

2508 TERMS OF LOANS

- 2508.1 Loans made under the Program shall not bear interest, except as may be established under the provisions of § 2506.6.
- 2508.2
- (a) The terms of each loan made to any moderate income household under the Program shall provide that the principal amount of the loan shall become due and payable on an amortized basis after five (5) years from the date of the loan or payable in full whenever the loan recipient ceases to occupy the property purchased or secured as his or her principal residence, except as provided for under Section 2506.
 - (b) The terms of each loan made to any lower-income household or very low-income household under the Program shall provide that the loan shall become due and payable in full whenever the loan recipient ceases to occupy the property purchased or secured as his or her principal residence, except as provided for under Section 2506.
- 2508.3 The DHCD may establish a time limit during which an eligible applicant shall locate and enter into a contract to purchase or an agreement to occupy an eligible property under the Program. The time limit shall not be less than ninety (90) and not more than one hundred eighty (180) days from the date the applicant is notified in writing of his or her eligibility under the Program.
- 2508.4 Notwithstanding any other provision of this chapter, the terms of each loan made under the Program shall provide the following:
- (a) That the loan recipient is required to maintain the property purchased in compliance with the Housing Code of the District of Columbia;
 - (b) That the Department may require an acceleration of payments under the loan in the event of default under the terms of the Note, Loan Agreement or Deed of Trust;
 - (c) That the Note, Loan Agreement, Deed of Trust, Financing Statement, Assignment of Lease(s), and all other legal documents evidencing and securing the loan shall contain such other provisions as are normal and customary; provided, that the provisions do not conflict with rules of this chapter or with any other District of Columbia law; and
 - (d) That the Department may enforce any provisions pursuant to § 2508.4.

SOURCE: Notice of Final Rulemaking published at 31 DCR 2968, 2974 (June 15, 1984); as amended by Notice of Final Rulemaking published at 44 DCR 1553, 1556 (March 14, 1997); Notice of Final Rulemaking published at 53 DCR 5254 (June 30, 2006); as amended by Final Rulemaking published at 67 DCR 12677 (October 30, 2020).

District of Columbia Municipal Regulations