

SONYMA ADVISORY COUNCIL MINUTES		
9.22.2011	9:35 AM – 2:30 PM	641 Lexington Avenue, NY, NY
Meeting called by	NYSHCR/SONYMA	
Type of Meeting	SONYMA Advisory Council	
Facilitator	Doug Dylla	
Notetakers	Ian Clement, Theresa Do, Brian Hyatt and Veronica Jones	
Attendees	Appended List	

Call To Order – Openings and Council Updates	
9:35 AM	Doug Dylla, Marian Zucker and George Leocata

The meeting was opened by consultant Doug Dylla asking the members to introduce themselves, followed by a review of the role of the Advisory Council, including the Statement of Purpose and an update of the member responsibilities and terms of participation. Doug reviewed the agenda and introduced Marian Zucker to make the first presentation.

Marian Zucker provided the following SONYMA updates:

- Because of recent market trends, SONYMA’s rates are higher than conventional market rates.
- Due to drastically low 10-year Treasury rates, SONYMA loan rates are not as competitive.
- Operation Twist which was announced by the Fed, should help lower the interest rates in the Conventional markets, which will create additional challenge because the Municipal Bond rates cannot keep up with the lower Treasury Bond rates.
- SONYMA is exploring the possibility of entering into the conventional and FHA markets (in addition to the regular SONYMA tax exempt bond programs), that would potentially feature competitive fixed-interest rates, FHA insurance, and down payment assistance.
- SONYMA has recently made the following product enhancements to offset our higher interest rates:
 - Increased the maximum loan amount for the Down Payment Assistance Loan (DPAL) from \$10,000 to \$15,000.
 - Decreased the interest rate differential rate on the DPAL by three-eighths of a percentage point (0.375%).
- Marian also requested information and feedback from upstate communities affected by the recent storms and flooding to see how SONYMA might be able to offer assistance.

George Leocata then shared the following items:

- Thanked the members for their active participation.
- Introduced Eileen Anderson, Vice President of Community Development Corporation of Long Island, as the newest member of the Council.
- Announced the name for the automated underwriting system as SONYMA Express[®] with testing expected to begin in November and a proposed launch date in December.
- Discussed the Welcome Home New York! Event and expects it to serve as a model for future events hosted by SONYMA, along with lender participation.
- Mentioned the pending modification to the SONYMA extension policy.
- Discussed that to date, 16 reservations have been received for the Own It Fix It, New York program and 3 have closed. SONYMA is open to ideas to make the program more attractive.

- Discussed possible FHA/Fannie Mae mortgage products that SONYMA could pursue to remain relevant in the market.

Presentation on Automated Underwriting System Updates	
10:05 AM	Overture Financials, Inc. (Justin Cooper)

Justin Cooper of Overture Financials updated the group with the status of the SONYMA *Express* system; including:

- Integration with tri-merged credit reporting has been completed.
- LT compatibility and Blitz Docs document management are still in progress.
- The system is expected to be ready for testing in November and to go live in December.

Justin Cooper demonstrated the IRS compliance calculator, explained various data entry fields on SONYMA *Express* screen, and discussed how the compliance review will trigger eligibility of the applicant. Additionally, administrative roles and privileges related to the AUS will be determined by Lenders. Justin provided an example during the presentation. The demonstration also provided examples of doing income calculations and uploading documents.

Lenders were informed that a workbook would be sent to each of them to assist in setting up privileges and authority access levels for SONYMA *Express*.

Discussion Notes:

- ❖ Christine Nothnagle indicated that the "start date" field on the data entry screens is confusing and needs clarification, citing that most lenders would not know what actual start date to enter.
- ❖ Another lender asked if AUS will calculate DPAL if the purchase price changes. George Leocata clarified that as current policy changes, SONYMA can and will make these changes to the AUS. SONYMA will be able to track modifications made to a loan by specific users but not by field.
- ❖ Basic changes such as changing programs, DPAL to non DPAL, sales price, loan amount, etc. can be changed on the AUS.
- ❖ Fees incurred with use of AUS will be netted out of the purchases. Fee can be charged to the borrower.

Update Reports from Sub-Committees	
11:18 AM	SONYMA AUS Sub-Committee (Steve Carle)

Steve Carle presented the AUS Sub-Committee updates.

- Lenders indicated FNMA 3.2 DU Format as preference for uploading data files to SONYMA *Express*.
- SONYMA *Express* screen has color coded fields:
 - Red = required for a SONYMA *Express* loan registration
 - Orange = required for a SONYMA loan reservation and rate lock
- Pulling credit reports will be considered a "reissue" in most instances as opposed to a pulling a new credit report.
- Lenders were recently asked to review and report system requirements to SONYMA.
- The next phase of implementation will be the testing stage, in which all lender committee members will be invited to participate.

Update Reports from Sub-Committees	
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11:23 AM	Marketing Sub-Committee (Gail Kresge)
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Gail Kresge shared the success of the Welcome Home, New York event held on 9/17/2011 at the Allen School in Jamaica, New York. It was estimated that 350 attendees and exhibitors from 30 affiliated partners, lenders and non-profits. The event was promoted and advertised in the local community via newspapers, radio, and Encompass who had four teams hand out fliers and speak with people in the community. Attendees were very engaged asked good questions. Workshops were offered covering topics such as selecting a Real Estate Attorney, Shopping for a Home, Down Payment and Closing Cost Assistance, Real Estate Appraising and Safe, Secure and Affordable Financing Options.

Discussion Notes:

- The exhibitors were mostly lenders and non-profit agencies and not by builders or developers.
- Several people thought it was a good idea to do future events in other parts of the state.
 - Finding a venue is an issue.
 - SONYMA was the sole financial sponsor for the event and it was relatively costly.
 - Christine Nothnagle recommended piggy backing on other events to save costs, such as Rochester’s “City Living Sundays” in the spring of each year.

Update Reports from Sub-Committees	
11:47 AM	Process Sub-Committee (Kelly Godino)

Kelly Godino presented the Process Sub-Committee updates.

- A key recommendation is to develop a Lender/Loan Officer/Processor recognition program.
 - Develop and post a virtual “Hall of Fame” on website as a place to recognize top Lenders, Loan Officers & Processors.
 - Recognize the Top 10 SONYMA Lenders (statewide) on an annual basis via press releases, Achievement Certificates, and post on website.
 - Each quarter, recognize Top 10 Loan Officers (statewide) and Top Loan Officer within each SONYMA region. Announce in Monthly Lender Notice, send Achievement Certificate and post on Loan Officer’s Hall of Fame.
 - Issue a Certificate of Achievement each time a loan processor submits a perfect credit underwriting or pre-closing compliance file. Post names quarterly on processor Hall of Fame and enter processor’s name into a quarterly prize drawing.
 - At the end of the calendar year, provide each lender with a list of its top performing Loan Officer statewide and by region, when applicable.
- Change in Rate Lock Expiration Policy
 - Loans will be extended for 45 days and rates re-locked at the higher of the initial rate or the current lock-in rate.
 - Requesting the extension prior to expiration affords the Lender more time to re-disclose the new rate and terms of the loan and removes uncertainty for borrower.
 - The new option allows lenders or property sellers to pay a penalty to buy-down a borrower’s rate when they were responsible for a delay in loan closing that resulted in a rate increase to the borrower.
 - Lender Online (LOL) will be updated to reflect the current rate and loan expiration date after an extension has been granted. SONYMA Express will send out an email reminder when expiration date is approaching.

Further Small Group Discussions	
12:15 PM	Doug Dylla

Doug Dylla asked the SAC members to break out into their discussion groups for lunch and sub-committee discussions about their SMART Goals for the next six months.

Reports from Small Groups – Process Sub-Committee	
1:35 PM	<p>Jeff Needham, Cristina Hoffman, Kathy Forrett (Co-Chair), Kelly Godino (Chair) and Barbara Martin.</p> <p>Absent: Sharon Stockton</p>

After further discussion, the group decided on the following SMART Goals for improving SONYMA’s Processes.

SMART GOALS:

1. Develop ways to enhance communications between SONYMA staff and lenders, lenders and MIF/Genworth Underwriters – **Deadline:** Develop recommendations for improving communications by March 2012
2. Implement a Lender Scorecard. Lenders would be given a grade based on the quality of their SONYMA loan submissions
Deadline: March 2012
3. Establish a plan for a Lender Certification Program to improve lender performance. **Deadline:** March 2012
4. Build a stronger partnership between SONYMA and the loan processors at Participating Lenders. Suggestions include having a face to face meeting with SONYMA Loan Analysts and key Lender Operations personnel. **Deadline:** Recommendations by March 2012.

Reports from Small Groups – Marketing/Outreach Sub-Committee	
1:45 PM	<p>Michele Bage, Ed Patane (Co-Chair), Mike O’Leary, Eileen Anderson, Nicole Mero-Dutil, Duncan MacKenzie, Lynn Law, and Susannah Gillette.</p> <p>Absent: Sheryl Bauer (Chair), Leslie Blanco-Ishoo, Suzanne Raphael , Lewis Dubuque, Denise Pandolfo and Kennis Tong.</p>

After some discussion, the group decided on the following SMART Goals for improving SONYMA’s Marketing and Outreach.

SMART GOALS:

1. Develop a presentation team to deliver the SONYMA message through continuing education classes, certification classes, online training, etc. – **Deadline:** Summer 2012

2. Conduct further market research about future Welcome Home, NY Events – **Deadline:** March 2012
 - a. Possibly placing surveys in closing packages for all SONYMA buyers.
 - b. Setting up focus groups with people attending the Sept. event or other potential buyers
 - c. Find ways to measure the success of Welcome Home New York and track participants who use SONYMA.
 3. Collect borrower’s email addresses for potential follow-up after purchase.
- The plan is to perform market research on the Welcome Home, New York! event
 - For the people that don’t own homes find out reasons why they would choose a SONYMA loan.
 - Finding the best ways to get the word out about SONYMA loans.
 - Developing specific presentations for different target audiences such as borrowers, lenders, and real estate brokers
 - Establishing a lenders’ certification program
 - A course can be taken, either in classroom or on-line and the lender would become certified to do SONYMA loans.
 - Continue to network with industry partners to be updated on the changes and new additions to SONYMA.

Reports from Small Groups – AUS Sub-Committee	
1:55 PM	<p>Steve Carle (Chair), Andrew DiPasquale, Christine Nothnagle Judy Malys, Gerard Troha, and Bill Wippich.</p> <p>Absent: James Ahrens, Lisa Schatzel and Pamela Wiacek.</p>

After some discussion, the group decided on the following SMART Goals for SONYMA *Express*.

SMART GOALS:

1. Lender privilege worksheets to be sent out by September 28th and responses due back by October 14th. Information to be collected will include setting the IP range, roles and privileges for accessing the system. All protocols must be included, such as subscribers ID, passwords for vendors used for credit report, tax return and docs services. All passwords will be synched for all systems such as LT, Blitzdocs, etc.
2. Training Webinar for Testing and Define Expectations. **Deadline:** 10/17/11.
3. Testing of the AU System for a three-week period. Joint conference call after two weeks of testing. **Deadline:** 10/31/11.
 - Testing to be completed by the users at their workstations, using previously reserved loans.
 - A total of several hundred cases at varying stages would be ideal for testing. Setting goals for each Lender to ensure test case goal is met.
 - A worksheet be created and issued on what should be tested.

- 4. Lender configuration on productions. **Deadline:** November 2011.
- 5. Roll out live version of SONYMA *Express*. **Deadline:** December 2011.
- 6. Provide Ongoing Training Webinar for lenders on a monthly basis, or on an as needed basis. **Deadline:** Early 2012.

Production Discussion and Next Steps	
2:00 PM	George Leocata

George Leocata concluded the meeting with an overview of SONYMA programs and the advantages of obtaining SONYMA financing. Included in this overview were a comparison of SONYMA and Conventional Rates, Loan Purchase Statistics, SONYMA Loan Reservations, Annual Production by Area Medium Income, Region and Target Areas, Portfolio Management and Delinquencies.

George Leocata presented SONYMA’s suggestions to increase loan production.

- Pursue possible FHA products
- Affinity agreement with Fannie Mae to be announced 10/01/11.
 - SONYMA will provide down payment assistance.
 - Fannie will eliminate loan level pricing adjustments.
 - No Pool insurance will be required.
 - Open to any Lender approved by Fannie Mae
 - All guidelines will be based on FHA/Fannie Mae guidelines.

Next Steps and Closing	
2:30 PM	Doug Dylla

Doug Dylla and SONYMA thanked all Council members for their attendance and re-emphasized how critical their input is to helping SONYMA improve its processes and programs.

The next SONYMA Advisory Council has been set for **Thursday, April 19, 2012** from **9:30 AM – 3 PM**.

- Council Adjourned -