

AFFORDABLE HOUSING

1 Monument Drive, Princeton, NJ 08542

Frequently Asked Questions regarding Princeton's Township's Purchase Program:

Princeton's Affordable Housing Purchase Program is unique in several ways: 1. the Purchase price is based directly on gross household income, unless the income falls below Princeton's minimum income guidelines to purchase. 2. Princeton markets all properties, and facilitates all transactions between sellers and purchasers. 3. Princeton will purchase the unit after a period of time if no income-eligible buyers from the wait-list can be qualified. Princeton will then remarket the property. 4. the homeowner's resale price is the original purchase price plus the appreciation as calculated from the median differential from the point of purchase to the time of resale. 5. the Township may offer loans to qualified purchasers to help offset downpayments and/or closing costs.

1. WHAT ARE THE CRITERIA FOR ELIGIBILITY

Princeton's applicant wait-list for purchases is an open list. If your gross household income and household size fall within Region 4 Income limits, (see the Regional Income Limits link), you may be eligible for Princeton's income-based purchasing program. Please submit an application, (see the Application box), to the Affordable Housing office at 369 Witherspoon Street, Princeton, NJ 08540.

2. WHAT ARE THE CRITERIA FOR QUALIFICATION TO PURCHASE?

Princeton offers no guarantee or representation of unit availability for every applicant. Qualification and selection is made on the basis of criteria including, but not limited to: household size; income; debt; credit history; unit availability; and legal residency status.

3. HOW IS THE PURCHASE PRICE DETERMINED?

Princeton's program is unique in that the Purchase Price calculation is based on housing costs that cannot exceed 28% of gross household income. Housing costs include payments for the mortgage, interest, homeowner association fees, sewer payment, and homeowner's insurance as well as an allowance for private mortgage insurance. Housing costs do not include utilities, food

or other household costs. (If your gross household income falls below the minimum income used to calculate the purchase price, as determined by the Housing Board, you may still be able to purchase if you can qualify for the Princeton's program and can obtain a mortgage for the minimum purchase price).

4. **WHEN, and HOW, ARE PROPERTIES AVAILABLE FOR RESALE?**

All of Princeton's resales units are occupied by homeowners. The length of the wait-time is dependent upon a homeowner's decision to move. At that time, only Princeton markets the property. Princeton uses a random selection process to ensure that its program is an Equal Housing Opportunity. When a property becomes available, Princeton sends out notification letters, at the same date and time, to those applicants on the wait list who are household-size and income-appropriate to the property being offered. Availability is also posted on the Princeton website. Applicants are required to respond immediately to the notification by calling the Affordable Housing office to leave a message on the voice mail system. Interviews are scheduled in the order in which the calls were received.

5. **ARE PRINCETON'S AFFORDABLE HOUSING PROPERTIES DEED RESTRICTED?**

All of Princeton's Affordable sales properties have deed restrictions that impact the property. Some of the most important deed restrictions are: A) the Homeowner(s) must occupy the property full-time and permanently. No one may occupy the property, not even other household members, unless the Homeowner occupies the property as well, on a full-time, permanent basis. B) the Homeowner's borrowing capacity is limited. The amount of money that may be borrowed or refinanced, using the property as collateral, is determined by the State and Municipal regulations. The Coordinator calculates the permissible borrowing capacity. C) the resale price is a restricted amount, as calculated from the original purchase price, plus appreciation, and may be more or less than the new purchase price. Princeton receives a share of the appreciation. If the purchase price is less than the resale price, Princeton will contribute to the purchase price. If the purchase price is more than the resale price, Princeton will recapture the difference.

6. **HOW ARE THE DEED RESTRICTIONS AND RULES AND REGULATIONS ENFORCED?**

Any infraction of any deed restrictions, controls, and/or Princeton Affordable Housing Rules and Regulations may result in criminal, civil, and/or financial consequences, including the loss of your Affordable property.

FOR ALL QUESTIONS, AVAILABILITY AND INCOME GUIDELINES FOR RENTALS, PLEASE CALL THE RENTAL AGENCIES THAT ARE LISTED ON THE "[CONTACTS LINK](#)".