



Richard E. Constable, III
Chairman

Anthony L. Marchetta
Executive Director

To: Lower Twp. Potable Water Applicants:

Thank you for your interest in the Potable Water Loan Program administered by the New Jersey Housing and Mortgage Finance Agency. At this time the Agency has funds to make loans to owners of single-family residences whose source of potable water violates State Primary Drinking Water Standards, including lead and mercury, among many other contaminants, set by the New Jersey Department of Environmental Protection. Also covered are sodium, chloride, iron, and manganese at levels that exceed DEP's standards.

Loans are for 10 years and will bear no interest, but will have a 1% annual servicing fee. The maximum loan amount is \$10,000 and all loan proceeds must be used for permitted uses. Residential properties located in designated areas of Lower Twp. (see location maps in the application package) are eligible without the need for individual well testing. Loan proceeds in these Lower Twp. designated areas can be used to pay for the costs related to tying into the municipal water lines. Loan applicants must provide a contract or binding work write up and cost quote from a qualified contractor or vendor that clearly and in sufficient detail specifies the work and materials to be provided and the total cost.

Potable Water Loan Program loans will be secured by a second mortgage that will be a lien on the property until the loan is repaid in full. Other important information about the terms and conditions of the program are attached hereto.

There is a \$75 application fee that covers the cost of a credit/title report and second mortgage recording fee. Loan applications can only be made through the New Jersey Housing and Mortgage Finance Agency. For application information call the Agency Hot Line at 1-800-NJHOUSE (1-800-654-6873).

Very truly yours,

Robert A. Huether

Assistant Director, Single Family Division

U:PotwaterLowerTwpcover 4/19/2013

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

637 South Clinton Avenue ▲ P.O. Box 18550 ▲ Trenton, NJ 08650-2085

TELEPHONE: (609) 278-7400 ▲ WEB: www.nj-hmfa.com

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
POTABLE WATER LOAN PROGRAM
INFORMATION SHEET**

- 1) The loan funds may only be used to pay for the work that has been contracted for and represented to the NJHMFA in the Applicant's Potable Water Loan Application.
- 2) The work must be completed to the satisfaction of the NJHMFA and any local, regional, state or federal authorities that have jurisdiction for the issuing of permits and approvals.
- 3) The Potable Water Loan Program loan must close within 90 days of the NJHMFA's Loan Commitment, unless an extension is given by the NJHMFA, at its discretion, for good cause.
- 4) The applicant must immediately notify the NJHMFA of any material change to the information contained in the Loan Application through the date of delivery of a Certification of Completion of the work to the NJHMFA.
- 5) The loan closing will be by mail or at the NJHMFA offices in Trenton, unless other arrangements are made by the NJHMFA. If by mail, the applicant must contact the NJHMFA and set up a closing date. The closing documents will be delivered to the applicant. The applicant will sign all documents and deliver them to the NJHMFA.
- 6) This is a second mortgage and the applicant will have the right to cancel the loan within three business days after closing by notifying the NJHMFA in writing.
- 7) If the closing documents are in order, the NJHMFA will after the three day right to cancel period has expired deliver a check in the amount of 25% of the loan amount to the applicant. The check will be made jointly to the applicant and the contractor or vendor that will be performing the work. The balance of the loan amount will be paid by a joint check to the applicant and the contractor or vendor upon delivery of a Certificate of Completion in the form required by the NJHMFA. This procedure must be followed unless other arrangements are approved in advance in writing by the NJHMFA.
- 8) Upon completion of the work, the applicant and the contractor or vendor that performed the work will deliver to the NJHMFA a Certificate of Completion

signed by both the applicant and the contractor or vendor that certifies that the work has been fully completed and the final cost of the work and that any required governmental approvals have been issued.

- 9) The applicant consents and authorizes representatives of the NJHMFA to enter upon the applicant's property to inspect the work at any time during the progress of the work or after completion to confirm that the work has been appropriately performed.
- 10) Loan repayment will be annual (one payment per year) if the loan amount is \$3,000 or less. Loan repayment will be semi-annual (two payments per year) if the loan amount is more than \$3,000.
- 11) There is a 1% per annum Statutorily assessed servicing fee assessed on the outstanding balance of the loan that will be collected along with the annual or semi-annual principal payments.
- 12) Additional terms and conditions are set forth in the mortgage and note.

U:PotWaterInformationSheet 4.23.09 Lower Twp.Folder

**POTABLE WATER
LOWER TOWNSHIP
APPLICATION PROCEDURE**

TO: Lower Township Potable Water Applicants

We have supplied an **introductory letter** and an **Information Sheet** to give you a brief overview of the Potable Water Program. After reviewing both, please follow the steps outlined below:

1. Complete the Potable Water Loan Program Lower Twp. Application. Be sure to indicate the location of your property on the maps attached to the Application. (Note that if your property is located outside of the designated area a different application procedure will apply.)

2. Return the Application (completed and signed) to:

New Jersey Housing and Mortgage Finance Agency (HMFA)
PO Box 18550
Trenton, New Jersey 08650-2085
Attention: Single Family Mortgage Origination Department

3. A \$75 application fee payable to New Jersey Housing & Mortgage Finance Agency must be submitted with the Application,
4. When the **signed and completed** Application is received by the HMFA you will be sent the following forms:

- a. Right to Cancel
- b. Mortgage Note
- c. Second Mortgage

If you chose t proceed with the loan, you will sign the Right to Cancel (a), the Mortgage Note (b) and the Second Mortgage (c) and return signed documents to the same address as above in Step 2.

Within (10) working days after HMFA receives the signed and completed Right to Cancel, Mortgage Note, and Second Mortgage, monies will be disbursed.

If you have any question, please call 1-800-NJHOUSE (1-800-654-6873).

U:PotWaterAppProcedures Lower Twp. 4.23.09

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
POTABLE WATER LOAN PROGRAM
LOWER TOWNSHIP APPLICATION

NAME (each person named in your deed must be listed):

TELEPHONE NO. (Include area code): _____

PROPERTY ADDRESS:

Street: _____

Municipality: _____

Tax lot and block: Lot No. _____ Block No. _____

AMOUNT OF LOAN REQUESTED (FUNDS CAN BE USED TO PAY THE COSTS OF WORK ASSOCIATED WITH THE TIE IN TO THE MUNICIPAL PUBLIC WATER UTILITY SYSTEM):

COST OF WORK: (must be the same or more than the loan amount and cannot exceed \$10,000):

\$ _____

PROPERTY LOCATION (if all four boxes are checked the property should be eligible)

- () Check if the property is currently served by a drinking water well.
- () Check if the property is located within the boundary lines shown on at least one of the attached street maps.
- () Check if the property is eligible to be tied into the municipal water line system provided by the Lower Twp. Municipal Utilities Authority.
- () Check if the property is a residential property (is not a store or other commercial or business

property except for residential rental).

CONTRACTOR/VENDOR INFORMATION:

Company: _____

Company representative: _____

Company address: _____

Company Phone (include area code): _____

A binding quote or contract is attached: () Yes () No

APPLICATION FEE:

A non-refundable application fee of \$75 in check or money order made payable to the New Jersey Housing and Mortgage Finance Agency (or NJHMFA) must accompany the Loan Application. This fee is necessary in order to pay out of pocket expenses for recording the second mortgage, credit report costs (that will confirm no proceedings such as bankruptcy or foreclosure that could impair completion of the work) and to defray the cost of mail or delivery of loan documents. The amount of the application fee may be added to the loan amount, at the applicant's discretion, and will be paid to the applicant when the loan is closed.

APPLICANT'S STATEMENT:

The undersigned (everyone on the deed must sign) hereby makes application to the New Jersey Housing and Mortgage Finance Agency for a loan under the Potable Water Loan Program. The statements made in this application are correct to the best of my/our knowledge. I/ We understand that any loan funds received must be used only for the purposes of the paying for the work described in this application, or such other related work as may be approved in writing by the New Jersey Housing and Mortgage Finance Agency. I/ We understand that the New Jersey Housing and Mortgage Finance Agency will rely on the information contained in this application in determining if I/we are eligible for a loan under the program. I/We understand that it is a violation of law, for which I/We may be subject to punishment, to knowingly misrepresent the information we have set forth in this application. I/We acknowledge that this loan will be secured by a second mortgage that will constitute a lien on the property until such time as it is

repaid in full.

Applicant(s):

_____ Date: _____

_____ Date: _____

_____ Date: _____

u/Lower App
Rev. 4/21/09

Villas-Townbank Water Project Location Map

