



August 1, 2023

Director Colleen Green  
Department of Housing and Community Development  
1800 Martin Luther King Jr Ave SE  
Washington, DC 20020

Dear Director Green,

Thank you very much for taking the time to speak with us recently, especially taking the time to do so over the weekend, to listen and discuss our concerns and issues regarding the Home Purchase Assistance Program (HPAP). As you know, we write to you on behalf of DC Association of REALTORS® (DCAR), a state-level association that represents over 3,000 members and is the voice for the real estate professionals, homeowners, housing providers, and renters in the District of Columbia.

One of the premier tools DC uses to equip prospective homebuyers with financing needed for a home purchase is our down payment assistance program, the Home Purchase Assistance Program (HPAP). We, as REALTORS®, have championed and utilized this program to assist our clients to achieve the dream of home ownership in DC. The REALTORS® were thrilled when Mayor Bowser increased the maximum loan amount of HPAP to be \$202,000 with additional closing cost assistance of \$4,000 and advocated for the use of this program to many of our clients/your constituents.

However, the sudden announcement of the program funds being completely depleted on June 23, 2023 was shocking to many of our residents who were and are currently in the pipeline. We are aware of the popularity of the program and recognize that there is not an infinite amount of government funding for HPAP. Nevertheless, we strongly believe that a mechanism needs to be put in place to ensure that expectations are managed and that we, the REALTORS® and the government are coordinated in both expectation and messaging moving forward.

The first recommendation that we would like to propose is that when an applicant receives a Notice of Eligibility (NOE), the amount that the applicant is pre-approved for is obligated until the lenders package is submitted. The NOE clearly states the amount of funding that the applicant can receive and the maximum price of the home that can be purchased. These numbers are based on preliminary financial income information and this amount should be “reserved” and/or obligated to the client if a NOE is sent out. Therefore, once all of the funding

available is “reserved”, the program should not accept anymore applicants until more funding is allocated.

The second recommendation that we would like to make is to have a funding amount tracker on the DHCD website that would show the level of funding which remains for the fiscal year. This would provide some ballpark amount of funding that would allow those in the housing industry, whether that be REALTORS®, lenders, or other stakeholders, to know whether to promote the program or not at that point in time and give the prospective purchasers an idea of whether they’re likely to be successful getting any of the allocated funds in the present fiscal year. It would allow them to know to seek alternative sources of financing should any be available to them, knowing that the HPAP funds are, say 98% allocated for FY24.

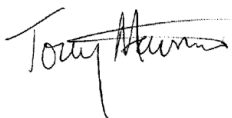
The third and final recommendation that we would like to propose is that DHCD prioritize, in the new fiscal year, the approximately 400 or so individuals who began the HPAP application process and received NOEs this year but were unable to receive funding. These applicants are residents who have decided to make DC their home and have submitted all financial documents to receive a NOE letter and were fairly far along in the process of the home buying timeline.

Expanding homeownership opportunities and building generational wealth in our city is of paramount importance for the health of both the government and stakeholders alike. Thank you for taking the time to listen to our recommendations and if you have any questions, please do not hesitate to reach out.

Sincerely,

*Scott W. Reiter*

Scott Reiter  
DCAR Chief Executive Officer



Tony Mancuso  
DCAR 2023 Board President