

DCHFA RIDER

DCHFA LOAN #: _____

THIS DCHFA RIDER (the "Rider") is made this ____ day of _____, 20____, and is incorporated into and shall be deemed to amend and supplement the Deed of Trust or Security Instrument (the "Deed of Trust") of the same date given by the undersigned ("Borrower") to secure Borrower's note dated _____, 20____, in the original principal amount of \$_____ (the "Note") payable to _____ ("Lender") and to encumber the property described in the Deed of Trust located at _____ (the "Property"). **THIS RIDER MUST BE RECORDED AS PART OF THE DEED OF TRUST.**

Borrower and Lender acknowledge that the District of Columbia Housing Finance Agency ("DCHFA") is providing the funds for the loan evidenced by the Note and Deed of Trust (the "Loan") or will consider purchasing the Loan upon submission of proper documentation by Lender. Borrower and Lender further acknowledge that the funds used by DCHFA to make or purchase the Loan result from the issuance of tax-exempt bonds by DCHFA and that DCHFA will rely on this Rider to assure compliance with the relevant provisions of the Internal Revenue Code in effect on the date of issuance of the bonds, the Internal Revenue Code of 1986, as amended and all regulations promulgated by the Internal Revenue Service regarding tax-exempt bonds (collectively, the "Code") and DCHFA program requirements. Therefore, in addition to the covenants and agreements made in the Deed of Trust, Borrower and Lender further covenant and agree to amend and modify the Deed of Trust as set forth in this Rider.

CHECK HERE: _____ FHA AND HUD RIDER

CHECK HERE: _____ CONVENTIONAL

DCHFA, Lender, or such of its successors or assigns as may be charged with responsibility for assuring compliance by Borrower with the provisions of this Rider, may accelerate and require immediate payment in full of all sums evidenced by the Note or secured by this Deed of Trust upon the occurrence of any or all the following events:

1. All or part of the Property is sold or otherwise transferred by Borrower to a purchaser or other transferee:
 - a. Who cannot reasonably be expected to occupy the Property as their principal residence within a reasonable time after the sale or transfer, as provided in Sections 143(c) and 143(i)(2) of the Code; or
 - b. Who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer, as provided in Sections 143(d) and 143(i)(2) of the Code (except that "100 percent" shall be substituted for "95 percent or more" where the latter appears in Section 143(d)(1)); or
 - c. For a purchase price higher than the existing applicable DCHFA approved acquisition cost limit for the District in which the Property is located, which acquisition cost limit shall be determined by DCHFA based on Section 143(e) of the Code and regulations promulgated in connection therewith.
 - d. Who has family income higher than the existing applicable DCHFA approved income limit based on household size for the District in which the Property is located, which income limit shall be determined by DCHFA based on Section 143(f) of the Code and regulations promulgated in connection therewith.
2. Borrower fails to continuously occupy the Property described in the Deed of Trust as Borrower's principal residence or uses the Property in a trade or business without the prior written consent of DCHFA.
3. Borrower omits or misrepresents a fact in Borrower's application for the Loan that is material to the requirements of Section 143 of the Code or DCHFA program requirements.

Any failure to exercise the right of acceleration upon the occurrence of any of the events specified above shall not be a waiver of any subsequent exercise of this right by DCHFA. If the Deed of Trust is not financed in whole or in part with proceeds of tax-exempt bonds issued by DCHFA, this Rider shall be null and void and of no force and effect.

DCHF A RIDER

CHECK HERE: _____ VA RIDER

If, so long as the Loan is outstanding, all or part of the property is sold or transferred by Borrower without Lender's prior written consent, other than a transfer by devise, descent or by operation of law, the Lender may, at Lender's option, declare all the sums secured by the Deed of Trust to be immediately due and payable. If the Deed of Trust is not financed in whole or in part with proceeds of tax-exempt bonds issued by DCHF A, this Rider shall be null and void and of no force and effect.

By signing below, Borrower accepts and agrees to the terms and provisions of this Rider as an amendment or addition to the Deed of Trust.

BORROWER

DATE

BORROWER

DATE

BORROWER

DATE