

2602 SPECIFIC ELIGIBILITY CONDITIONS

- 2602.1 Tenant associations in buildings assisted by the DHCD Apartment Improvement Program shall be eligible for seed money loans if conversion to a cooperative is part of an agreed upon improvement plan for the building.
- 2602.2 Tenant associations in buildings not assisted by the DHCD Apartment Improvement Program shall be eligible if the following conditions are met:
- (a) All Seed Money Loan applications shall include a petition of tenant interest signed by a majority of the heads of households who are members of the tenant association in residence on the first (1st) day of the month in which the application is filed. The petition shall include a statement of tenants' interest in participating in a cooperative conversion of their building if adequate funding can be secured. Each tenant who signs the petition shall agree to provide income and other household information necessary for completion of a tenant profile and make his or her apartment available for inspectors during a building condition survey.
 - (b) A tenant association which has submitted a letter of interest to an owner and to the Rental Accommodations Office pursuant to a § 602(b) (or its successor) notice of intent to sell, may submit a copy of the letter instead of a petition.
 - (c) All Seed Money Loan applications shall be accompanied by a tenant profile containing information on household income, size, and composition; the asking price; an estimate of the fee to prepare a rehabilitation cost estimate based on a walk-through survey of the building by an architect and/or engineer; and income and expense statements for the building during the past three (3) years (if available).
- 2602.3 In addition to meeting the requirements of § 2602.2, applications for Comprehensive Seed Money Loans shall include the following:
- (a) A rehabilitation cost estimate based on at least a walk-through survey; and
 - (b) A technical needs assessment.
- 2602.4 The technical needs assessment required under § 2602.3(b) shall identify the types of technical assistance and related fees and expenses necessary to produce a market and conversion analysis suitable for presentation to potential lending institutions. (For example, such an analysis could include a neighborhood analysis, comparable project(s) analysis, property evaluation report, land value analysis, refined rehabilitation costs, "as is" valuation, *pro forma* conversion option(s) cost analysis, expense analysis, operating budgets (past and projected), unit pricing schedule, unit floor plans, and cost of ownership analysis.)

SOURCE: Notice of Final Rulemaking published at 27 DCR 4606, 4608-4609 (October 17, 1980).