



DC Open Doors  
Your key to the city

## BORROWER(S) COMMITMENT LETTER

DATE: \_\_\_\_\_

RE: Loan No.: \_\_\_\_\_

DEAR BORROWER(S):

\_\_\_\_\_ (“First Trust Lender”), on behalf of the District of Columbia Housing Finance Agency (the “Agency”), has approved your application for a DC Open Doors Program down payment assistance loan (the “Loan”) to be secured by a subordinate lien (as required by the Agency) on the property identified above, subject to the following terms and conditions of this commitment:

1. BORROWER(S): \_\_\_\_\_,
2. AMOUNT OF LOAN: The amount of the Loan to be advanced at closing is \$ \_\_\_\_\_.
3. INTEREST RATE: (0 %) per annum.
4. TERM: The term of the Loan is the earlier date of the sale of the Property, the date the Property ceases to be your principal place of residence, the date you refinance the Loan, or 60 months from the closing date of the Loan.
5. PAYMENTS: You will pay the Principal Balance within forty-five (45) days of the date of the sale of the Property, the date the Property ceases to be your principal place of residence, or the date you refinance the Loan. The terms of the Agency’s DC Open Doors Program stipulate that your Loan is forgivable at a rate of twenty percent (20%) per year from the settlement date of the Loan.
6. SETTLEMENT: The Loan shall close on or before the lock expiration provided by the First Trust Lender; otherwise, this commitment letter will terminate. Time is of the essence in this commitment.

The Loan must close at the same time as the first trust loan from your First Trust Lender. You will make arrangements with the First Trust Lender for closing both loans.

7. CLOSING EXPENSES: You will be responsible for payment of any and all closing costs that are not covered by the Loan, including any fees for recording the loan document(s).
8. FORM OF SUBORDINATE NOTE AND SUBORDINATE DEED OF TRUST: The Agency's form of Subordinate Deed of Trust and Subordinate Deed of Trust Note will be used to evidence and secure the Loan. Please note that there is no prepayment penalty.
9. FIRE AND EXTENDED COVERAGE INSURANCE: As required by First Trust Lender.
10. FEDERAL FLOOD INSURANCE: As required by First Trust Lender.
11. CONTINGENT COMMITMENT: This commitment is contingent upon your accepting the first mortgage commitment from the First Trust Lender. This commitment will be null and void if you fail to accept the first trust commitment. If you or the First Trust Lender terminates the first trust commitment for any reason, or if the first trust loan fails to close for any reason, this commitment will terminate.
12. HOME PROGRAM REQUIREMENTS (Check Box if Applicable)

**Your Loan is funded by the Home Program, and all applicable HOME Program requirements contained in Title 24 of the Code of Federal Regulations (the "CFR") Part 92 shall be applicable and made a part of this commitment. Such requirements shall include, but are not limited to the following:**

- A. You must qualify as low-income with an annual income not exceeding 80 percent (80%) of the area median income.**
- B. All HOME Program requirements shall be applicable to you for a period of time called the "period of affordability," based upon the amount of HOME assistance received as follows:**
  - Under \$15,000, the minimum period of affordability is five (5) years.**
  - \$15,000 to \$40,000, the minimum period of affordability is ten (10) years.**
  - Over \$40,000, the minimum period of affordability is fifteen (15) years.**

**The period of affordability starts on the date the HOME Program Subordinate Deed of Trust Note is executed and will be monitored annually.**

**The original amount of HOME funds received at the initial purchase will be subject to full recapture and payable in full to Subordinate Lender if you, within the applicable period of affordability described in paragraph (B) above: (1) sell the Property funded in whole or in part with HOME Program funds, (2) cease to occupy the Property as your principal place of residence, or (3) refinance the Property.**

\* \* \*

A facsimile copy of this commitment letter signed by the First Trust Lender on behalf of the Agency shall have the effect of a signed original. You should indicate your acceptance of this commitment by signing one copy and returning an original to the First Trust Lender within ten (10) days of the date of this commitment letter.

This commitment is made in reliance upon information provided to the First Trust Lender by you in your request for the Loan and in the supporting representations and materials. The First Trust Lender's obligation to proceed to closing is subject to the condition that all such information is true and correct as of the closing date. The First Trust Lender will be entitled to cancel this commitment and to retain any monies paid to it if there is any misrepresentation or inaccuracy in such information or if you fail to include material information with your application.

If you have any questions concerning this commitment, please contact Deborah Jones at (202) 777-1652 or at [djones@dchfa.org](mailto:djones@dchfa.org)

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Lisa G. Hensley', with a long horizontal flourish extending to the right.

Lisa G. Hensley  
Director, Single Family Programs

The undersigned Borrower(s) accepts this commitment and all the terms and conditions found herein.

Date: \_\_\_\_\_

Borrower: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Borrower: \_\_\_\_\_

Printed Name: \_\_\_\_\_