



What All Our Clients Need to Know About Updates Scheduled for October 17, 2019:

District of Columbia

One Unit Real Property and Cooperative Unit

Effective October 17, 2019, we will expire the existing tax question “Owner occupied/principal residence” and replace it with the new tax question “Owner occupied at least 5 consecutive days in one stay” with a default of “No”. This new tax question will allow purchase and construction-to-perm purchase transactions of **secondary residence one-unit real properties and cooperative units** to qualify for the reduced recordation tax rate on the purchase price when the buyer is a qualified first-time homebuyer in the District of Columbia.

Changing the answer to “Yes” for this new tax question “Owner occupied at least 5 consecutive days in one stay” and answering “Yes” to the existing tax questions “Class 1 residential property (1 to 5 units)” and “All buyers are qualified resident first time homebuyers of the District of Columbia, with no previous ownership unless relinquished in a divorce, with qualifying income and the property qualifies for a homestead deduction”, and the property purchase price is less than or equal to the purchase price ceiling, then the system will apply the reduced tax rate to the purchase price to calculate the Recordation Tax.

The “Owner occupied at least 5 consecutive days in one stay” will always be defaulted to “Yes” if the property is a Primary Residence and will always be defaulted to “No” in case of an Investment property.

Figure 1: Owner Occupied

File Summary	
SmartFees ID: 17960919	
Loan Purpose: Purchase	
Lien Position: First	
Loan Number: 23	
Property Address: 23 main st District of Columbia, DC 20001	

Total Loan Amount*	\$450,000
Purchase Price*	\$500,000
Amortization Type*	ARM
Is this property a Planned Unit Development (PUD)?*	<input type="radio"/> Yes <input checked="" type="radio"/> No
Is this a jumbo loan?*	<input type="radio"/> Yes <input checked="" type="radio"/> No
Property Inspection Waiver*	<input type="radio"/> Yes <input checked="" type="radio"/> No
Estimated Property Value*	\$500,000
Occupancy Type*	Secondary residence
Property still under construction?*	<input type="radio"/> Yes <input checked="" type="radio"/> No
Appraisal Product Name*	<input checked="" type="checkbox"/> 1004 Uniform Residential Appraisal Report
First Payment Date	07/27/2019
Tax Criteria	
Enter higher of assessed value or market value*	1500000

Customize	
How many Title Update Fees are needed for this transaction?	0
Size of Home (sq ft)	3,500 sq ft
Will this transaction require an after hours or out of office closing?	No
Will this transaction need a Power of Attorney?	No
How many Document Signing Fees are needed for this transaction?	1
Tax Criteria	
Deed and deed of trust are being recorded simultaneously	<input checked="" type="radio"/> Yes <input type="radio"/> No
Class 1 residential property (1 to 5 units)	<input checked="" type="radio"/> Yes <input type="radio"/> No
All buyers are qualified resident first time homebuyers of the District of Columbia, with no previous property ownership unless relinquished in a divorce, with qualifying income and the property qualifies for a homestead deduction	<input type="radio"/> Yes <input checked="" type="radio"/> No
Owner occupied at least 5 consecutive days in one stay	<input type="radio"/> Yes <input checked="" type="radio"/> No

[CONTINUE TO FEES](#)



For Our Integration Clients

District of Columbia

One Unit Real Property and Cooperative Unit

Effective October 17, 2019, we will expire the existing tax question “Owner occupied/principal residence” (key=“PrinRes”) and replace it with the new tax question “Owner occupied at least 5 consecutive days in one stay” (key=“PrinRes5Days”) with a default of “No”. This new tax question will allow purchase and construction-to-perm purchase transactions of **secondary residence one-unit real properties and Cooperative units** to qualify for the reduced recordation tax rate on the purchase price when the buyer is a first-time homebuyer in the District of Columbia.

Changing the answer to “Yes” for this new tax question “Owner occupied at least 5 consecutive days in one stay” and answering “Yes” to the existing tax questions “Class 1 residential property (1 to 5 units)” and “All buyers are qualified resident first time homebuyers of the District of Columbia, with no previous ownership unless relinquished in a divorce, with qualifying income and the property qualifies for a homestead deduction”, and the property purchase price is less than or equal to the purchase price ceiling, then the system will apply the reduced tax rate to the purchase price to calculate the Recordation Tax.

The “Owner occupied at least 5 consecutive days in one stay” will always be defaulted to “Yes” if the <Criteria Name=“ResidenceType” Value=“PrimaryResidence”/>

The “Owner occupied at least 5 consecutive days in one stay” will always be defaulted to “No” if the <Criteria Name=“ResidenceType” Value=“Investment”/>

```
<?xml version="1.0" encoding="utf-16"?>
<RESPONSE xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance" xmlns:xsd="http://www.w3.org/2001/XMLSchema">
  <HEADER>
    <STATUS_CODE></STATUS_CODE>
    <TRANSACTION_ID>ad6cfa40-8f31-4558-a7d6-5199a0412cbac</TRANSACTION_ID>
  </HEADER>
  <PAYLOAD>
    <GET_TAX_QUESTIONS_RESPONSE UserId="bweaver" Address="123 Any Lane" City="Washington" State="DC" Zip="20001" Fips="11001" LoanPurpose="Purchase">
      <Criteria Name="PropertyType" Value="SingleFamily" />
      <Criteria Name="LoanType" Value="Conventional" />
      <Criteria Name="ResidenceType" Value="SecondaryResidence" />
      <Criteria Name="EstimatedPropertyValue" Value="285000" />
      <Criteria Name="PropertyValue" Value="285000" />
      <Criteria Name="AmortizationType" Value="Fixed" />
      <Criteria Name="SettlementDate" Value="09/22/2019" />
      <Criteria Name="LoanProgram" Value="Standard" />
      <TaxCriteria>
        <RecordingCriteria Id="DeednDOT" Name="Dead and deed of trust are being recorded simultaneously" Type="Boolean" Value="1" Important="true" Visibility="true" />
        <RecordingCriteria Id="AssValue" Name="Enter higher of assessed value or market value" Type="Number" Value="" Important="true" Visibility="true" />
        <RecordingCriteria Id="PrinRes5Days" Name="Owner occupied at least 5 consecutive days in one stay" Type="Boolean" Value="" Important="true" Visibility="true" />
        <RecordingCriteria Id="ResPrinResInDC" Name="All buyers are qualified resident first time homebuyers of the District of Columbia, with no previous property ownership uni" />
        <RecordingCriteria Id="ClRes1To5" Name="Class 1 residential property (1 to 5 units)" Type="Boolean" Value="1" Important="true" Visibility="true" />
      </TaxCriteria>
    </GET_TAX_QUESTIONS_RESPONSE>
  </PAYLOAD>
</RESPONSE>
```

New tax question for FTHB secondary residence