

SELLER DECLARATION

Address: _____

Residence Selling Price: \$_____ (The amount inserted as the Residence Selling Price must be identical to the amounts inserted in the purchase contract and in Borrower's Declaration)

The undersigned hereby states under oath that:

- (1) I am the seller of the Residence located at the address stated above
- (2) The selling price of the Residence is as set forth above and has been established in an arm's-length transaction between unrelated parties (or, in the case of a related buyer and seller, reflects at least the appraised value of the Residence).

I understand that for the purposes of the foregoing, the selling price of the Residence is the purchaser's cost of acquiring the Residence from me as a completed residential unit. Pursuant to Section 6a.103A-2(b)(8) of the Regulations promulgated pursuant to Section 143 of the Internal Revenue Code of 1986, as amended, "acquisition cost" includes:

- (a) All amounts paid, either in cash or in kind, by the purchaser (or a related party or for the benefit of the purchaser) to me as seller (or a related party or for the benefit of me as seller) as consideration for the Residence.
- (b) If the Residence is incomplete, the reasonable cost of completing the Residence whether or not the cost of completing construction is to be financed with proceeds of the purchaser's mortgage loan.
- (c) Where the Residence is purchased subject to a ground rent, the capitalized value of the ground rent, using a discount rate as provided by the District of Columbia Housing Finance Agency.

Pursuant to such Regulations, "acquisition cost" does not include:

- (x) The usual and reasonable settlement or financing costs. (I/we understand that if the purchaser pays any portion of the real estate broker commission, other than that portion which is customarily paid by a purchaser, such amount so paid must be included in the acquisition cost for purposes of this Declaration and has, if applicable, been included in the selling price of the Residence set forth above.)
- (y) The value of services performed by any purchaser's family in completing the Residence. For purposes of the preceding sentence, the family of an individual includes only the individual's brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants.
- (z) The cost of land which has been owned by any purchaser for at least two years prior to the date on which construction of the Residence begins.

I/we do hereby declare, swear and affirm, under penalty of perjury, that the statements in this Declaration are true and correct.

Seller

Date

Seller

Date