



# State of New York Mortgage Agency

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**JOSEPH STRASBURG**  
*Chairman*

**STEPHEN J. HUNT**  
*President/CEO*

By E-mail and Mail

March 19, 2004

**RE: All SONYMA Programs: Revised Purchase Price Limits  
Seller's Guide Bulletin #1-2004**

Dear Participating Lender:

SONYMA is pleased to announce ***revised purchase price limits*** for its Low Interest Rate Mortgage Program and as applicable, the Achieving the Dream, Construction Incentive and Remodel New York Programs. The revised limits are effective for all loan applications dated on or after March 19, 2004 and will continue until further notice.

Attached please find a replacement page for Seller's Guide Exhibit A, which incorporates the new limits into the Seller's Guide. Please immediately replace the prior Seller's Guide Exhibit A with the attached version. Also attached is an updated chart reflecting the new purchase price/appraised value limits for the Achieving the Dream Mortgage Program. All of the new limits are also posted on SONYMA's website ([www.nyhomes.org/sony/forlendersmain.html](http://www.nyhomes.org/sony/forlendersmain.html)).

Last month, the Internal Revenue Service (IRS) released new purchase price limit data for the first time since 1994. The IRS has also changed the methodology for calculating the limits. The new maximums are based on the annual loan limits set by the Federal Housing Administration (FHA) for FHA-insured mortgages. The purchase price limits are calculated by dividing the applicable FHA loan limit by 0.76 and multiplying the resulting number by 90% for non-target areas and 110% for target areas. Going forward, SONYMA will be able to calculate new limits annually, as updated FHA loan limits are released.

*The release of the revised data has resulted in substantial increases to the limits in most areas of the State.* In addition, please note that the limits are no longer broken down for existing and newly constructed housing. We now have one limit for both housing types.

If you have any questions, please feel free to contact Stacey Wainwright at extension 413.

Sincerely,

George M. Leocata  
Vice President

Enclosures