



CASE NUMBER \_\_\_\_\_  
(office use only)

**CITY OF PASSAIC – COMMUNITY DEVELOPMENT  
330 PASSAIC STREET, PASSAIC, NJ 07055  
FIRST TIME HOMEBUYER PROGRAM**

**INFORMATION SHEET**

NAME:

ADDRESS:

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Dear Applicant:

In order to better acquaint you with the procedures and sequence of events about becoming a first time home buyer through our program, we provide you with this list to guide you:

1. Attend pre-purchase counseling. Call NJ Citizen Action at 800.656.9637 or go to <http://www.njcitizenaction.org/loancounseling.html> to fill out an application for homeownership counseling or visit [www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm](http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm) for a list of HUD Approved housing counseling agencies.
2. Pre-qualification by one of our participating lenders.
3. Find a home, negotiate a Contract of Sale. Have it reviewed by your attorney. Contract of sale should be contingent upon us approving your application.
4. During attorney review, call the City of Passaic, Community Development department at 973-365-5571 for the Housing Quality Standards Inspection to ensure compliance with City codes.
5. Completion and submission of mortgage application with the participating lender.
6. Prior to receiving a mortgage commitment, you should keep in contact with the lender in order to make sure that the processing of your application is proceeding and also that the lender promptly receives all necessary confirmations, employment, financial information, etc., and conducts the appraisal.
7. When a mortgage commitment is received, you should immediately contact us. We will need a copy of the commitment.
8. It is normally necessary to allow four (4) weeks for completion of the title search since necessary parts are the tax and assessment searches.

9. When your attorney receives the title search and survey, he/she will do the following:
  - a. Contact you in order to target a closing date and time. These are governed by the Contract; as well as the schedules of the parties and respective counsel; however, most lenders have requirements that all closing documents be submitted to them, for review seven to ten business days in advance of closing;
  - b. Order written pay off statement for all mortgages, judgments, etc. which the search may reveal.
  - c. Prepare and submit all closing documents for review.
10. Two to three weeks **prior** to closing of title, you must obtain:
  - a. A homeowner's insurance policy (binders are normally **not** acceptable) and receipt for full payment of the first year's premium. The policy must name all the mortgagees and must be in an amount at least equal to the total mortgage amounts.
  - b. If the property is in flood hazard area, flood insurance will be required, with a policy having the same requirements as the homeowner's insurance policy above. Flood insurance policies **often** require three to four weeks of lead-time.
11. At closing of title, the following will be required of you:
  - a. The presence of all purchasers/borrowers, as applicable.
  - b. Certified check or cashier's check, payable to yourselves or to your attorney's trust account. Your attorney cannot accept company checks, third party checks, attorney trust account checks, money market checks or check from stock brokerage firms. Always plan to bring your personal checkbook to closing for any other adjustments.
12. After closing of title your attorney will do the following:
  - a. Record your deed, bank mortgage and City of Passaic Mortgage.
  - b. Pay all mortgages, judgments and other liens and pay all closing costs and disbursement on your behalf.
  - c. Cancel existing mortgages and remove all liens against title to ensure you of clear title to the premises.
  - d. Forward the deed to you in approximately five weeks and the title insurance policy in approximately four months.

### 13. Physical, Termite, Water and Septic Inspections

It is necessary that all inspections be completed within the time period allowed in the Contract of Sale. Additionally, it is **absolutely** necessary that, within the period permitted by the Contract of Sale, after completion of inspections, a letter is sent on your behalf advising the Seller, what, if anything needs to be corrected by the Seller. If you do not advise the Seller within the period permitted by the Contract of the deficiencies, you may be relinquishing or waiving all legal rights. If, for any reason, the inspections cannot be completed and the results obtained within the contractual time period, please contact your attorney immediately, in order to request an extension of the contingency (please note that the Seller may not agree to such request).

### 14. Closing Dates

Closing dates in your contract are not “of the essence” unless specifically made so. They are good faith target dates. Please advise attorney as early as possible if deviation from the contractual closing date is desired. There are up to two weeks of play in closing dates before action can be taken on your behalf.

