

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



## Home Purchase Assistance Program Enhancement Neighborhood Stabilization Program 3 (NSP3) HPAP “E”

The Home Purchase Assistance Program (HPAP) Enhancement Neighborhood Stabilization Program 3 (NSP3), referred to as HPAP “E”, will help stabilize the housing market and revitalize neighborhoods hardest hit by high rates of foreclosure and vacant properties. The program will create housing opportunities for low and moderate-income residents in the three hardest hit targeted neighborhoods: Wards 7 and 8; and targeted census tracts of Ward 5.

Under HPAP “E”, the Home Purchase Assistance Program will offer gap financing assistance up to \$77,000 (including closing costs) in the three targeted areas.

The amount of assistance will be determined by the household size and income. Funding for this program is available on a first come first serve basis and ends on May 1, 2014. The HPAP “E” Assistance Table is available online at [dhcd.dc.gov](http://dhcd.dc.gov).

HPAP “E” can be used in conjunction with other DHCD homebuyer programs, including the Employer Assisted Housing Program (EAHP), the Negotiated Employee Affordable Housing Program (NEAHP), and the Home Purchase Rehabilitation Pilot Program.

### HPAP “E” Target Areas

The qualifying census tract numbers within each target area are listed below. No other areas are eligible for the HPAP “E” funds. Maps of these target areas are available online at [dhcd.dc.gov](http://dhcd.dc.gov).

Target Area	Qualifying Census Tract Numbers
Ward 7	All census tracts
Ward 8	All census tracts
Ward 5	87.1; 88.2; 88.3; 88.4; 89.3; 89.4; 91.1; 94.0; 95.8

### Properties Eligible for Purchase

Recipients of HPAP “E” assistance must purchase properties that are currently vacant for 90 days or foreclosed with a free and clear title and are ready for re-sale. Foreclosed property must be discounted by the seller at 1% from their market appraised value. This does not apply to vacant properties. If the property is not in livable condition, the new purchaser can finance the rehabilitation costs that are needed to bring the home to health safety and building code, through a rehabilitation loan that must be completed within six (6) months from the day of closing. This can be financed through a FHA 203(k) streamline loan and evidenced through a work write up. All properties, including properties that were rehabilitated, must pass a Housing Quality Inspection. The first trust loan cannot exceed the conforming loan amount of \$417,000.

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## Repayment

The loan repayment for HPAP "E" will not be deferred for the five (5) years, as is the case with standard HPAP loan. The terms for the HPAP "E" enhancement program will be on a graduated schedule for the first five years based on a 40 year amortization of the note loan amount, as follows:

- the first year of repayment will be 20% of the amortized note;
- 20% the second year;
- 40% the third year;
- 60% the fourth year;
- 80% the fifth year and;
- beginning in year 6, 100% of the balance owed on the mortgage will be amortized over a 35 year period.

Note: DHCD received funding for the NSP3 from the U.S. Department of Housing and Urban Development (HUD) under the Dodd-Frank Wall Street Reform and Consumer Protection Act. As part of the application, DHCD agreed to increase the assistance for home purchase in the specified areas.

## How to Apply

To apply for HPAP "E" or for more information, please contact one of the following organizations:

### Housing Counseling Services

2410 17<sup>th</sup> Street, NW  
Washington, DC 20009  
202-667-7006 | [www.housingetc.org](http://www.housingetc.org)

### Latino Economic Development Corporation (LEDC)

2316 18th Street NW  
Washington, DC 20009  
202-588-5102 | [www.ledcdc.org](http://www.ledcdc.org)

### Lydia's House

3939 South Capitol Street, SW  
Washington, DC 20032  
202-373-1050 | [www.lydiashousendc.org](http://www.lydiashousendc.org)

### University Legal Services

220 I Street, NE  
Washington, DC 20002  
202-547-4747 | [www.uls-dc.org](http://www.uls-dc.org)

### University Legal Services at DHCD Housing Resource Center

1800 Martin Luther King Jr. Ave., SE  
Washington, DC 20020  
(202) 889-2196 | [www.uls-dc.org](http://www.uls-dc.org)

### University Legal Services, Far NE

Lloyd E. Smith Center  
3939 Benning Road, NE  
Washington, DC 20019  
(202) 396-1201 | [www.uls-dc.org](http://www.uls-dc.org)

Note: DHCD adheres to all federal and local laws and regulations which offer consumer protections from prohibited predatory lending practices. DHCD does not require potential applicants to accept private financing that is priced above the market rate or that is not from a reputable lender. Potential applicants should never accept an offer of private financing without discussing the offer with one of housing counseling agencies listed above.

Non-discrimination clause: In accordance with the D.C. Human Rights Act of 1977, as amended, D.C. Official Code, Section 2-1401.01 et seq., (Act) the District of Columbia does not discriminate on the basis of actual or perceived: race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, familial status, family responsibilities, matriculation, political affiliation, disability, source of income, or place of residence or business.

