

## **3701      APPLICANT ELIGIBILITY CRITERIA**

3701.1    An applicant is eligible for participation in the Home Purchase Assistance Step Up Program if the applicant, at the time of application:

- (1)        Is a District of Columbia resident;
- (2)        Is the head of the household in a property purchased with District of Columbia housing purchase assistance;
- (3)        Will occupy the property to be purchased with Step Up Program assistance as his or her primary residence for the duration of the loan;
- (4)        Will sell or otherwise dispose of all interest in any other real property before the closing of any loan under the Step Up Program;
- (5)        Has a satisfactory credit rating and shall have the capacity, as determined by the Department, to pay the first and second mortgage loan payments monthly;
- (6)        Is not in default on any prior District of Columbia housing assistance loan;
- (7)        Has adequate income to qualify for a mortgage from a private lender;
- (8)        Has insufficient savings to pay the down payment or reasonable closing costs, or both, without assistance from the Program;
- (9)        Has gross household income within the lower or moderate income levels;
- (10)       Would have liquid assets not to exceed two (2) months after purchasing property with assistance from this program.

3701.2    No member of the applicant's household shall own any improved real estate that is or can be used for residential purposes within the Washington, D.C. Standard Metropolitan Statistical Area.

3701.3    The applicant shall have available to contribute to the down payment or closing costs, and shall commit same toward the purchase of a single family housing unit, one (1) of the following:

- (a)        For lower income applicants, fifty percent (50%) of all household assets in excess of one thousand dollars (\$ 1,000) that are in a form capable of ready conversion into cash, whichever larger, but not less than five hundred dollars (\$ 500);
- (b)        For moderate income applicants, not less than three percent (3%) percent of the purchase price, or fifty percent (50%) of all household assets in excess of one thousand dollars (\$ 1,000) that are in a form capable of ready conversion into cash, whichever is larger, but not less than one thousand dollars (\$ 1,000).

3701.4    The household contribution under § 3701.3 may be waived or reduced by the Director where there is demonstrated need and the applicant household is elderly, handicapped, disabled, or a displaced household.

SOURCE: Notice of Final Rulemaking published at 47 DCR 9717, 9718-20 (December 8, 2000).