

Jennifer Laterra, President

Sharon Clark, Executive Director

REFINANCE OR HOME EQUITY INFORMATION FOR BERNARDS OR RARITAN TOWNSHIP

Central Jersey Housing Resource Center (CJHRC) has received your initial inquiry regarding refinancing of your current mortgage or to request a home equity loan or line of credit. We need you to submit the following in writing **BEFORE** applying for any of the above regarding your unit.

It is important to know that many lenders offer lending opportunities but do not always understand the “restrictive covenants and deed restrictions” that are associated with your affordable housing (Mt. Laurel) unit. Inform your potential lender that your property is an affordable housing unit and that the restrictive covenants will remain intact. Bernards and Raritan Township will allow a new mortgage to subordinate their existing recorded documents, so the first money mortgage is always in first position.

Bernards and Raritan Township will not allow an affordable housing unit to be mortgaged for more than 80% of the unit’s maximum resale value, which is calculated by CJHRC.

We must receive all the information and documentation listed below before you apply in order to address any possible issues or concerns.

- A **signed letter** from you stating
 - what type of new loan are you applying for (refinance, home equity-loan or line of credit) and state
 - the reason(s) of the request (lower interest rate, shorter term, remodeling, etc.)
 - include in the body of the letter that you have no other loans that would jeopardize your affordable home.
- Authorization from you (in the body of the request letter) giving permission to CJHRC and any staff member or their agents to speak with your lender and/or their agents about the proposed refinancing/loan
- Proof of your existing financing information. A current mortgage statement that shows the lender name, current loan balance and interest rate
- The total amount you are seeking to borrow including all fees if they are being rolled into the loan (closing costs, etc.)
- When you would want the loan to close
- All bank/lender information (contact name, phone and email) and Attorney information (contact name, phone and email) if applicable.
- There is a fee of **\$210.00** reviewing and processing of the refinance request and a Subordination Form that will be required by your lender. The Township attorney will prepare the subordination form. Your check should be payable to **Bernards or Raritan Township (depending on your township)** and **must** be included with your request letter
- **Within 10 business days of the loan closing it is your responsibility to send a copy of the HUD-1 (RESPA) to our office for the file.**

We want to make sure you understand that receipt of all of the above by CJHRC does not necessarily mean that the new loan request will be approved. We may at any time during the review process, request more documentation.

Please mail to CJHRC – 92 East Main Street, Suite # 407, Somerville, NJ 08876

G/Bernards/RaritanTwp/ Refinance 2022/ 3.1.22

