



Date:

Re: Borrower(s):

Property Address:

Dear Sir or Madam:

The District of Columbia Housing Finance Agency ("DCHF A" or "Agency") is a corporate body and an instrumentality of the government of the District of Columbia. Therefore, DCHFA is a § 115 entity under the Internal Revenue Code and should be treated as an "instrumentality of government" for purposes of Federal Housing Administration's ("FHA") secondary financing program. DCHFA is also considered a Government Entity according to the US Department of Housing and Urban Development's Mortgagee Letter 2013-14 (the "ML").

Pursuant to the ML, an originating FHA-approved mortgagee must document that all funds for a borrower's Minimum Cash Investment necessary to close a FHA-insured mortgage were provided by a permissible source. The ML requires mortgagees to document that a Governmental Entity incurred, prior to or at closing, an enforceable legal obligation to fund a borrower's required Minimum Cash Investment. This letter documents that DCHFA has, at or before closing, incurred a legally enforceable obligation to provide funds toward the borrower's required Minimum Cash Investment. DCHF A has agreed to loan the borrower a Subordinate Mortgage Loan(s) on the terms and in the amount referenced by the Second Trust Note and Deed of Trust.

In accordance with the Agency's Participation Agreement, DCHF A will/did fund and close the subordinate financing under the DCHFA's DC Open Doors FHA Plus Program in the Agency's name and via a wire transfer of funds belonging to DCHFA.

Prior to applying for FHA Insurance on the associated first mortgage loan, the lender must (i) put a copy of this letter in the FHA case binder and (ii) put a copy of the Borrower(s) Commitment Letter executed by the borrower (pursuant to HUD Handbook 4000.1.II.A.4.d.ii.(C)) in the FHA binder.

Sincerely,

Melissa Lee

Melissa Lee
Chief Financial Officer
Authorized Officer