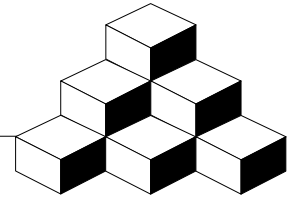


Piazza & Associates

Affordable Housing Services

216 Rockingham Row - Princeton Forrestal Village - Princeton, NJ 08540
 Phone: (609) 786-1100 - Fax: (609) 786-1105 - E-mail: HighlandPark@HousingQuest.com



Dear Applicant,

Thank you for your interest in the affordable homes at Highland Cliffs in the Borough of Highland Park, Middlesex County, New Jersey. Piazza & Associates, Inc. has been engaged by the developer to coordinate the application process for this affordable housing program on behalf of the Borough of Highland Park.

Currently under construction, Highland Cliffs will include 2, two- and three- bedroom townhomes for sale to low- and moderate- income-qualified households. The number of units at each pricing tier is limited. Prices and conditions are subject to change without notice.

Minimum incomes will be determined by the ability of the purchaser to obtain mortgage financing if necessary. The maximum sale price and affordable housing restrictions are governed by this affordable housing program. All other terms and conditions of the purchase are those set forth by the sellers and their agents.

If you are interested in applying to purchase an affordable home at Highland Cliffs, please complete the Preliminary Application (attached) and fax or mail it directly to us:

Piazza & Associates, Inc.
 216 Rockingham Row
 Princeton, NJ 08540
 Fax: 609-786-1105.

Within a few weeks, you will receive a letter of determination with regard to your preliminary eligibility. Applications may be subject to a random selection to determine the priority order of the applicants.

Sincerely,

Frank Piazza
 Piazza & Associates, Inc.

MAXIMUM GROSS ANNUAL HOUSEHOLD INCOME*

Number of Bedrooms	Income Level	Sales Prices	One Person	Two Persons	Three Persons	Four Persons	Five Persons	Six Persons
Two	Low	\$95,000		\$43,160	\$48,555	\$53,950		
Three	Moderate	\$162,034			\$77,688	\$86,320	\$93,226	\$100,131

Asset Limit: If you own your current residence and there is no outstanding mortgage, you may not be eligible if the current value of your home is at or above the "Asset Limit," which is currently \$205,458.

To be eligible for the affordable housing program at Highland Cliffs the gross annual income of your household can not exceed the program limits listed, above. The maximum income is based on the total number of persons who will reside in the affordable home. Maximum Incomes are adjusted annually and are subject to change without notice. The homes at Highland Cliffs are being sold by Hallmark Homes, which is solely responsible for sales transactions and the product delivered.* Other income restrictions may apply.



Preliminary Application for Affordable Housing



**Borough of Highland Park
Middlesex County, New Jersey**

This is a Preliminary Application only. Do not send supporting documentation at this time. You will be notified as to the status of your preliminary eligibility based on the information that you provide in this application. When an affordable home becomes available, eligible candidates will be contacted. At that time, we will provide you with a list of documentation required to support and verify the information submitted in this application. We can not and do not guarantee housing based on the approval of this Preliminary Application. Highland Cliffs is a development of Hallmark Homes. Affordable Housing application services are provided by Piazza & Associates, Inc., an affordable housing services corporation. This is an Equal Housing Opportunity. This program is subject to municipal and state affordable housing regulations, but no guarantee can be made that these homes are affordable to all applicants. This program is subject to availability. Prices, terms and conditions are subject to change without notice.

Piazza & Associates, Inc. ♦ Affordable Housing Services

216 Rockingham Row ♦ Princeton Forrestal Village ♦ Princeton, NJ 08540

Telephone: 609-786-1100 ♦ Facsimile: 609-786-1105

E-mail: HighlandPark@HousingQuest.com



Affordable Housing Policies and Requirements



For All Applicants

Federal law prohibits discrimination against any person making application to buy or rent a home with regard to age, race, religion, national origin, sex, handicapped or familial status. State law prohibits discrimination on the basis of race, creed, color, national origin, ancestry, nationality, marital or domestic partnership or civil union status, familial status, sex, gender identity or expression, affectional or sexual orientation, disability, source of lawful income or source of lawful rent payment.

- ◆ This affordable housing unit be the intended primary residence of the applicant. All household members who intend to reside at the affordable homes must be listed in the Preliminary Application. If changes in income or household composition occur during the application process, or if there is a change of address, the applicant is required to notify Piazza & Associates, Inc. in writing, immediately.
- ◆ Applications must be truthful, complete and accurate. Any false statement makes the application null and void, and subjects the applicant to penalties imposed by law. After the submission of a Final Application, any change to the applicant's sources of income or household size may void the application and require the applicant to reapply to the program.
- ◆ Annual Income includes, but is not limited to, salary or wages, alimony, child support, social security benefits, unemployment benefits, pensions, business income, and actual or imputed earnings from assets (which include bank accounts, certificates of deposit, stocks, bonds, or other securities), and real estate.
- ◆ If you own a home in which you are currently residing and which you intend to sell prior to living in an affordable home, compute your income from this asset by taking the market value of your home, subtracting the current principal of your mortgage, and multiplying the balance by the HUD Passbook Savings Rate. Also, you may not be eligible for this affordable housing program if the current value of your home is at or above the "Asset Limit" and you do not have a mortgage. Income from other real estate holdings is determined by the actual income you receive from the asset (less expenses, but not less your mortgage payment).
- ◆ Specific documentation to verify income and assets, as well as a letter of prequalification for mortgage financing from a licensed lending institution will be required at a later date.
- ◆ Please understand that the prices are established and governed by State regulations. Although consideration is made for low- and moderate- categories of household incomes, sale prices do not fluctuate on the basis of each individual applicant's income. Therefore, we can not and do not guarantee that any home will be affordable to you or your household.
- ◆ We do not provide financing to purchase affordable homes. Financing for an affordable home is subject to terms and conditions set forth by the State of New Jersey. Monthly payments, including principal, interest, property taxes, insurance and condominium fees, may not exceed 33% of your income without the applicant receiving home- buyer counseling by an agency approved by HUD or the N. J. Department of Banking and Insurance, which details the advisability of such a mortgage loan. For a list of approved counseling agencies, contact HUD, the N. J. Department of Banking and Insurance or our website: HousingQuest.com.
- ◆ If you need assistance completing this application, please contact us at 609-786-1100.
DO NOT SEND SUPPORTING DOCUMENTATION WITH THIS APPLICATION.
Please mail your application to the address, below, or fax it to us at 609-786-1105.

Piazza & Associates, Inc.

216 Rockingham Row - Princeton, NJ 08540



Preliminary Application for Affordable Housing



A. Head of Household Information

Last Name: _____	Soc. Sec. No: _____
First Name: _____	Home Phone: _____
Home Address: _____	Work Phone: _____
P.O. Box or Apt. No.: _____	County: _____
City: _____	State: _____ ZIP: _____

B. Household Composition and Income (List ALL sources of income, including, but not limited to Salary, Dividends, Social Security, Child Support, Alimony & Pensions. DO NOT include income from Assets listed in Section C.)

Full Name (First, Middle & Last) <small>List everyone who will occupy the affordable home.</small>	Relation To	Date of Birth	Sex	Gross Annual Income
#1	Head of Household			\$
#2				\$
#3				\$
#4				\$
#5				\$
#6				\$

Does anyone in the applicant household pay child support and/or alimony to anyone outside of this household? ___Yes ___ No If yes, how much is paid annually? \$_____

C. Assets (Bank Accounts, Cert. of Deposit, Mutual Funds, Real Estate, Etc.

If you own the home in which you live, clearly indicate BOTH the market value & your equity in the home Your equity equals the market value less any outstanding mortgage Principal.)

D. Current Situation

Type of Asset	Current Market Value of Asset	Estimated Annual Income	Interest Rate
			%
			%
			%
			%

Do you currently own your home?

Yes
 No

Do you have a mortgage?

No
 Yes: Please list the Equity in your home in Sect. "C"

F. Important Information (Must be signed by everyone over the age of 18.)

I(We) hereby authorize Hallmark Homes, Piazza & Associates, Inc., the Borough of Highland Park, their agents and/or employees to obtain information regarding the status of my(our) credit, and to check the accuracy of any and all statements and representations made in this application. I(We) certify that all information in this application is accurate, complete and true. I(We) understand that if any statements made are willingly false, the application is null and void, and I(we) may be subject to penalties imposed by law.

THIS APPLICATION IS VOID IF NOT SIGNED.

Signed: _____ Date: _____

Signed: _____ Date: _____

E. Preference

No. of Bedrooms (limited by household size):

Two Bedrooms
 Three Bedrooms