

Q: WHO IS A FIRST TIME HOMEBUYER?

A: An individual or family that has either never owned a home or has not owned a home in the last three (3) years and meets the eligibility requirements based on family size & income. A GNHP homebuyer can purchase a condominium or a one, two, three or four family property.

Q: WHAT ARE THE INCOME AND FAMILY QUALIFICATIONS?

A: The family income must be within the following ranges to qualify for assistance:

| Family Size | No Less Than | Not to Exceed |
|-------------|--------------|---------------|
| One | \$24,900 | \$39,850 |
| Two | \$28,450 | \$45,500 |
| Three | \$32,000 | \$51,200 |
| Four | \$35,550 | \$56,900 |
| Five | \$38,400 | \$61,450 |
| Six | \$41,250 | \$66,000 |
| Seven | \$44,100 | \$70,550 |
| Eight | \$46,950 | \$75,100 |

Q: HOW DO YOU BECOME A GOLDEN NEIGHBORHOODS FIRST TIME HOMEBUYER?

A: You must:

- Complete the GNHP pre-purchase training
- Obtain an official certificate of completion
- Receive a letter and certificate of eligibility
- **Not** have entered into a contract of sale prior to certification by the City of Jersey City
- Have at least \$1500 in savings

Q: WHAT IS THE SUBSIDY AMOUNT?

A: Eligible GNHP homebuyers can receive up to 10% of the purchase price for the down payment with a maximum subsidy of \$40,000 for down payment and closing costs.

Q: WHAT STEPS ARE REQUIRED TO RECEIVE THE SUBSIDY?

A: The subsidy is awarded to the Homebuyer once:

- The participant finds a home in Jersey City and enters into contract
- The property passes the mandatory local Housing Standards and Lead Based Paint Inspections
- The participant receives an appraisal for the property and secures a mortgage commitment from a lender

Q: WHEN DOES THE GNHP PARTICIPANT RECEIVE THE SUBSIDY?

A: The payment is delivered at the time of closing in the name of both the buyer and the buyer's attorney.

Q: DOES THE SUBSIDY HAVE TO BE REPAYED?

A: The homebuyer must maintain the home as his/her primary residence throughout the affordability period (10 years). The GNHP subsidy is considered a grant not a loan. There are no interest charges or payments for the life of the grant. It becomes a loan if the buyer moves, sells the property prior to the end of the required affordability period or defaults on the mortgage. The homebuyer is required to repay 50% of the grant upon the first transfer of title to the property.

Q: HOW IS THE GNHP FIRST TIME HOMEBUYER PURCHASE DIFFERENT FROM A CONVENTIONAL REAL ESTATE TRANSACTION?

A:

- The Homebuyer receives mandatory GNHP pre-purchase training
- The Homebuyer receives a federal subsidy for down payment and/or closing costs
- The Homebuyer, Seller, Realtor and Lending Institution must follow specific guidelines that are not applicable to a conventional transaction
- The GNHP Homebuyer has an advocacy team of counselors, trainers and advisors working with him/her