



# **Instructions for Resale Price Request: Inclusionary Units and Affordable Dwelling Units**

## **PURPOSE**

The purpose of this form is for an owner of an Inclusionary Unit or Affordable Dwelling Unit (ADU) to request that the Department of Housing and Community Development (DHCD) specifies the maximum resale price of the unit. This form shall be submitted for either of the following situations:

1. The unit owner intends to sell the unit.
2. The unit owner intends to refinance the mortgage.

To determine the resale price of an Inclusionary Unit, DHCD will use the maximum resale price formula, which incorporates the following details:

1. The price the current owner paid for the unit.
2. The sum of the value of the Eligible Capital Improvements and Eligible Replacement and Repair Costs, as determined by DHCD. (See pg. 3 for the definitions for each item.)
3. The sum of the Ten-Year Compound Annual Growth Rate of the Area Median Income from the year of the owner's unit purchase to the year of the unit's sale by the owner.

To determine the resale price of an ADU, DHCD will follow the resale price requirements found in the affordability requirements for the particular ADU. If the affordability requirements do not specify how to determine the maximum resale price, DHCD will take the highest of three values:

1. The purchase price paid by the current owner.
2. The price determined from applying Inclusionary Zoning maximum resale price formula (see above).
3. The price that is affordable to the income level specified in the affordability requirements.

Please note that the maximum resale price calculated by DHCD need not be the final contract sale price. A seller may lower the maximum resale price for any reason the owner sees fit and please note the preview of next steps on the last page.

## **WHERE TO SUBMIT**

Email requests to [iz.adu@dc.gov](mailto:iz.adu@dc.gov) with "Resale Price Request" in the subject line.

## **QUESTIONS**

Contact the Inclusionary Zoning and ADU programs at (202) 442-7221 or email [iz.adu@dc.gov](mailto:iz.adu@dc.gov).



## INCLUSIONARY UNIT AND AFFORDABLE DWELLING UNIT RESALE PRICE REQUEST

By submitting this Resale Price Request form, the owner of an Inclusionary Unit or an ADU requests that the Department of Housing and Community Development (DHCD) calculates the maximum price at which the unit can be sold while still meeting the unit's affordability requirements. After receiving this form, DHCD will review the affordability requirements and calculate the maximum resale price in accordance with those requirements.

This form shall be submitted if the current owner intends to sell or refinance the mortgage on the unit.

### OWNER INFORMATION

\_\_\_\_\_  
*Name(s) of Current Owner(s)*

\_\_\_\_\_  
*Phone:*

\_\_\_\_\_  
*Email Address:*

\_\_\_\_\_  
*Alternative Phone:*

\_\_\_\_\_  
*Alternative Email Address:*

Inclusionary Unit or ADU Information:

\_\_\_\_\_  
Property Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Unit #

\_\_\_\_\_  
Washington

\_\_\_\_\_  
DC

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP Code

### PROPERTY INFORMATION

Number of Bedrooms: \_\_\_\_\_

What was the price for which you originally purchased your unit? \_\_\_\_\_  
(Please attach a copy of the HUD-1 form or final Closing Statement or Closing Disclosure form.)

Did you receive down payment assistance from HPAP/EAHP? \_\_\_\_\_ Yes \_\_\_\_\_ No

Do you intend to sell your unit in the upcoming year? \_\_\_\_\_ Yes\* \_\_\_\_\_ No

\*If yes, when do you plan to begin marketing the unit for sale? \_\_\_\_\_

\*If yes, will you use the services of a real estate agent? \_\_\_\_\_ Yes \_\_\_\_\_ No

(If yes, forward a copy of the executed listing agreement.)

Do you intend to refinance your mortgage in the upcoming year? \_\_\_\_\_ Yes \_\_\_\_\_ No

Did you purchase a parking spot or other non-residential unit with the residence? \_\_\_\_\_ Yes\*\* \_\_\_\_\_ No

\*\*If yes, describe what you purchased and provide the purchase price here: \_\_\_\_\_

How much did you spend on eligible capital improvements for your unit? \_\_\_\_\_

*Eligible capital improvements are major structural system upgrades, special assessments, new additions, and improvements related to increasing the health, safety, or energy efficiency of a unit. These generally include: (i) major electrical wiring system upgrades; (ii) major plumbing system upgrades; (iii) room additions; (iv) installation of additional closets and walls; (v) alarm systems; (vi) removal of toxic substances, such as asbestos, lead, mold, or mildew; (vii) insulation or upgrades to double-paned windows or glass fireplace screens; and (viii) upgrade to Energy Star built-in appliances, such as furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods.*

How much did you spend on eligible replacements and repairs for your unit? \_\_\_\_\_

*Eligible replacement and repair costs are in-kind replacements of existing amenities and repairs and general maintenance that keep a unit in good working condition. These generally include: (i) electrical maintenance and repair, such as switches and outlets; (ii) plumbing maintenance and repair, such as faucets, supply lines, and sinks; (iii) replacement or repair of flooring, countertops, cabinets, bathroom tile, or bathroom vanities; (iv) non-Energy Star replacement of built-in appliances, including furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods; (v) replacement of window sashes; (vi) fireplace maintenance or in-kind replacement; (vii) heating system maintenance and repairs; and (viii) lighting system.*

Documentation must be provided for all costs indicated.

1. Itemized invoices/receipts for purchases and services.
2. Proof of payment (examples: credit card statement, bank statement with cancelled check image).
3. Photographs of before and after conditions.

**CONDOMINIUM INFORMATION**

Condominium Association Point of Contact: \_\_\_\_\_

*Name*

*Phone Number*

*Email Address*

Please provide the monthly condominium fee from the date you purchased the unit through the present. Only list the date in which any increase was effective. You do not need to include any special assessments.

Date	Monthly Condo Fee	Date	Monthly Condo Fee

**OWNER CERTIFICATION**

*I certify that the information I provide in this Resale Price Request is correct to the best of my knowledge. I acknowledge that DHCD may rely on this information as true and complete. I further acknowledge that I must provide any relevant documentation requested by DHCD to support my request. I understand that any false statement contained in this Resale Price Request may be punishable by criminal penalties. I understand that the information on the following page is preliminary and that I am not permitted to market the Inclusionary unit/ADU until I receive an official resale price letter from DHCD.*

Owner #1

Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Owner #2 (if applicable)

Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

## **PREVIEW OF NEXT STEPS**

You are not permitted to market the Inclusionary unit/ADU until you receive a signed resale price letter from DHCD. However, these are the likely next steps. We are providing this information as a preview. Once you receive the signed resale price letter,

1. You must list the Unit on the District's Housing Locator ([www.dchousingsearch.org](http://www.dchousingsearch.org)) and inform DHCD of the posting via email (instructions will be included in the resale price letter).
2. DHCD will conduct a lottery to identify a list of potential purchasers for the Unit and send you the list of ranked selectees.
3. You must put forth a good faith effort to market the Unit to all selected and interested households.
4. Prospective purchasers must submit income information to a DHCD-approved Certifying Entity to determine whether they are income eligible to purchase the Unit in accordance with the terms of the Covenant.
5. The Certifying Entity will review the income of the prospective purchaser to determine their eligibility and confirm that the resale price is affordable to the prospective purchaser.
6. DHCD will review the documentation provided by the Certifying Entity and will notify you in writing if a contract may be executed with the prospective purchaser.
7. You must provide the Covenant to the prospective purchaser, the prospective purchaser must execute an Acknowledgment of Inclusionary Development Covenant (Acknowledgement), which will be provided with the resale price letter, and you must provide the signed Acknowledgement to DHCD.
8. You must provide the full Covenant as well as the Closing Procedures and Form of Deed, which will be provided with the resale price letter, to your title company prior to closing.
9. Only upon receipt of written approval from DHCD, may you execute a contract with the prospective purchaser, and you must then provide an executed copy of the contract to DHCD.
10. If applicable, you must repay any DHCD homeownership assistance funds used to finance your purchase of the Unit in accordance with the applicable regulations, upon resale. These programs include the Home Purchase Assistance Program (HPAP), Employer Assisted Housing Program (EAHP), and Negotiated Employee Affordable Home Purchase Program (NEAHP). More information about those programs is available on the DHCD website: [www.dhcd.dc.gov](http://www.dhcd.dc.gov).