

# **NORTH BRUNSWICK HOUSING REHABILITATION PROGRAM (HRP)**

**Administered by the North Brunswick Housing Corporation (NBHC)**

## **INCOME & FUNDING GUIDELINES**

The HRP provides deferred loans to property owners to pay for renovations of two different types of residential properties located in the Township of North Brunswick:

1---single-family, owner-occupied dwelling units that are occupied by lower income households; and

2---residential buildings with 1-4 rental dwelling units in the building, with funding determined by the percentage of households in the building who qualify as lower income.

As of May 15, 2016, the maximum income for households of various sizes to qualify for funding, as determined by the State of New Jersey, is as follows:

	<b>1 Person</b>	<b>2 Person</b>	<b>3 Person</b>	<b>4 Person</b>	<b>5 Person</b>	<b>6 Person</b>	<b>7 Person</b>	<b>8 Person</b>
<b>Income</b>	<b>\$58,800</b>	<b>\$67,200</b>	<b>\$75,600</b>	<b>\$84,000</b>	<b>\$90,720</b>	<b>\$97,440</b>	<b>\$104,160</b>	<b>\$110,880</b>

Household income includes the income earned by all members of a household who are 18 years of age or older who will be residing in the dwelling unit, with the exception of full-time students (12 or more credits) who work less than 35 hours per week.

Funding is provided as a 10 year deferred loan that is secured by a mortgage. This means that 10% of the loan amount is forgiven each year, so that if the owner continues to own the property for ten years, the entire amount of the loan is forgiven. The deferred loan is secured by a mortgage and mortgage note. The exception to this rule is homes located in Deerbrook Village, which properties are secured by a UCC Financing Statement a security agreement.

The maximum amount of the deferred loan that can be provided to the owner of a single-family, owner-occupied dwelling unit is \$30,000. The program will cover 100% of the cost of the renovations if the work does not exceed this \$30,000 limit.

For buildings with rental units, a maximum of 80% of the cost of renovation will be provided. This amount will be reduced proportionately to correspond with the percentage of units in the building that are occupied by lower income households. The maximum deferred loan for buildings with rental dwelling units shall be \$20,000 per dwelling unit, with a total maximum of \$50,000 per residential building.

Owners of buildings with rental units must agree to restrict the occupancy of each lower income rental unit to households that qualify as lower income for the ten year term of the mortgage. The owner must also agree to execute a lease for all lower income units and limit rent increases in accordance with cost of living increases allowed each year by the NJ Department of Community Affairs.