median incomes as defined by HUD, keeping the housing affordable to the defined range of low-income buyers. Resales are restricted to buyers with incomes between 25 and 60 percent AMI.

Roseballen Community Land Trust

This program has not been awarded new HOME funds since 1998. Resales that have occurred have been to income-qualified homebuyers. This program is administered by Vashon HouseHold as a subrecipient. Buyers must have household incomes at or below 80 percent AMI. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the units as a development subsidy of $51,000 per homebuyer, with a 15-year affordability period. The resale formulas are based on a publicly accessible index, are described in a three-party HOME use agreement, and include a definition of fair return. The maximum purchase price at resale is the lesser of a market appraisal OR the formula price based on the consumer price index for Seattle-Bellevue SMSA subject to a maximum increase of 3.5% compounded annually and adjusted for approved capital improvements. The formula price is based on changes in area median incomes as defined by HUD, keeping the housing affordable to the defined range of low-income buyers. The resale restrictions define the range of eligible homebuyers as households with incomes between 50 and 80 percent AMI. Copper Lantern Homes

This program has not been awarded new HOME funds since 2006. Resales that have occurred have been to income qualified homebuyers. Resales are administered by King County through ARCH (A Regional Coalition for Housing). Buyers must have household incomes at or below 80 percent AMI. The units assisted under this program must be the principal residence of the homebuyer throughout the period of affordability. The period of affordability is based on the HOME funds invested in the units as a
development subsidy of $146,000 per homebuyer, with a 15-year affordability period. The resale formulas are based on a publicly accessible index, are described in a three-party HOME use agreement, and include a definition of fair return. The formula price for resales is based upon the original purchase price plus an appreciation factor calculated as the average of the increase in median household income for King County during the period of ownership and one-half of the increase in average sales price for a defined set of municipalities in the ARCH area. The formula price is based on changes in area median incomes as defined by HUD, keeping the housing affordable to the defined range of low-income buyers, households with incomes between 60 and 80 percent AMI.