

## How Do Washington Home Loans Work?

Before we begin, let's discuss what we hope you will learn through this article. Then we can begin to piece it together for you.

An interest-only loan has become a very popular choice of the many Washington home loans that are available. What is making this type of loan so popular? What other options are available to potential Washington home buyers.

If you have a desire for a lower initial monthly payment, lower payments over shorter period of time, the possibility that if rates improve your rates could go down giving you lower payments, the fact you may qualify for even an even higher loan amount which would allow you to purchase a larger house than originally you thought this may be an option you should investigate. There are a couple of other things you may need to consider.

Keep reading further to learn how this topic can benefit you, as the rest of this article will supply you with the needed information.

Your payments may change over time. There is also the potential for higher payments if the rates go up. These interest only loans are normally interest only for a specific period of time. The normal time is 4 to 11 years then the payment is raised to a normal level. This type of an option can be placed on any type of mortgage so you still will need to plan carefully since it will resort back to the original mortgage you have.

The best candidate for an interest-only loan would be someone who could afford to pay for the home with a typical fixed-rate, 30-year mortgage. The reason they would choose an interest only is it is part of a financial plan they have for the future.

Washington home loans are made available through several other programs. The Homeownership Opportunity Initiative was created to make home financing more available and easy for working families. They also have the HomeSite program. This unique program is based on need and provides the home owner opportunity to modest income first time home buyers.

A bit about down payment assistance and what it means. Most of the Washington home loans have programs to assist with down payment issues. Many people believe this is free money, most of the time it is not. Many of these programs are actually a second mortgage that has low interest rates or deferred payments. Now you may be able to qualify for a Grant. This does not have to be paid back. It is normally paid back if you sell your home within a certain amount of time however. Most of these programs have income restrictions. These normally require buyers to be below 80% or at 80% of the Area Median Income to qualify.

So along with the normal loans such as a standard 30 year mortgage Washington also allows the buyer a choice of several other programs to assist in getting the house of your dreams. It is suggested before deciding on any of the Washington home loans, you develop a financial plan and speak to a mortgage professional with any questions that you may have.

The next time you have questions regarding this subject, you can refer back to this article as a handy guide.

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### About the Author

Ken Charnely is a personal finance enthusiast whose website <http://www.online-loans-pro.com/> is dedicated to quality information on everything online loans. For indepth information and for all your online loan needs please visit <http://www.online-loans-pro.com/>