

NJHMFA

Homeward Bound Homebuyer Mortgage Program with Down Payment Assistance



PROGRAM DESCRIPTIONS

Homeward Bound

The New Jersey Housing and Mortgage Finance Agency's (NJHMFA) **Homeward Bound Mortgage Program** provides a 30-year, fixed-rate government insured loan for eligible homebuyers purchasing a home in New Jersey. **The Homeward Bound Mortgage Program** can be coupled with the **NJHMFA Down Payment Assistance (DPA)**.

Down Payment Assistance

NJHMFA (DPA) Program provides qualified homebuyers with \$10,000 toward down payment and/or closing costs. The DPA is a \$10,000 forgivable loan with no payments and no interest rate the loan is forgiven. If the Borrower continuously resides in the premises as his/her principal residence for five years from the loan closing date.

ELIGIBLE BORROWERS

- Borrower(s) must purchase and occupy a residential home in New Jersey.
- Borrower(s) must be a first-time homebuyer, defined as someone who has not had an ownership interest in their primary residence during the previous three years.
- Borrowers of homes located within Urban Target Areas or Qualified Veterans do not need to be first-time home buyers, but must not own another primary residence at closing.
- Property must be occupied as the Borrower's primary residence within 60 days of closing.
- Borrower must maintain occupancy for the life of the loan.
- Borrower(s) must meet credit score and debt-to-income requirements.

ELIGIBLE PROPERTIES

- The property must be located in the state of New Jersey.
- Properties must comply with any and all guidelines of the applicable insurer/guarantor such as FHA, VA or USDA.
- The property must be a single-family home, condominium, townhome, manufactured or mobile home, which is permanently affixed to real property owned by the Borrower, or a two- to four-family dwelling unit of which one unit is to be occupied by the Borrower as his or her principal residence.

DOWN PAYMENT/CLOSING COSTS

Down payment requirements are based on the mortgage insurer or guarantor's guidelines. Borrower may fund down payment and closing costs through NJHMFA's Down Payment Assistance Program, which provides eligible homebuyers purchasing a home in New Jersey with \$10,000. FHA requires 3.5% downpayment. VA, and USDA may allow for no downpayment.

INCOME LIMITS

Income limits are determined by the county of the purchase property; but must not exceed 140% of Area Median Income. Please reference the Homeward Bound Income Limits for additional details.

LOAN TERMS/INTEREST

Call an NJHMFA participating lender for current loan term and rates. The list of participating lenders can be found online at theroadhomenj.com

HOW DO I APPLY?

To apply for the NJHMFA Homeward Bound Homebuyer Mortgage Program, please contact a participating NJHMFA lender. The list of participating lenders can be found online at theroadhomenj.com.



Income Limits

Effective Date 6.07.20

For Homeward Bound Program Participants

MAXIMUM INCOME LIMITS

Limits are listed from lowest to highest

Percent of Area Median Income (AMI)

COUNTIES

140%

Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Hudson & Salem, Warren

\$144,620

Bergen & Passaic

\$145,880

Essex, Morris, Sussex & Union

\$148,400

Mercer

\$152,180

Monmouth & Ocean

\$153,160

Hunterdon, Middlesex & Somerset

\$167,300

