

SENATE, No. 3080

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED OCTOBER 29, 2020

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

SYNOPSIS

Provides closing credit for resident first-time homebuyers; appropriates \$20 million.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing a closing credit for resident first-time
2 homebuyers, supplementing P.L.1983, c.530 (C.55:14K-1 et
3 seq.), and making an appropriation.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. a. Notwithstanding the provisions of any law to the contrary,
9 the agency shall provide cost credit, or reimburse lender credit
10 offered by the originating lender of one percent of the home
11 purchase price to a resident first-time homebuyer who:

12 (1) meets the eligibility requirements for, and participates in, the
13 agency's single family mortgage programs; and

14 (2) completes a homebuyer counseling course offered by the
15 federal Department of Housing and Urban Development or another
16 course with a housing counselor approve by the agency.

17 b. As used in this section, means a natural person, or the unit of
18 spouses considered as joint tenants or tenants by the entirety who is
19 not and has never been the owner of, or holder of an ownership
20 interest in, residential property in this State, exclusive of any
21 interest as a stockholder or partner in a corporation or limited
22 partnership, or as trustee for another person or person, or qualifies
23 for a loan under subsection (d) of 26 U.S.C. s.143.
24

25 2. There is appropriated from the General Fund to the New
26 Jersey Housing and Mortgage Finance Agency the sum of
27 \$20,000,000 for the agency to provide the closing cost credit to a
28 resident first-time homebuyer who meets the qualifications
29 described in section 1 of P.L. , c. () (pending before the
30 Legislature as this bill).
31

32 3. This act shall take effect immediately.
33
34

35 STATEMENT

36
37 This bill would provide a closing credit for certain resident first-
38 time homebuyers. Specifically, the bill provides that a closing cost
39 credit of one percent of a home purchase price would be covered for
40 a resident first-time homebuyer who both meets the eligibility
41 requirements and participates in the New Jersey Housing and
42 Mortgage Finance Agency's ("HMFA") First-Time Homebuyer
43 Mortgage Program or Down Assistance Program, or both.
44 Additionally, a resident first-time homebuyer would be required to
45 attend a homebuyer counseling course offered by the federal
46 Department of Housing and Urban Development or meet with a
47 housing counselor approved by the HMFA.

S3080 SINGLETON

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- 1 This bill would appropriate from the General Fund to the HMFA
- 2 the sum of \$20 million for the use by the HMFA to provide the
- 3 closing cost credit to a resident first-time homebuyer.