



BORROWER(S) COMMITMENT LETTER

DATE: _____

RE: Loan # _____

PROPERTY ADDRESS: _____

DEAR BORROWER(S):

_____ (“First Trust Lender”), on behalf of the District of Columbia Housing Finance Agency (the “Agency”), has approved your application for a DCHFA 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 (Maturity) is the earlier date of:
 - a.) Thirty (30) years from the date of the Loan closing;
 - b.) the sale of the Property or any transfer (by gift or otherwise) of the Property to another person, business or entity;
 - c.) the date the Property ceases to be your principal place of residence; or
 - d.) the date you refinance the Loan.
5. PAYMENTS: You will pay the Principal Balance at the time of Maturity.
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.

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 Single Family Programs at (202) 777-1600 or at SingleFamilyPrograms@dchfa.org.

Sincerely yours,

DCHFA Underwriter

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

Date: _____

Borrower: _____

Printed Name: _____

Date: _____

Borrower: _____

Printed Name: _____