



# State of New York Mortgage Agency

641 Lexington Avenue, New York, NY 10022  
(212) 688-4000 • Fax: (212) 872-0789

---

By E-mail

November 16, 2011

**RE: Expansion of Homes for Veterans Program  
Seller's Guide Bulletin #6-2011**

Dear Participating Lender:

This past Veteran's Day, Governor Cuomo announced three new initiatives to help veterans obtain affordable housing in New York State. One of these initiatives is an expansion of the State of New York Mortgage Agency ("SONYMA") Homes for Veterans Program. Effective immediately, Homes for Veterans will now allow active duty US military personnel who are first-time homebuyers to take advantage of the benefits of the program.

In 2007, SONYMA launched Homes for Veterans, in conjunction with the New York State Division of Veterans' Affairs, to take advantage of a 2006 Federal law that permits SONYMA to waive the first-time homebuyer requirement for eligible military veterans. Pursuant to the Federal law, any veteran who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable were eligible. This definition also included any veteran who was discharged or released as stated above, but is currently serving in the National Guard or the reserves. However, it excluded actively serving military, National Guardsmen and reservists who have not yet been discharged. With this letter, SONYMA will now allow all active US military personnel stationed in New York, regardless of discharge status, to be able to take advantage of the special interest rate pricing offered by Homes for Veterans.

These advantages are as follows:

- Interest rates on SONYMA first mortgages that are 0.375% lower than our standard interest rates (for loans with down payment assistance).
- Down payment assistance up to the greater of \$3,000 or 3% of the home purchase price (up to \$15,000).

***Please note that the first-time homebuyer exemption only applies to veterans discharged or released under conditions other than dishonorable. As such, active personnel who were not previously honorably discharged must be first-time homebuyers unless purchasing a home in a SONYMA target area.***

The below table summarizes the benefits of Homes for Veterans for all eligible applicants and the required documentation to determine program eligibility:

<b>US Military Status</b>	<b>Loan Pricing Benefit</b>	<b>First-time Homebuyer Exemption</b>	<b>Required Documentation</b>
<b>Discharged/Inactive</b> - Veteran who served in the active military, naval, or air service and was discharged or released under conditions other than dishonorable. No longer in military service.	SONYMA mortgage with down payment assistance (DPAL) but no rate bump of 0.375%	Yes	<ol style="list-style-type: none"> <li>1. DD Form 214, Certificate of Release of Discharge from Active Duty</li> <li>2. Military Veteran's Eligibility Affidavit (SONYMA Form 243), <i>only if not a first-time homebuyer</i></li> </ol>
<b>Discharged/Active</b> - Veteran who served in the active military, naval, or air service and was discharged or released under conditions other than dishonorable, but is currently serving in the National Guard or the Reserves.	SONYMA mortgage with down payment assistance (DPAL) but no rate bump of 0.375%	Yes	<ol style="list-style-type: none"> <li>1. DD Form 214, Certificate of Release of Discharge from Active Duty</li> <li>2. Military Veteran's Eligibility Affidavit (SONYMA Form 243), <i>only if not a first-time homebuyer</i></li> </ol>
<b>Active</b> – Currently serving in active military (and stationed in New York), National Guard or Reserves.	SONYMA mortgage with down payment assistance (DPAL) but no rate bump of 0.375%	No, must be first-time homebuyer unless purchasing in a Target Area	<ol style="list-style-type: none"> <li>1. Leave and Earning Statement</li> <li>2. Military ID Card</li> </ol>

Other than stated in this letter, all other SONYMA requirements and guidelines will apply.

If you have any additional questions, please contact Gail Kresge at (917) 576-8250 or [gkresge@nyshcr.org](mailto:gkresge@nyshcr.org) or Lynn Morris at (917) 613-1465 or [lmorris@nyshcr.org](mailto:lmorris@nyshcr.org).

Sincerely,



George M. Leocata  
 Senior Vice President  
 Single Family Programs