



**MAYOR BARAKA AND MUNICIPAL COUNCIL EXPAND CLOSING COST
AND FAÇADE IMPROVEMENT HELP FOR RESIDENTS**

***Live Newark program will now provide \$10,000 closing cost forgivable loans to first-time homebuyers;
forgivable loans up to \$20,000 for external home repairs;
\$10,000 forgivable closing cost loans to City employees purchasing a home in Newark***

Newark, NJ—April 13, 2021—The Municipal Council today passed an ordinance proposed by Mayor Ras J. Baraka that increases the maximum amount of Live Newark closing cost loans from \$5,000 to \$10,000 and the maximum of Live Newark Façade Improvement loans from \$15,000 to \$20,000. Previously, the Live Newark Program has operated on a smaller scale, but as Newark recovers from the COVID-19 crisis, Mayor Baraka is determined to do everything possible to preserve and expand home ownership in the city. Only 22 percent of Newark households are homeowners, the fourth-lowest rate in the country for a city with more than 50,000 residents.

Over the past five years, the average annual income of new homeowners benefitting from the Live Newark Closing Cost Program has been \$54,000, and the average price of the homes they bought has been \$235,386. The program enabled the purchase of homes in all five wards. The Façade Improvement Program has helped residents in every ward and 54 percent of them were over the age of 62.

The funds for the Live Newark Program come from Newark’s share of HOME funds received from the U.S. Department of Housing and Urban Development (HUD) and from local sources.

“The COVID-19 crisis has made it harder for Newark residents to become homeowners and for existing homeowners to avoid losing their property. Expanding the Live Newark Program is one of the ways that the City of Newark will be working to increase home ownership and enable residents to repair and enhance their homes in these very difficult times,” said Mayor Baraka.

“Owning a home provides families with stability as it builds wealth,” said Allison Ladd, Deputy Mayor and Director of the Newark Department of Economic and Housing Development.

“Homeownership creates stable active communities. That’s why it is so important to make Live Newark available to more residents and with higher loan amounts.”

Live Newark Closing Cost Program will now provide \$10,000 no-interest loans to first-time homebuyers to purchase a home in Newark. Over a five-year period, 20 percent of the loan is forgiven for each full year in which the recipient has lived in the home.

Live Newark Façade Improvement Program will now provide up to \$20,000 no-interest forgivable loans for owner-occupied homes. The loans may be used for repairs or improvements to the property's exterior which are intended to beautify the community and may also satisfy code violations or threats to the health, safety and welfare of the occupants or the surrounding community. Over a five-year period, 20 percent of the loan is forgiven for each full year in which the recipient has lived in the home.

The Live Newark Municipal Employee Housing Assistance Program will now provide City employees with an up to \$10,000 no interest forgivable loan for closing costs to purchase their home as first-time homebuyers in Newark. Over a five-year period, 20% of the loan is forgiven for each full year in which the recipient has lived in the home.

Applications for the Live Newark Program and more detailed descriptions may be found at <https://www.newarknj.gov/departments/economichousing>