NJHMFA

Homeward Bound Program with Down Payment Assistance

PROGRAM DESCRIPTIONS

HFA Advantage Mortgage

New Jersey Housing and Mortgage Finance Agency's (NJHMFA) **Homeward Bound Mortgage Program** provides a competitive 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 PaymentAssistance Program (DPA)**.

Down Payment Assistance Program (DPA)

NJHMFA's Down Payment Assistance Program (DPA) provides qualified homebuyers with up to $15,000 toward down payment and/or closing costs based upon the county of the property being purchased. The DPA is a forgivable loan with no interest and no monthly payments. The DPA is forgiven if the Borrower continuously resides in the premises as his/her principal residence for five years from the loan closing date and does not refinance or otherwise convey the first mortgage. The DPA may only be utilized by a Borrower one time.

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.

Property must be occupied as the Borrower's primary residence within 60 days of closing.

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 up to $15,000.
FHA requires 3.5% downpayment. VA, and USDA may allow for no downpayment.

DPA funds may not be used to cover closing costs customarily paid by the property Seller. DPA funds may not be used to cover an appraisal shortfall, where the appraised property value is less than the purchase price of the home.

INCOME LIMITS

Income limits are determined by the county of the purchase property. 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 **https://www.nj.gov/dca/hmfa/homebuyers-and-renters/lender/**

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 **https://www.nj.gov/dca/hmfa/homebuyers-and-renters/lender/**

COUNTY LIST	Down Payment Assistance Amount
Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Union	$15,000
Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Salem, Sussex, Warren	$10,000

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Income Limits

Effective Date 06.17.26

For Homeward Bound Program Participants

MAXIMUM INCOME LIMITS	
Limits are listed from lowest to highest	
COUNTIES	
Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Hudson, Mercer, Salem, Warren	$161,520
Essex, Morris, Sussex, Union	$166,080
Bergen, Passaic	$166,920
Mercer	$167,760
Monmouth, Ocean	$168,720
Hunterdon, Middlesex, Somerset	$185,760