



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO Box 806
TRENTON, NJ 08625-0806

JON S. CORZINE
GOVERNOR

JOSEPH V. DORIA, JR.
COMMISSIONER

To reduce foreclosures and further assist New Jersey homeowners at risk of losing their homes, Governor Jon S. Corzine signed the Mortgage Stabilization and Relief Act into law on January 9, 2009. The legislation, (S-1599/A3506), which is another component of the Governor's Economic Assistance and Recovery Plan, establishes the Mortgage Stabilization Program and the Housing Assistance and Recovery Program. It also imposes additional requirements on lenders foreclosing on mortgages. The New Jersey Housing and Mortgage Finance Agency (HMFA) will be responsible for the administration of the two new programs.

"The magnitude of the foreclosure crisis has made many New Jerseyans feel that maintaining their dream of homeownership is beyond their control. It shouldn't be," said Governor Corzine. "The deep recession has caused some New Jerseyans to lose their jobs and their ability to pay their mortgages, creating the all-too-inevitable march toward foreclosure.

"We must have options for the sake of stabilizing the entire financial system as well as individual homeowners. The programs established through this bill signing, build upon the actions we have taken in partnership with the Legislature and reaffirm our commitment to keeping homeowners and their families in their homes where they belong."

The Housing Assistance and Recovery Program (HARP) will help homeowners who face imminent foreclosure stay in their home while paying affordable rent until the homeowner is able to buy back the property. HMFA will provide financial support through the Housing Assistance and Recovery Program Support Fund to certain nonprofit and public entities to execute lease-purchase agreements with existing homeowners who meet program requirements. \$15 million from the Long Term Obligation and Capital Expenditure Fund is appropriated for the program.

However, the law requires that any entity seeking funds from the New Jersey Housing and Mortgage Finance Agency's Housing Assistance and Recovery Program (HARP) first be certified by the New Jersey Department of Community Affairs. Only non-profit and public entities are eligible to be certified as a HARP Sponsor.





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In order to receive the Department's certification as a HARP Sponsor, an entity must submit the following information:

- 1) A resolution of the organization or municipal governing body requesting certification (sample resolution attached).
- 2) A copy of the Organization's By-laws (non-profit only).
- 3) A copy of the Organization's Articles of Incorporation (non-profit only).
- 4) A copy of the Organization's IRS status (non-profit only).
- 5) A copy of the applicant's most recent financial audit.
- 6) A copy of a Certificate of Good Standing from the New Jersey Secretary of State (non-profit only)
- 7) A narrative detailing the applicant's proposed housing assistance and recovery program.
- 8) A statement of the applicant's experience in negotiating mortgage debt reduction and purchasing distressed properties.
- 9) A commitment from a regulated financial institution or government entity for a line of credit or other financing mechanism to purchase properties under a housing assistance and recovery program.
- 10) Evidence that the applicant "employ(s) trained foreclosure prevention and default mitigation counselors or contract(s) with a HUD certified counseling agency that employs trained foreclosure prevention and default mitigation counselors." (As defined in Mortgage Stabilization and Relief Act)
- 11) Résumés of key organization staff.

The Department's address is:

New Jersey Department of Community Affairs
Division of Housing and Community Resources
PO Box 806/5th Floor
Trenton, New Jersey 08625-0806
Attention: Dena Rathgeber

If you have any questions regarding the certification process, you may contact Ms. Rathgeber at 609-633-6203. Attached is a sample resolution.





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HOUSING ASSISTANCE RECOVERY PROGRAM (HARP)
SPONSOR RESOLUTION

WHEREAS, the _____(SPONSOR)_____ desires to apply to the New Jersey Department of Community Affairs for certification as an eligible Housing Assistance and Recovery Program participant in accordance with P.L. 2008 c. 127 (C. _____).

BE IT THEREFORE RESOLVED, that the _____(SPONSOR)_____ does hereby authorize the application for certification as a Housing Assistance and Recovery Program participant from the New Jersey Department of Community Affairs and acknowledge that they are an eligible sponsor in accordance with P.L. 2008 c. 127 (C. _____). The sponsor will provide all required documentation and abide by the terms and conditions of any certification issued by the New Jersey Department of Community Affairs.

BE IT FURTHER RESOLVED, that the persons whose names, titles and signatures appear below are authorized to sign the application and that they or their successors in said titles are authorized to accept the certification and any other documents necessary in connection therewith:

SIGNED _____
 (Name)

 (Title)

SIGNED _____
 (Name)

 (Title)

I, _____(Name of Clerk/Secretary)_____ (Municipal Clerk/Secretary to the Governing Body) __ of _____(Sponsor)_____ hereby certify that at a meeting of the _____(Sponsor) _____ held on _____(Date)_____ The above resolution was duly adopted.

 (Date)

SEAL
 OF
 NOTARY

