

2503 AMOUNT OF FINANCIAL ASSISTANCE

2503.1 The amount of financial assistance provided to a very low, low or moderate income eligible household shall be based on the sum of Downpayment Assistance and Closing Cost Assistance, subject to the limitations provided in § 2503.2 of this chapter. Downpayment Assistance shall be determined by DHCD based on prevailing trends in the residential real estate market. DHCD shall publish Program financial assistance limits, not less than one time each fiscal year, which shall remain in effect until a subsequent notice is published.

- (a) Closing Cost Assistance shall be in an amount to be determined by the Department and shall be calculated in the same manner for all eligible households.
 - (1) The per-client Closing Cost Assistance shall be determined based on the availability of funds, but shall not be more than Ten Thousand Dollars (\$ 10,000).
 - (2) DHCD shall publish the amount of per-client Closing Cost Assistance not less than one time each year, and it shall remain in effect until a subsequent notice is published.
- (b) Downpayment Assistance for eligible very low, low, and moderate income applicants shall be in an amount equal to the Desired Purchasing Power less the Standard Mortgage Qualification Level for each eligible applicant, subject to the Per-Client Downpayment Assistance Cap, and adjusted for household size. The maximum amount of Downpayment Assistance for the lowest income applicant shall be \$80,000 and shall be adjusted based on the applicant's income according to subparagraph (1) of this paragraph.
 - (1) The amount of Downpayment Assistance will be inversely related to household income so that lower income households will be eligible for greater amounts of Downpayment Assistance, and households with higher incomes will be eligible for lesser amounts of Downpayment Assistance.
 - (2) DHCD shall publish the Desired Purchasing Power, the Per-Client Downpayment Assistance Cap, and the calculated amounts of Downpayment Assistance for all very low, low, and moderate income applicants, not less than once each fiscal year, and they shall remain in effect until a subsequent notice is published.
- (c) The Director may increase the amount of financial assistance for very low income households by an amount up to Five Thousand Dollars (\$ 5,000) when the following conditions apply:

District of Columbia Municipal Regulations

- (1) Applicant household demonstrates a need for additional assistance; and
- (2) Applicant household is elderly, handicapped, disabled, or a displaced household.

2503.2 The amount of financial assistance provided an applicant shall not exceed the amount necessary to reduce the household's monthly payment for principal, interest, taxes and insurance, plus monthly condominium fee and principal payments required, if any, to an amount determined by application of underwriting criteria established and used by the Federal Home Administration (FHA) or conventional lending institutions, as such criteria may be amended from time-to-time of the monthly gross household income, or in the case of a cooperative unit, the monthly household's Monthly Carrying Charges to an amount determined by application of underwriting criteria established and used by the Federal Home Administration (FHA) or conventional lending institutions, as such criteria may be amended from time-to-time of the monthly gross household income, on a Principal-Only Loan under this Program.

2503.3 Financial assistance may include provision for closing costs; provided, that the minimum contribution as provided in § 2501.10 of this chapter is met.

SOURCE: Final Rulemaking published at 28 DCR 526 (January 30, 1981); as amended by Final Rulemaking published at 33 DCR 2775 (May 9, 1986); as amended by Final Rulemaking published at 34 DCR 4394 (July 10, 1987); as amended by Final Rulemaking published at 44 DCR 1553 (March 14, 1997); as amended by Final Rulemaking published at 32 DCR 436 (January 20, 2006); as amended by Final Rulemaking published at 53 DCR 5250 (June 30, 2006); as amended by the Home Purchase Assistance Program Amendment Act of 2014, effective February 26, 2015 (D.C. Law 20-155; 61 DCR 9990 (October 3, 2015)); as amended by Final Rulemaking published at 67 DCR 12677 (October 30, 2020).