

2599 DEFINITIONS

2599.1 When used in this chapter, the following terms and phrases shall have the meaning ascribed:

Amortized Loan - a loan that will be completely paid off over a specific period of time at a predetermined interest rate.

Area Median Income - the current median income for the Washington, D.C., Metropolitan Statistical Area, as determined periodically by DHCD (based on the area median income established by the Secretary of the U.S. Department of Housing and Urban Development (HUD), with adjustments for family size.

Cooperative - a cooperative legally incorporated pursuant to the District of Columbia Cooperative Association Act, D.C. Code § 29-1101 et seq. (1981), or a cooperative corporation incorporated in another jurisdiction for the primary purpose of owning and operating real property in which its members reside. A cooperative shall also be a "tenant organization" as defined in D.C. Code § 45-1603(18) (1981), meaning an organization that represents at least a majority of the heads of household in the housing accommodation excluding those households in which no member has resided in the housing accommodation for at least ninety (90) days and those households in which any member has been an employee of the owner during the preceding one hundred twenty days (120) days.

Deferred Payment Loan- a loan which allows the borrower to defer payment of the principal for a period of five (5) years or until the property purchased ceases to be the principal residence of the borrower.

Department - the District of Columbia Department of Housing and Community Development.

Desired Purchasing Power - the price at which or below there were sold in the preceding 12-month period, a sufficient number of three-bedroom homes to meet the demand of four-person and five-person HPAP applicant households anticipated for the next 12-month period.

DHCD - the District of Columbia Department of Housing and Community Development.

Director - the Director of the D.C. Department of Housing and Community Development, duly appointed by the Mayor.

Displaced Household- a household facing displacement from a current residence by public or private action due to the following:

- (a) Written notification requiring relocation due to government action and where there has been no permanent relocation;

- (b) Written notification under Title IV of the Rental Housing Conversion and Sale Act of 1980 (D.C. Law 3-86) indicating that the dwelling is to be sold, or demolished, or the use discontinued, and that the residents have a right to purchase the building;
- (c) Written notification indicating that the dwelling is to be converted to cooperative or condominium, discontinued from the housing market, demolished, substantially rehabilitated or converted to another use, and the household has not found permanent suitable housing which is in compliance with the housing and environmental regulations of the District of Columbia;
- (d) Written notification to vacate the dwelling because the dwelling or conditions of its occupancy are in violation of the housing and environmental regulations, or the Building, Zoning, Plumbing, Electrical or Fire Code of the District of Columbia or other regulations related to the use, maintenance, safety or occupancy of dwellings, and the household has not found permanent suitable housing;
- (e) A foreclosure sale; or
- (f) Certification as a displacee by the Department.

Dwelling Unit - a single-unit single family home, a fee simple unit in a condominium, or occupancy rights in a cooperative.

Elderly Household- a household whose head or spouse, or whose sole member, is at least sixty-two (62) years of age.

First Mortgage Loan- a loan made to a household for purchase of a dwelling unit and secured by a first priority deed of trust on the property purchased, or on the loan recipient's share or stock in a cooperative, if applicable.

First Time Homebuyer- a real property purchaser who had no ownership interest in his or her principal residence at any time during the three (3) year period ending on the date of his or her application for assistance (but including an applicant who has divorced or separated during the three (3) year period where a formal settlement has been made under which the applicant does not receive an ownership interest in a primary residence which had been jointly owned), and who has no other current ownership interest in residential real property.

Grant - financial assistance provided under the Program which does not require repayment. Grants are not normally made under the Program, except in accordance with the special conditions set forth in this chapter.

Gross Household Income - gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period, as defined in 24 Code of Federal Regulations Section 5.609.

Handicapped Household- a household whose head has a physical or mental impairment as follows:

- (a) Is expected to be of long, continued and indefinite duration; and
- (b) Which substantially impedes his or her ability to live independently.

Household - a household shall include the following:

- (a) An individual residing in a housing unit in the District of Columbia; or
- (b) Two (2) or more persons residing together in a housing unit in the District of Columbia.

Household Assets- the total value of all the cash, checking or saving accounts, U.S. Saving Bonds, stocks, bonds and equity in real estate owned or controlled by all of the members of the household.

Lower Income Household - a household whose gross household income does not exceed eighty percent (80%) of the current median income for the Washington, D.C., Metropolitan Statistical Area, as determined periodically by DHCD (based on the area median income established by the Secretary of the U.S. Department of Housing and Urban Development (HUD)), with adjustments for family size. Periodically, HUD may establish lower income limits for the Washington area based on eighty percent (80%) of the median income for the United States. When HUD takes such action, HPAP assistance provided through funds made available under the Community Development Block Grant (CDBG) program shall only be made to lower income households within the HUD established standard. Otherwise, all lower income households will be defined within the definition established herein.

Moderate Income - a household whose gross household income does not exceed one hundred and ten percent (110%) of the current median income for the Washington, D.C. Metropolitan Statistical Area as determined periodically by DHCD (based on the area median income established by the Secretary of the U.S. Department of Housing and Urban Development), with adjustments for family size.

Monthly Carrying Charges (MCC) - the monthly costs charged to occupants of a cooperative to cover the unit's share of the principal and interest payments, taxes, insurance and normal operating costs, including utilities, maintenance, management fees, vacancy reserve, and replacement reserve. The monthly carrying charges shall be approved by the Department as reasonable and consistent with sound and common practices among other

cooperative housing developments in the District at the time of application.

Per-Client Downpayment Assistance Cap - the maximum amount of Downpayment Assistance that may be provided to an applicant household, adjusted for household size.

Principal-Only Loan - a loan which is repaid in regular monthly installments of principal only. All Principal - Only Loans under HPAP shall be secured by a lien or subordinated trust on the property purchased unless this requirement is explicitly waived as provided for in § 2505.7. The loans may also be secured by financing statements or liens on the stock or other assets of a loan recipient, by an assignment of lease(s) or rent(s), or by other means consistent with District of Columbia law.

Program Administrator - the staff person at the D.C. Department of Housing and Community Development designated to manage the Home Purchase Assistance Program.

Standard Mortgage Qualification Level - the typical mortgage level for which any very low, low, or moderate income applicant can qualify. The standard mortgage qualification level is determined by rounding the annual income figure for any very low, low, or moderate annual income figure to the next highest \$ 1,000, and using industry standard mortgage qualification tables, which employ assumptions for anticipated single-family mortgage interest rates and typical household debt information. The Department shall use standard mortgage qualifications levels to calculate Home Purchase Assistance Program downpayment assistance.

Unsecured Loan - a loan which requires repayment, subject to the conditions of the Program's loan agreement and for which the recipient has signed a promissory note, but which is not secured by a lien on the property purchased. Unsecured loans shall be made under the Program only under the special circumstances set forth in § 2505.9.

Very Low Income - a lower income household whose gross household income does not exceed fifty percent (50%) of the current median income for the Washington, D.C., Metropolitan Statistical Area, as determined periodically by DHCD (Based on the area median income established by the Secretary of the U.S. Department of Housing and Urban Development), with adjustments for family size.

SOURCE: The District of Columbia Community Development Act of 1975, D.C. Law 1-39 (codified at D.C. Official Code §§ 6-1001 et seq. (2001); Notice of Final Rulemaking published at 28 DCR 526 (January 30, 1981); as amended by: Notice of Final Rulemaking published at 31 DCR 2968 (June 15, 1984); Notice of Final Rulemaking published at 33 DCR 2775, 2778 (; Notice of Final Rulemaking published at 34 DCR 4394, 4398 (July 10, 1987); Notice of Final Rulemaking published at 44 DCR 1553, 1556 (March 14, 1997); Notice of Final Rulemaking published at 53 DCR 5254-56 (June 30, 2006).