

9211 LOAN APPROVAL

9211.1 The HCV/HOAP or its designee reserves the right to:

- (a) Determine if the financing terms secured for the mortgage are acceptable under the program; and
- (b) Reject the terms of a loan upon determination of any of the following:
 - (1) The household income, combined with home ownership assistance is not sufficient to cover all housing costs, taking into account other expenses, such as childcare, non-reimbursed medical expenses, transportation costs, education and training expenses;
 - (2) The loan or purchase contract has terms and conditions that are burdensome and/or inconsistent with the HCV/HOAP rules, requirements and objectives;
 - (3) The loan is being made to include persons other than those listed in the household HCV/HOAP application;
 - (4) The loan financing chosen is a non-approved type, under Subsection 9210.3, above;
 - (5) The loan financing is another type that is determined to have a high risk factor at a later time.
 - (6) An independent third party appraisal has not confirmed a market value for the property which is sufficient to support the actual sales price.
 - (7) Closing costs and sales commissions exceed reasonable and customary fees.

9211.2 Notice of Loan Disapproval. In the event HCV/HOAP or its designee rejects a loan:

- (a) The household shall be issued a Notice of Loan Disapproval. The notice shall state the reason for the disapproval and inform the household that they shall seek another type of financing; and
- (b) The time between submission of the loan documents and the disapproval shall not be counted against the time the household has to find a home under the HCV/HOAP.

SOURCE: Notice of Final Rulemaking published at 49 DCR 5767 (June 21, 2002); as amended by Final Rulemaking published at 52 DCR 6180 (July 1, 2005).