

Governor Phil Murphy

Murphy Administration Celebrates Report on NJHMFA's Down Payment Assistance and First-Generation Homebuyer Program

Posted on - 07/11/2025

State Program Serves as a National Model, Helping Nearly 7,500 Residents Become Homeowners in First Two Years

TRENTON – According to a

[New Jersey Housing and Mortgage Finance Agency \(NJHMFA\) report](https://d31hzlhk6di2h5.cloudfront.net/20250711/b3/f8/ce/de/fc8068fb109b268a0b53ef94/Report_on_DPA_Allocation_to_NJ_Governor_and_Legislature..pdf)

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submitted to the Governor and the Legislature in accordance with P.L.2023, c.78, the NJHMFA Down Payment Assistance (DPA) and First-Generation Homebuyer Program has helped over 7,400 lower-income individuals in the Garden State achieve the dream of homeownership in the last two years. Nearly half of those homebuyers were the first homeowners in their families.

The report, which was issued before the June 29, 2025 statutory deadline, highlighted the program's outstanding accomplishments in homeownership creation. The DPA and First-Generation Homebuyer Program fills a previously unmet need in New Jersey's highly competitive housing market by providing below-market mortgages and down payment assistance to working families who otherwise could not purchase homes. Approximately 85% of the program's borrowers earned below the state's median income.

As noted in the report, the program lowers housing costs over the life of the mortgage with DPA recipients saving an average of \$142 per month and first-generation homebuyers saving an average of \$188 per month compared to buyers using other mortgage products. Over the course of a 30-year mortgage, families who use the program will save an average of more than \$51,000 and \$67,000, respectively. The two years of program assistance examined in the report are expected to result in a total of nearly \$270 million in reduced payments over the life of NJHMFA's \$74 million mortgage investment, a 3.6-to-1 return. Beyond that, the program's impact can be observed in equity generated for program participant homebuyers. Since 2017, the DPA and First-Generation Supplements have already resulted in more than \$2 billion in equity generated for families who have purchased homes through the program. This reflects an immediate, substantive increase in household stability, access to credit, and wealth.

New Jersey's FY2026 budget continues to build on this excellent track record with a renewed \$40 million investment. These funds will ensure that thousands of additional families have the opportunity to buy their first home.

"Our Administration has prioritized expanding affordability and reducing obstacles to ensure more New Jerseyans can become homeowners and achieve the American Dream," **said Governor Phil Murphy**. "We are proud to see this program making an impact on thousands of residents and helping New Jersey families put down roots across the Garden State."

"NJHMFA, is dedicated to expanding homeownership access across New Jersey. The agency invests in, finances, and facilitates access to affordable housing opportunities for low- and moderate-income families. This program is the linchpin in those efforts," **said Melanie R. Walter, Executive Director of the New Jersey Housing and Mortgage Finance Agency**. "We thank the Murphy Administration and our partners in the legislature for their ongoing support of this vital program and are proud of the tremendous success we've realized over the past few years, making it possible for thousands of New Jersey families to become homeowners."

Originally financed with federal funds, the DPA Program has grown substantially since 2017. From 2017-2022, NJHMFA granted 8,139 DPA awards totaling \$86 million in assistance. As federal funds and other sources expired, Governor Murphy and the New Jersey Legislature supported and expanded the program through appropriations, ultimately codifying the program and expanding it with a landmark First-Generation Homebuyer bill sponsored by Senator Singleton and Majority Leader Greenwald in 2023.

"The Down Payment Assistance and First-Generation Homebuyer Program have already helped thousands of working families attain homeownership, setting them up for the long-term stability, opportunity, and generational wealth that homeownership can provide," **said Senator Singleton, Chair of the Senate Community and Urban Affairs Committee**. "With additional funding in this year's budget, these programs will continue to level the playing field for low- and moderate-income families, allowing thousands more to achieve the American Dream of homeownership. I thank the Murphy Administration and the NJHMFA for their work on this issue, and look forward to the continued support and success of both these programs."

"First-time homeownership is a rite of passage that everyone should have the opportunity to experience, regardless of income," **said Majority Leader Lou Greenwald**. "I remember with great pride buying my first home. As a young attorney with student loans, the dream of homeownership often felt out of reach. But thanks to the first-time homebuyer program, I was able to purchase a home with a reasonable deposit, and everything started from there. My wife and I



first child, my career, and my entire adult life began in that home. I still drive by it and feel a deep sense of pride. Over the past two years, more than 7,400 people have benefited from the NJHMFA's Down Payment Assistance and First-Generation Homebuyer programs. These programs are helping New Jersey families build equity and lower long-term housing costs. We're proud of the progress and committed to expanding these efforts, because homeownership is part of the American Dream, and we're going to keep fighting to make sure it stays within reach."

Governor Phil Murphy

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