NJHMFA

New Jersey Housing and Mortgage Finance Agency

SINGLE FAMILY PROGRAM HIGHLIGHTS

PROGRAM	FIRST TIME HOME BUYER	HOMEWARD BOUND	HFA ADVANTAGE	POLICE & FIREMEN (PFRS)
Purpose	Purchase	Purchase	Purchase	Purchase
1st Mortgage	30-Year Fixed only	30-Year Fixed only	30-Year Fixed only	30-Year Fixed
2nd Mortgage (DPA)	Forgivable, up to $15,000 disclosed via TIL following TRID timeframes.	Forgivable, up to $15,000 disclosed via TIL following TRID timeframes.	Forgivable, up to $15,000 disclosed via TIL following TRID timeframes.	Ineligible for DPA, but other secondary financing is allowable
First Generation Homebuyer	Forgivable, coupled with the DPA, it provides qualified homebuyers with up to $22,000 toward down payment and/or closing costs. Please see program fact sheet for the definition of a First Generation Homebuyer	Forgivable, coupled with the DPA, it provides qualified homebuyers with up to $22,000 toward down payment and/or closing costs. Please see program fact sheet for the definition of a First Generation Homebuyer	Forgivable, coupled with the DPA, it provides qualified homebuyers with up to $22,000 toward down payment and/or closing costs. Please see program fact sheet for the definition of a First Generation Homebuyer	Ineligible for DPA, but other secondary financing is allowable
First Mortgage Loan Type	FHA, VA, USDA	FHA, VA, USDA	Conventional - Freddie Mac	Conventional - Fannie Mae
Automated Underwriting System	Follow first mortgage insurer requirements	Follow first mortgage insurer requirements	LPA	DU
Minimum Credit Score	620	620	620	620
Maximum DTI Ratios	FHA - 40/47 VA - 47 USDA 32/44 ** maximum 45% DTI when the credit score is below 660	FHA - 40/50 VA - 50 USDA -32/44 ** maximum 45% DTI when the credit score is below 660	No Front/50 ** maximum 45% DTI when the credit score is below 660	36/45
Maximum LTV/CLTV	Follow first mortgage insurer requirements	Follow first mortgage insurer requirements	Follow first mortgage insurer requirements	85% Max LTV
1st Mortgage Allowable Fees	Not to exceed $1350. Origination or discount points may not be charged. Follow first insurer/investor requirements.	Lenders can charge normal and customary fees. Origination and discount points may not be charged. Follow first insurer/investor requirements.	Lenders can charge normal and customary fees. Origination and discount points may not be charged. Follow first insurer/investor requirements.	Application fee of $1825 ($1500 Lender compensation, $325 NJHMFA) $79 tax service fee. Lenders can charge normal and customary fees. Origination and discount points may not be charged.
2nd Mortgage Allowable Fees	Recording Fee only	Recording Fee only	Recording Fee only	Reasonable and Customary fees
Property Type	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.	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.	Single-family home, condominium, townhome, PUD, manufactured or mobile home which is permanently affixed to real property owned by the Borrower, or a two- to four-family dwelling unit.	Single-family home, condominium, co-op, townhome, PUD, manufactured or mobile home which is permanently affixed to real property owned by the Borrower, or a two-family dwelling unit.
Occupancy Type	Primary Residence	Primary Residence	Primary Residence	Primary Residence
First Time Home Buyer Requirement	Yes	With DPA - Yes Without DPA - No	With DPA - Yes Without DPA - No	No
Income Limits	Yes	Yes	Yes	No
Compliance Income: requires all sources of income	Yes, calculate for all borrowers including non-borrowing spouses or legal domestic partners.	Requires qualifying income calculation as compliance income, subject to exceptions listed in chapter 3, under compliance income.	Requires qualifying income calculation as compliance income, subject to exceptions listed in chapter 3, under compliance income.	N/A
Purchase Amount Limits	Yes	Follow first mortgage insurer requirements	Follow first mortgage insurer requirements	Follow first mortgage insurer requirements
Federal Recapture Tax Applicable	Yes	No	No	No
Liquid Asset Test	Only required with DPA. Cannot exceed 20% of the purchase price.	Only required with DPA. Cannot exceed 20% of the purchase price.	Only required with DPA. Cannot exceed 20% of the purchase price.	No
Agency Mortgage Reserves Requirement	Greater of 1 month or AUS findings	Greater of 1 month or AUS findings	Greater of 1 month or AUS findings	Follow first mortgage insurer requirements
Maximum Cashback at Closing	$3000 to reimburse the borrower for eligible expenses paid directly by the borrower. If in excess of $3000, a fully executed contract/ addendum is required reflecting correct loan amount per UW Transmittal.	$3000 to reimburse the borrower for eligible expenses paid directly by the borrower. If in excess of $3000, a fully executed contract/addendum is required reflecting correct loan amount per UW Transmittal..	$3000 to reimburse the borrower for eligible expenses paid directly by the borrower. If in excess of $3000, a fully executed contract/addendum is required reflecting correct loan amount per UW Transmittal.	Follow first mortgage insurer requirements
Non Occupying Co-Borrower	No	Yes	Yes	Follow first mortgage insurer requirements
NJHMFA Review	Pre & Post-Closing	Pre & Post-Closing	Pre & Post-Closing	Post-closing
Housing Counseling	Yes	With DPA - Yes Without DPA- No	With DPA - Yes Without DPA- required if all occupying borrowers are first time home buyers Note: Multi Unit Properties require Landlord Counseling	Follow first mortgage insurer requirements

For full program detail, please refer to our Seller's Guide. In the event of an inconsistency between this document and lender bulletins or the guide, the terms of the bulletins and/or guide shall take precedence.

For up-to-date information, 24-hours a day, visit us online at njhousing.gov • Updated 10.19.26