

9212 HOME OWNERSHIP SUBSIDY TERMS AND CONDITIONS

9212.1 Maximum Term of Subsidy

- (a) If the initial mortgage loan obtained to finance the purchase of the home has a term of twenty (20) years or more, The HCV/HOAP Subsidy may be paid for a maximum period of fifteen (15) years, provided the Family continues to qualify for Subsidy assistance.
- (b) If the initial mortgage loan has a term of less than twenty (20) years, the maximum term of home ownership assistance is ten (10) years.
- (c) The maximum term for the HCV/HOAP does not apply to an Elderly Family if the household qualifies as an Elderly Family at the commencement of the HCV/HOAP.
- (d) In the case of a Disabled Family, the Family is exempt from the maximum term if at any time during receipt of the assistance payments, the head of the household or any family member becomes disabled.
- (e) If during the course of the HCV/HOAP the household ceases to qualify as a Disabled or Elderly Family, the following conditions apply:
 - (1) The maximum term becomes applicable from the date the initial HOAP assistance payments commenced; and
 - (2) The Participating Family shall be provided at least six (6) months of program assistance after the maximum term becomes applicable (provided the household is otherwise eligible to continue participation in the HCV/HOAP).
- (f) The maximum term applies to any member of the household who:
 - (1) Is a co-borrower for mortgage financing of the home, during any time that HCV/HOAP payments are made; or
 - (2) Is the spouse of any co-borrower in the household, during any time that HCV/HOAP payments are made.

9212.2 Amount of HOAP Subsidy Assistance.

- (a) DCHA does not establish a separate Payment Standard for assistance under the HCV/HOAP.
- (b) The HOAP Subsidy Assistance payment shall equal the lower of:

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- (1) The Payment Standard minus the Total Tenant Payment; or
 - (2) The monthly home ownership expenses as determined under Section 9208.2, above, minus the Total Tenant Payment.
- (c) The Payment Standard to be used in calculating the Total Tenant Payment may be established at one of the following points at the discretion of DCHA and may only be adjusted thereafter for factors that would increase the Payment Standard from the selected point through the end of the term of the Subsidy.
- (1) Issuance of the Final Certificate of Assistance;
 - (2) Closing of the mortgage loan and commencement of HCV/HOAP Assistance;
 - (3) The most recent regular reexamination of the household income.

9212.3 Determination of Homeownership Expenses. The amount of HOAP assistance shall be determined by a HOAP Coordinator after taking into consideration the following costs to the Family:

- (a) For a homeownership loan, the following costs shall be considered:
- (1) Principal and interest on the initial mortgage debt or any refinanced debt;
 - (2) Any mortgage insurance premium;
 - (3) Real estate taxes on the home;
 - (4) Homeowners insurance;
 - (5) An allowance for maintenance expenses, including major repairs and replacement;
 - (6) Utility allowance, and
 - (7) If the home is a condominium unit or part of a homeowner association, the operating charges, condominium fees and/or maintenance fees assessed by the condominium association or homeowner association.
- (b) For purchase of shares in a Cooperative the following costs shall be included:

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- (1) The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- (2) Principal and interest on the initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt or other mortgage debts;
- (3) Homeowners personal insurance;
- (4) Allowance for maintenance expenses, including major repairs and replacement;
- (5) Utility allowance schedule; and
- (6) Any cooperative association fees.

9212.4 Distribution of Monthly HOAP Payments

- (a) The monthly HOAP payment shall be made to an account with a credit union or bank designated by the Family.
- (b) Discontinuance of Payments. HOAP assistance payment shall be discontinued following a determination that a family's income has increased to a level where the family is no longer eligible to receive HCV/HOAP payments.
- (c) Eligibility Termination. At the end of a continuous period of 180 days following a valid discontinuance of HCV/HOAP assistance payments, eligibility for HCV/HOAP shall automatically terminate.
- (d) Discontinuance of Subsidy Payments - Family Moved.
 - (1) The HCV/HOAP assistance shall be paid only while the household is residing in the home. If the household moves out of the home, payment shall only be made through the end of the month the household moved out.
 - (2) The household is required to refund to the HCV/HOAP all or any portion of a payment received that is in excess of the balance required for the month the household moved out.
- (e) Continuance of Subsidy upon Death of Title Holder. Provided the home continues to be occupied by the remaining household members, upon the death of a household member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home,

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HCV/HOAP may, subject to other provisions of this Chapter, continue HOAP Subsidy payments pending settlement of the decedent's estate, notwithstanding transfer of the title by operation of the law to the decedent's estate, executor or legal representative.

9212.5 Determination of Total Tenant Payment

- (a) The Total Tenant Payment shall be determined in accordance with 24 CFR § 5.628.
- (b) For the HOAP Program, the minimum rent shall be fifty dollars (\$50) per month. Pursuant to 24 CFR § 5.628, that amount will be the minimum Total Tenant Payment.
- (c) A Family that cannot afford the minimum monthly payment of fifty dollars (\$50) because of a financial hardship may request an exemption, pursuant to the rules of 24 CFR § 5.630.
 - (1) Exemption requests must be submitted in writing by the Head of Household.
 - (2) DCHA will verify whether a qualifying financial hardship exists and whether it is temporary or long-term and respond in writing within ten (10) days of receipt of the verifying information.
 - (3) Examples of a financial hardship include:
 - (i) Loss of eligibility for a federal, state, or local assistance program;
 - (ii) Decrease in income because of changed circumstances, including loss of employment;
 - (iii) A death in the family; and
 - (iv) When the family would be evicted for inability to pay the minimum mortgage.

SOURCE: Final Rulemaking published at 49 DCR 5767 (June 21, 2002); as amended by Final Rulemaking published at 52 DCR 6180 (July 1, 2005); as amended by Final Rulemaking published at 65 DCR 7847 (July 27, 2018).