

RARITAN  TOWNSHIP  
*New Jersey*

**Operating Manual**  
For the Administration of  
**DOWNPAYMENT  
ASSISTANCE**

**June 2020**

One Municipal Drive  
Flemington, NJ 08822  
(908) 806-6100

# **THE TOWNSHIP OF RARITAN DOWN PAYMENT ASSISTANCE PROGRAM**

## **OVERVIEW**

The Township of Raritan Down Payment Assistance Program is designed to help low- and moderate-income households achieve the goal of homeownership. This program will provide a grant to income-qualified homebuyers of deed restricted affordable properties within Raritan Township to use as a principal down payment. Funds are made available through the Affordable Housing Trust Fund of Raritan Township and are funded through the Township's Affordability Assistance program which has allocated \$198,968 to affordability assistance through this program. The goal of the program is to provide financial assistance to income-qualified homebuyers moving to Raritan Township.

## **ELIGIBLE PARTICIPANTS**

Applicants for this grant program must be income-qualified by the Administrative Agent for the Township of Raritan and must be under contract to purchase a deed restricted home in the Township. This means that the applicant must have made application to buy a home, been income-qualified, selected to purchase an affordable home within Raritan Township and signed a contract with the seller. For additional information about buying homeownership properties in Raritan Township contact the Township's Municipal Housing Liaison.

## **ELIGIBLE PROPERTIES**

Properties must be deed restricted affordable for sale units within the Township of Raritan, Hunterdon County. The price of the home will be limited by the deed restriction to be affordable to either a low or moderate-income household.

## **LEVEL OF FINANCING**

The Township of Raritan Down Payment Assistance Program will provide a maximum of 10% of the total sales price of the unit or \$8,000.00, whichever is less.

## **PROGRAM FINANCING**

The Township Municipal Housing Liaison shall notify the Administrative Agent on an annual basis of the level of funding available in the Township's Affordable Housing Trust Fund with an effort to provide for a minimum of five grants per year, or \$40,000 per year.

## **ADMINISTRATION**

Questions about the Program should be directed to the Township's Municipal Housing Liaison.

## **APPENDICES**

APPENDIX A          Down Payment Assistance Program Menu

**APPENDIX A**  
**DOWN PAYMENT ASSISTANCE PROGRAM MENU**

**Down payment assistance program for Raritan Township**

**ELIGIBLE PARTICIPANTS (check all that apply):**

- A household certified by the AA
- No credit check

**LEVEL OF ASSISTANCE**

MAXIMUM FUNDING FOR AN APPLICANT HOUSEHOLD IS:

- \$ 8,000 or
- 10 % of the maximum purchase price of the affordable unit (whichever is less)

**ADMINISTRATION:**

- The Township of Raritan Municipal Housing Liaison as appointed by the Township Committee: and
- Central Jersey Housing Resources Center a not for profit, 501(c)3 company

**APPENDIX B**

**RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DOWN  
PAYMENT ASSISTANCE GRANT WITH THE OWNER OF AN AFFORDABLE  
HOUSING UNIT LOCATED \_\_\_\_\_**

**WHEREAS,** \_\_\_\_\_ is purchasing property located at \_\_\_\_\_, Block No. \_\_\_\_\_, Lot No. \_\_\_\_\_, which property is governed by the statutes, ordinances, rules and regulations restricting ownership and use of the property as an Affordable Housing unit which, among other restrictions, restricts the property owner in financing the property or otherwise encumbering the property by way of mortgage, home equity loan, or other form of financing; and

**WHEREAS,** the property owner has requested a Down Payment Assistance Program grant from the Affordable Housing Trust Fund; and

**WHEREAS,** the Township is willing to extend a grant to the property owner toward the down payment on the price of the home in the amount of \_\_\_\_\_ in order to allow the buyer to procure a First Purchase Money Mortgage; and

**WHEREAS,** it is appropriate for the Township to enter into an Agreement with the property owner setting forth the terms of the agreement at this time;

**NOW THEREFORE BE IT RESOLVED** on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the Raritan Township Committee, County of Hunterdon, State of Jersey, that:

1. The Mayor, Manager, Clerk and attorney are hereby authorized to execute a Down Payment Assistance Program Agreement with the owner of an Affordable Housing unit located at \_\_\_\_\_, Block No. \_\_\_\_\_, Lot No. \_\_\_\_\_.
2. A copy of the fully executed Agreement shall be kept on file with the Clerk. The original shall be kept in the unit file by the Administrative Agent.

I do hereby certify that the foregoing is a true copy of a resolution passed by the \_\_\_\_\_ at a meeting duly held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Clerk