

Home Purchase Assistance Programs

Frequently Asked Questions (FAQ)

Home Purchase Assistance Program

The Home Purchase Assistance Program (HPAP) provides down payment and closing cost assistance for very low to moderate income residents for the purchase of single-family homes, condominiums, or cooperative units in the District of Columbia.

When will the HPAP program reopen?

HPAP will reopen and begin accepting lender packages on October 11, 2023.

How much money will be made available?

For Fiscal Year 2024, \$26.2 million will be available for HPAP.

How do I know if funding is available to assist with the purchase of my home?

DHCD will publish a dashboard on its website to inform potential borrowers of fund availability on a weekly basis. Once funding availability is lower than \$5 million, the dashboard will be updated within 24-48 hours. At the \$1 million mark, lenders will be requested to reserve their funding in advance of submitting the loan package to the HPAP Administrator. Completed lender packages will have funds reserved on a first come first serve basis. Lenders should contact the borrower's respective HPAP Administrator via the following emails:

- DC Housing Finance Agency: singlefamilyprograms@dchfa.org
- Greater Washington Urban League: housing@gwul.org

What level of assistance is available?

The maximum amount of financial assistance provided to eligible households is **\$202,000** based upon household income, need, and fund availability. Maximum closing cost assistance is **\$4,000**. As HPAP is a down payment and closing cost assistance program, HPAP loans cannot exceed 30% of the purchase price of the property (30% Loan to Value [LTV]) and HPAP loans cannot be more than the first trust mortgage. For borrowers at 50% Median Family Income (MFI) and below, a higher LTV will be assessed on a case-by-case basis up to 50% LTV.

Am I eligible?

To be eligible for HPAP assistance, you must meet the following criteria:

- Be the head of the household and a first-time homebuyer;
- Be a very low to moderate income resident;

- No ownership interest in any residential property within 3 years of applying;
- Purchase a home within the District as your primary residence.

My NOE has expired, do I need to re-apply?

- Although NOEs are typically valid for one year from date of issue, any HPAP NOE issued between June 22, 2022 and December 31, 2022 will remain eligible through December 31, 2023.

How is the loan repaid?

HPAP loans for moderate income eligible households, 80%-110% Median Family Income (MFI), are deferred for the first 5 years; monthly principal-only payments begin in the 6th year of the loan. Loans for very low- and low-income households, below 80% MFI, will not have to make monthly payments.

All loans become payable in full if the borrower transfers the property, refinances, or the property is no longer the borrower's primary residence.

Who are the HPAP Administrators?

There are two HPAP administrators, the DC Housing Finance Agency and the Greater Washington Urban League. The Greater Washington Urban League processes HPAP loans that are combined with the Employer-Assisted Housing Program (EAHP). The DC Housing Finance Agency processes all other HPAP Loans.