



## **PRE-PURCHASE INDIVIDUAL COUNSELING CERTIFICATE HOMEOWNERSHIP PROGRAM**

The Central Jersey Housing Resource Center Corp. (CJHRC) has had many individuals and households seeking to attain homeownership. Statistics and history show the benefits from pre-purchase counseling. Many down payment and closing cost grant programs and special mortgage products require a pre-purchase counseling certificate from a HUD agency. Due to the pandemic, CJHRC continues to offer our pre-purchase individual counseling by phone. CJHRC never charges clients for their services due to the generosity of our financial supporters.

### **Pre-Purchase Overview**

CJHRC is a HUD housing counseling agency which is important when seeking a homebuyer education certificate. The goal of the counseling is to prepare you for all aspects of the home buying process. Knowing what is involved in the home buying process helps you understand what will be expected.

### **Pre-Purchase Counseling Process**

- If you are interested, call 908-446-0037 and speak with a CJHRC counselor who will gather information and do an intake. They will then provide and need back several disclosures and items. A document checklist is attached (on the back of this page). Counseling cannot be scheduled until the required disclosures are received by email, mail or dropped off, as well as the documents on the attached checklist are mailed or dropped off to our office at 92 E. Main Street, Suite 407, Somerville.
- Once documentation is received, the counselor will schedule your phone counseling appointment(s). Phone counseling usually takes a **minimum** of 4 hours. Sometimes clients schedule four one hour sessions or some opt to do several 2 hour sessions. is offered on weekdays between 9:00 and 3:00 and, if necessary, on weekends (only special circumstances).
- All parties who will be on the deed. mortgage and/or affordable housing documents will need to participate in all counseling sessions and submit required documentation.
- Once counseling is completed and all required forms are signed, you will receive a Certificate of Completion that is good for one year.

*Pre-Purchase Individual Counseling is sponsored by: Affinity Foundation, Bank of America Charitable Foundation, Capital One, Columbia Bank Foundation, Franklin Township CDBG, Fulton Bank, N.A., HUD, Johnson & Johnson SC Companies, M&T Charitable Foundation/ M&T Bank, Macy's, MagyarBank Charitable Foundation, NJM Insurance Group, Novartis US Foundation, Peapack-Gladstone Bank, PNC Foundation/PNC Bank, PSEG Foundation, Roselle Bank, Santander, SC Dept. of Human Services, Somerset Savings Bank, SLA, State Farm, Synchrony Bank, TD Charitable Foundation, The Bank of Princeton, The Provident Bank Foundation, The Tuchman Foundation, The Tyler Foundation and Wells Fargo Foundation.*

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**It will be necessary for you to mail or drop off copies of the following documents to your CJHRC counselor prior to the initial phone counseling session:**

- Pre approval from a financial institution stating the amount you qualify to mortgage (if applying to purchase). You cannot use an FHA loan if buying a State of NJ Low and Moderate Income Unit. Special language is needed if buying an affordable unit and the lender is not on the deed restricted lender list.
- Copy of an executed Contract of Sale. All parties must have signed (both seller and purchaser) applicable sections of the contract must be completed and signed.
- Copy of the home inspection report.
- Copy of at least one credit report from one of the 3 credit reporting agencies...these can be obtained at [www.annualcreditreport.com](http://www.annualcreditreport.com) or [www.creditkarma.com](http://www.creditkarma.com). If coming for in-person counseling CJHRC can get your authorization and will do a soft pull tri-merge credit report which will also provide all three credit scores.
- Pay Stubs for all household members who will be listed on mortgage (last 4 current and consecutive) (if not working copies of unemployment compensation)
- Copy of alimony and/or child support payments received or paid (need copy of court decree) – if applicable. All separated applicants must provide a settlement agreement, divorce decree, or division of assets signed and notarized by both parties. Separated applicants purchasing affordable housing must provide a notarized release form from the spouse. This release form states that the spouse who is not applying for affordable housing is releasing any claim on the affordable home. If the spouse refuses to sign the release, the applicant can request a judge to require the spouse sign the form. This release form must be typed, completed, signed and notarized when a separated applicant submits income certification documentation to purchase an affordable home/unit.
- Copies of complete (all pages) of Tax returns for the most recent 3 consecutive years, both Federal (1040 not W-2 forms) and State. If you cannot locate your federal tax return, copies can be obtained - call 1-800-908-9946. If you did not file a tax return for any of the required years, a notarized letter is required.
- Bank Statements (for the most previous 2 months—checking and savings-all pages)
- Car Loan Statement (most recent) (if applicable) and Car Insurance Statement (most recent)
- Credit Card Statements (most recent)
- Utility Bills (most recent water/sewage, gas/oil, telephone), Cell Phone Statement (most recent)
- School Tuition and/or Child Care Statement (most recent) – if applicable