



Submission of Pre-Closing Application Files
Training Module
March 2010

This module is intended to assist Lenders in completing and packaging the pre-closing application files that must be sent to SONYMA for review and approval as described in Section 2.706 of the Seller's Guide. SONYMA reviews each file to ensure compliance with specific IRS regulations. It does not review the creditworthiness of the Mortgage Loan, which is the responsibility of the Lender, the PMI, and the Pool Insurer. Adherence to the following will greatly enhance the likelihood of receiving faster approvals of Mortgage Loans from SONYMA. Please note that any capitalized words or terms shall mean those as defined in the Seller's Guide.

This module applies to all SONYMA programs except as stated herein.

A. PROCEDURE TO SUBMIT FILES

Each Mortgage Loan file containing the listed documents, completed and executed as set forth below, must be submitted to SONYMA for approval. The documents should be acco-fastened to the folder in the order listed below.

Seller must submit the pre-closing loan file to SONYMA for IRS compliance review within 45 days of the loan application date to:

SONYMA
641 Lexington Avenue, 2nd Floor
New York, NY 10022
Attn: Originations Unit

Credit underwriting files are to be sent to the appropriate pool insurance underwriter as follows:

Program	Pool Insurance Underwriter
Low Interest Rate and Achieving the Dream (including Homes for Veterans loans reserved under these programs and ENERGY STAR® loans reserved under Achieving the Dream)	Genworth Mortgage Insurance Corp. Attn: Central Imaging 6601 Six Forks Road Raleigh, NC 27615
Construction Incentive, Remodel New York (including Homes for Veterans loans reserved under these programs and ENERGY STAR® loans reserved under the Construction Incentive Program), Habitat for Humanity	SONYMA MIF 641 Lexington Avenue, 5 th Floor New York, NY 10022 Attention: Mike Esposito

Upon receipt of a Mortgage Loan file, SONYMA will review the file and e-mail a notice of decision to lender within 24 to 48 hours. Lender will be required to access the Lender Online system (LOL) to determine the loan status and if applicable, the documentation required to obtain loan approval. If

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Lender does not receive a response within 72 hours or LOL has not been updated with a status, Lender should contact SONYMA's status line (212-872-0407) to obtain the loan's current status.

B. DOCUMENT SUBMISSION

Computer Produced or Third-Party Printed Documents

SONYMA permits Lenders to computer-produce or third-party print documents. Within 90 days of each Lender's fiscal year-end, Lenders must execute and submit to SONYMA the Seller/Service Annual Certification Form (Form 240/2-10), which certifies, among other things, that Lender has complied with the requirements for reproducing SONYMA documents. Regardless of the entity that produces the forms, Lender is fully responsible for ensuring that the forms will contain the exact language as, and will look similar to the camera-ready versions published by, as applicable, SONYMA, Fannie Mae, Freddie Mac, or HUD. Lender will also be responsible for ensuring that any future changes or revisions to the documents are made by the required implementation dates.

The below documents, unless hereinafter stated otherwise, must be accurately completed and submitted to SONYMA in every pre-closing (compliance) loan application file.

Pre-Closing Application File Checklist (Form 225/12-09)

Lender uses this form to certify to SONYMA that the loan is being submitted in accordance with SONYMA guidelines. Lender also uses this form to determine if all documentation, as required by SONYMA, is completed and submitted in the appropriate format. The checklist, if used properly, will greatly reduce the possibility of SONYMA rejecting or suspending the file.

Original or photocopy of this document is acceptable.

Lender to complete the form as follows:

- a. On page 1, the SONYMA Reservation Number, Loan Amount, Borrower(s) Name, Property Address, and Lender Name and contact information.
- b. In the appropriate boxes, check applicable box for Program Name, Automated Underwriting Loan option (including Expanded Approval option) and/or DPAL/CCAL/TCAL option.
- c. Place an "X" by each item that is applicable to the loan file being submitted.

Note: The Contact Person should be the individual that is most familiar with the loan file. Questions from SONYMA will be directed to this person.

1. SONYMA Loan Transmittal (Form 213/8-09)

Lender completes this document in its entirety. SONYMA uses the information provided for data entry purposes, upon approval of the Mortgage Loan application.

Original or a photocopy of this document is acceptable.

Lender to legibly complete all fields on the form. The following items require special attention:

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- a. Lender Name, Originator ID Number, SONYMA Reservation Number, and Lender Loan Number
- b. Servicer ID Number and Name of Servicer
- c. Subsidy Information, including source, type, and amount (Item 15), as applicable
- d. Section, block, and lot information (Items 25 through 25e). Please see Section 2.703 of the Seller's Guide for more information.

Note: The section, block and lot information must be submitted to SONYMA in either the pre-closing application loan application file or the closed loan file. SONYMA uses this data to coordinate reporting with other New York State housing agencies.

- e. Acquisition Cost (Item 31) as calculated on the Recapture Notification and Mortgagor's Affidavit (see below) must not exceed the Acquisition Cost Limit (Item 32) as indicated on the most current Program Purchase Price Limits Chart (see Exhibit A of the Seller's Guide). If the Acquisition Cost exceeds the limit, the Applicant(s) is not eligible under this program.
- f. Total Gross Income (Item 64) must not exceed the Income Limits (Item 65) as indicated on the most current Program Income Limits Chart (see Exhibit A of the Seller's Guide). If the total Household Income exceeds the Limits, the Applicant(s) is not eligible under this program.

2. Standard Fannie Mae/Freddie Mac Residential Loan Application (Fannie Mae Form 1003) and Uniform Underwriting & Transmittal Summary (Fannie Mae Form 1008)

Photocopy of the initial (handwritten or computer produced) and verified application (1003), and Form 1008 is required.

Both documents must reflect the interest rate locked with SONYMA at Reservation.

Both documents must be fully completed, including any gifts, subsidies, or DPAL/CCAL/TCAL amount. The DPAL/CCAL/TCAL amount should be added to the Details of Transaction section of the 1003. Any gift funds or subsidies should be stated in the Assets or Details of Transaction section. ***The application must be signed and dated.***

3. Fully Executed Contract of Sale

Photocopy of the original fully executed contract is required. Lenders are permitted to reserve loans with a fully executed binder in lieu of a formal sales contract. *If a binder was used to reserve a loan with SONYMA, a copy of the binder must also be submitted.*

The contract or binder must predate the application. The contract must contain all terms and conditions, riders, and property disclosure or \$500 credit to Applicant(s). Contract must be signed by all Applicant(s) and property sellers. If new construction, any change orders must also be submitted.

If the loan was reserved under SONYMA's Energy Star Program, the contract of sale must state that the home is being built in accordance with the New York ENERGY STAR® labeled home requirements. ***The loan must not be closed at the special incentive interest rate until the Home***

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Energy Rating Certificate (HERC) is obtained.

4. Standard Fannie Mae/Freddie Mac Appraisal Report

Photocopy is acceptable; however, SONYMA requires that all photographs must be legible.

Acceptable forms, depending on the property type, are as follows:

- a. Uniform Residential Appraisal Report (Fannie Mae Form 1004/Freddie Mac Form 70);
- b. Individual Condominium Unit Appraisal Report (Fannie Mae Form 1073/Freddie Mac Form 465);
- c. Individual Cooperative Interest Appraisal Report (Fannie Mae Form 2090);
- d. Small Residential Income Property Appraisal Report (Fannie Mae Form 1025/Freddie Mac Form 72);
- e. Manufactured Home Appraisal Report (Fannie Mae Form 1004C/Freddie Mac Form 70B).

Three clear, descriptive original or laser-produced photographs must be incorporated within the report. One photograph should be a front view of the property showing the complete improvements, the second should be a rear view of the property, and the third should be a street scene showing neighboring improvements. Additional photographs will be necessary as described below.

Lender should instruct appraisers to describe in detail the usage and the interior of any outbuildings, barns, etc. where there is evidence of plumbing or electricity, or evidence of business or commercial use. Photos of the exterior and interior of such buildings are required.

All conditions of the appraisal report must be satisfied prior to loan closing.

Lender should have appraiser provide detailed comments on any of the following items:

- a. Property does not comply with local zoning ordinances.
- b. Lot size does not conform to SONYMA's maximum, as set forth below.
- c. Property shows evidence of a business or commercial use.
- d. Property contains more kitchens than housing units (provide photo of kitchen and surrounding area).

Maximum Lot Size

Zoned Areas	
Up to 5 acres	Eligible for financing.
5+ to 10 acres* If Not Subdivided	(*includes properties with more than 1 tax parcel) and cannot be subdivided, eligible for financing. Lender must provide a letter from the local municipality or other evidence stating that: (1) the property is not sub-dividable, or (2) if sub-dividable, that any additional lot(s) would not be buildable.
If Subdivided	and additional lot(s) is not buildable, eligible for financing. Lender must provide a letter from the local municipality or other evidence stating that additional lot(s) are not buildable.

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	If the additional lot is buildable, SONYMA's loan can only secure the lot with the home located on it.
10+ acres	Not eligible for financing.
<i>Rural or Unzoned Areas</i>	
Up to 5 acres*	Eligible for financing.
5+ to 10 acres*	Parcel must be subdivided to no more than 5 acres. As an alternative, Lender may provide a letter from the local municipality or other evidence stating the property can only be used for residential purposes and not for a business, commercial, or agricultural use.
10+ acres	Not eligible for financing.

Note: SONYMA will not permit the land to be sub-divided post-closing, nor will SONYMA approve any request for a partial release of the mortgage premises.

5. Recapture Notification and Mortgagor's Affidavit (Form 211/1-10)

Mortgagor(s) completes this document which is required for IRS compliance purposes. The form must be accurately completed in its entirety. *No revisions to the form are permitted.*

Photocopy of document is required (**original document is submitted with the post-closing loan file after it is reaffirmed at title closing**).

Refer to the following website address for a detailed example of completion of this document:
<http://www.nyhomes.org/Modules/ShowDocument.aspx?documentid=3861>

Applicant(s) to complete the following sections on the document:

a. Top of Page 1

SONYMA Loan Reservation Number

Lender's Name

Mortgagor(s) Name(s)

Property Seller Name(s)

Number of total persons (including children) expecting to occupy the residence

b. PART II - GENERAL INFORMATION

Mortgagor(s) Name(s) at top of page 2.

Indicate that the Mortgagor is applying for a (A) Mortgage Loan and *not* (B) MCC.

Item 2: "X" the appropriate line to indicate if the property is (A) an existing one unit dwelling; (B) a newly constructed one unit dwelling; (C) a newly constructed or existing two unit dwelling, located in a Target Area, OR an existing two unit dwelling not located in a Target Area; or (D) an existing 3- or 4-unit dwelling. If the property is a 3- or 4-family unit dwelling, the number of units must be circled.

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- Item 5: If the property is a 2- to 4-family home, circle the number of rental units.
- Item 9: "X" the appropriate line concerning ownership interest in a principal home during the 3 year period immediately prior to loan closing. *Please note this information is used for IRS reporting purposes. It is based on their definition of first-time homebuyer which differs from SONYMA's definition.*

If Item "B2" is checked, submit an executed Military Veteran's Eligibility Affidavit (SONYMA Form 243).

- Item 9(C): Complete:

Residences in which Mortgagor(s) has lived during the previous 3-year period, only if the Mortgagor(s) is purchasing the residence in a Non-Target Area;

Address of residence, dates purchaser(s) lived there, and names and addresses of owners of residence; and

"X" the appropriate line or lines which indicate the type of Federal Tax returns filed by the Mortgagor(s) during the previous 3 years.

"X" the appropriate line if Federal income tax returns were filed via Telefile. Indicate date and location filed.

If the last line is "X", indicate the name(s) of the Mortgagor(s) and the tax year in which returns were not required to be filed.

c. PART III - ACQUISITION COST OF THE RESIDENCE

Enter the following:

- Line 1: Purchase Price of Existing or Newly Constructed Home.
Cost of Construction, if New Construction, and if land was obtained from a person or entity other than the contractor building the residence. Subtract out any subsidy amount(s) for down payment, *including any DPAL or TCAL amount.*
- Line 1(a): For Cooperatives, the unit's pro-rata portion of the underlying mortgage (total number of shares allocated to unit divided by total shares in the project, multiplied by the outstanding balance of underlying mortgage).
- Line 2: Subsidy Amount for down payment, *including any DPAL or TCAL amount*, if applicable.
- Line 3: Cost to complete any unfinished areas of the residence whether or not the cost of completing construction is being financed by the SONYMA loan.

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Provide a contractor's estimate or an appraiser's comments to support this amount.

Purchase Price of Land, if New Construction, and if land was purchased within the last 2 years immediately preceding the loan application date.

Do not include the value of land that was gifted or land purchased more than 2 years ago.

If financed land and the original loan term exceeds 2 years, do not include. The IRS considers payoff of a loan with a term greater than 2 years as a refinance. SONYMA cannot lend for refinance loans. [Purchaser(s) would be required to pay off and satisfy land loans from an acceptable source of funds as of the closing date of the SONYMA loan.] The value of the land would not be included in the Purchase Price/Acquisition Cost Limits in this instance.

- Line 4: Cost of fixtures such as lights and wall-to-wall carpeting not included on Lines 1, 2, or 3 above.
- Line 5: Any amounts paid by Purchaser(s) on behalf of the property seller such as property taxes, settlement, and financing costs that are in excess of the Purchaser(s) usual and customary expenses.
- Line 6: Any personal property such as appliances, not permanently attached to the Eligible Property, and itemized and attributed a value in the sales contract.
- Line 7: Total Acquisition Cost: Add lines 1 through 5 and subtract any amount on line 6.

Note: If the amount on line 7 exceeds the current applicable SONYMA program Purchase Price/Acquisition Cost Limits, at either the time of application or loan closing, the Mortgagor(s) are not eligible for this program. Also, this amount must equal the figure indicated in Item 2 on the Property Seller's Affidavit.

d. PART IV - INCOME ELIGIBILITY

Enter on the appropriate lines, in the column entitled "At Loan Application" only, the current gross monthly income of all Household Member(s). Household Member(s) are considered to be any person that will occupy the financed property, age 18 or older, regardless of whether they are a Mortgagor(s). *The IRS requires SONYMA to use current income for this calculation and the below listed guidelines should in no way be construed as guidelines to determine a potential Applicant(s) creditworthiness.* Please see Section 3.1 of the Seller's Guide for credit underwriting requirements.

SONYMA uses the following guidelines/calculations to determine if Mortgagor(s) meet income limit eligibility requirements. Not all sources of income are listed in the text of this list; the sources referred to are the ones most commonly submitted by SONYMA Mortgagor(s).

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Reminder: If a student or other household member (age 18 or older) is not currently employed (or has no other form of income), the applicant(s) must provide a notarized affidavit stating such.

1. **Basic Income Calculation:** Obtain year-to-date (YTD) gross income from current paystub. If Borrower(s) does not receive computer-generated paystubs, Lender may obtain a Verification of Employment (VOE)]. Deductions for pre-tax income (e.g., 401k, 457b contributions, health benefits, etc.) are **not** allowed. Divide **gross** YTD income by number of pay periods elapsed in the current year [using the “*Pay Date*” (check date)] and multiply by 52 if paid weekly, 24 if paid bi-monthly or 26 if paid semi-monthly, to obtain annual income.

Note: Using this method of calculating income avoids the need to determine income earned in a previous calendar year.

2. **Overtime, Bonuses, and Commissions:** Must be included in the YTD income calculation, as above. If the paystubs from application date to current date do not reflect this type of pay, it may be removed from the YTD income calculation as stated above, but the amount must be added back to the total income. This income may be excluded completely if paystubs from application date to current date do not reflect this type of pay and it can be demonstrated that there is no history (in prior years) of receiving this type of income.
3. **Self-Employed Borrower(s):** Obtain YTD Profit and Loss Statement prepared by a tax preparer on his/her letterhead and the previous year’s Federal tax return, with all schedules. Corporate Federal tax returns, Partnership Federal tax returns and K-1’s may be required. Adjusted gross income, after business expenses, will be used to calculate annual income. Any disbursements or distributions received will be added to annual income. Divide YTD income by number of months represented and multiply by 12 to obtain annual income. Any major deviations in income from the previous year must be explained in writing. SONYMA will accept a P&L from the Borrower(s) if they prepare their own returns. The P&L must state that these numbers are true and accurate and must be notarized. **Note:** SONYMA will not require a P&L for the first quarter of the new year but will accept the previous year’s Federal tax returns to determine the Borrower(s) income for the current year. If the Borrower(s) has not yet filed a Federal tax return for the previous year, then SONYMA will require a P&L for that tax year. Any major deviations in income from the previous year must be explained in writing.
4. **Salary/Job Changes:** If Borrower(s) receives an increase/decrease in pay due to a job change, promotion, or terms of a new employment contract, the new salary will be treated as though it was received the entire year. Obtain employment letter or copy of contract and current paystub or VOE.
5. **Retroactive Pay:** Income received in the current year that was earned in a prior year(s) can be excluded as long as there is no continuous history of receiving this

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type of income and such income will not reoccur.

6. **Sign-On Bonus:** Income can be excluded as long as there is no continuous history of receiving this type of income and such income will not reoccur.
7. **Seasonal Income:** If Borrower(s) is working at time of application but anticipates off-season lay off (i.e., landscaper), calculate income as described in Item 1 above. If Borrower(s) provides letter from employer stating that lay off will occur, SONYMA will allow the previous year's unemployment income to be added to YTD income (current year). The total should be annualized and Lender should determine if the total income matches previous year's income and work history.
8. **Non-taxable Income (Social Security or Disability):** Do not gross up income (net check is same as gross check). Income received for a child's benefit must be included if the income is being used for the child's living expenses.
9. **Proposed Rental Income:** Do not include proposed rental income anticipated from the purchase of a 2- to 4-unit property,
10. **Child Support/Alimony Paid by Borrower(s):** Cannot be deducted from income.
11. **Child Support/Alimony Received by Borrower(s):** Must be included in income.

Note: If court ordered documents such as a separation agreement or divorce decree indicate that the Borrower should be receiving child support and/or alimony, but Borrower has not actually received any child support and/or alimony payments for the three months immediately prior to the loan application date and through the current date, this income can be excluded from the compliance income calculation. Further, if Borrower consistently receives less than the court ordered child support/alimony payment, for the compliance income calculation SONYMA will annualize the total YTD payments to determine the actual income received. **In either instance**, SONYMA will require the Borrower(s) to submit a notarized affidavit verifying non-receipt or reduction of the payments.
12. **Relocation Allowance:** This income may be excluded completely if paystubs from application date to current date do not reflect this type of pay and it can demonstrated that there is no history (in prior years) of receiving this type of income.
13. **Clothing Allowance:** Must be included in income.
14. **Car Allowance:** Must be included in income.
15. **Military Housing and Food Allowance:** Must be included in income.
16. **Unreimbursed Business Expenses for Salaried Employee (Union Dues, Safety**

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Equipment, Business Equipment, etc): Cannot be deducted. *However*, if an individual receives 1099 income and pays self-employment tax, business deductions are allowed.

17. **Foster Care Income:** Payments received as consideration for foster care duties with respect to children in the Borrower(s) care are not considered income for this purpose and should not be included in the income calculation.
18. **Employer Reimbursement:** Income for travel reimbursement or employer-imposed tuition expenses may be excluded if the Borrower(s) can document via a letter from his/her employer that he/she is being reimbursed for expenses incurred while traveling on company business or for completing courses required by his/her employer.
19. **Income for Full-time Students:** An exception applies to dependents (excluding a spouse) who are age 18 years or older and are classified as a full-time student. The compliance income for a person(s) aged 18 years or older, with a full-time student status, who is a dependent, will be calculated as follows:

If the income is less than \$480 annually, count all of the income. If the annual income exceeds \$480, count only \$480 and exclude the amount that exceeds \$480.

SONYMA requires verification of full-time student status in the form of any formal school document or verification on school letterhead (i.e. SONYMA will accept copies of recent transcripts, letters from counselors or school advisors, or verifications from the office of registrars, etc.).

20. **Unemployment Income:** If Borrower(s) is receiving unemployment income, SONYMA requires a copy of the unemployment income documentation, which must include the amount of unemployment pay received and the end date of these payments. The Borrower's income will be calculated based on the time period of the payments received.

Note: If Mortgagor(s) household income exceeds the applicable SONYMA program Income Limits, at either the time of application or loan closing, the Mortgagor(s) is not eligible for this program.

e. PART VI - CERTIFICATION

All Mortgagor(s) must execute the document on the last page of the document. This document cannot be signed by a power-of-attorney.

1. Obtain Notary Public signature and affix notary stamp and/or seal; notary must complete the entire section.
2. Ensure that the Notary Public commission has not expired prior to execution of this document.

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3. "Original Reaffirmation at Title Closing" section. Leave this section blank until the closing. Submit the original reaffirmed document in the closed loan file.
4. Recapture Tax Calculation Attachment(s) must be provided to Applicant(s) at time of application.

6. Military Veteran(s) Eligibility Affidavit (Form 243/5-09), if applicable

Borrower(s) completes this form if he/she is an eligible Military Veteran who is not a first-time homebuyer [includes all household members]. The form must be accurately completed in its entirety.

Original document or photocopy is acceptable. **Note:** Lender **must** deliver original document in the post-closing package if photocopy was provided with the pre-closing application file.

Veteran Borrower(s) to complete the form as follows:

- a. Fill in the top of the form.
- b. Enter Veteran Borrower(s) name and the property address being financed.
- c. Must be signed by all Veteran Borrower(s) and notarized.
- d. Attach DD Form 214, Certificate of Release or Discharge from Active Duty

7. PMI Certificate, if applicable

Photocopy is acceptable.

Lender must submit this certificate if the loan-to-value ratio (LTV) exceeds 80 percent, as evidence that the loan will have primary mortgage insurance coverage. **State law permits SONYMA to require mortgage insurance based on the lower of the sales price or appraised value.**

Lender must ensure that coverage meets SONYMA's requirements as stated in Section 2.221 of the Seller's Guide and that all loan information listed on the certificate is accurate.

8. Pool Insurance Certificate

Photocopy is acceptable.

Lender must submit this certificate for ALL loans as evidence that the loan has been reviewed and approved for credit underwriting by SONYMA's Pool Insurer. Section 3.1 of the Seller's Guide provides the credit underwriting guidelines and Section 2.706(b) states the documentation requirements to obtain Pool Insurer approval.

Lender must ensure that all loan information, including the SONYMA loan number listed on the certificate, is accurate. State of New York Mortgage Agency must be listed as the insured.

9. Federal Income Tax Returns for Previous Three Years

All Mortgagors [Borrower(s) and non-applicant titleholders] must submit signed Federal income tax returns with all schedules for the three years immediately preceding the loan application date. The returns are required by the IRS to determine eligibility under SONYMA's first-time homebuyer requirement and to establish that the property will be used for residential purposes.

Photocopies of the signed Federal returns and all schedules are required; *state returns are unacceptable and not necessary*. If the Federal tax returns are not available, Tax Transcripts from the IRS are acceptable in lieu of the copies of the returns as long as the transcripts allow SONYMA to determine that no deductions were taken for real estate taxes and/or home mortgage interest.

Submission of tax returns is waived for loan applications where the subject property is located in a Targeted Area or for eligible military veterans (and any household members); however, may be required by the Pool/PMI Insurer for credit underwriting purposes.

Note: Borrowers applying for the Achieving the Dream Program must be first-time homebuyers and therefore, must submit complete copies of their most recent three years' Federal tax returns. This first-time homebuyer requirement is waived for eligible US military veterans who apply for an Achieving the Dream Program loan.

Lender must review the tax returns to determine if Borrower(s) itemized deductions for real estate taxes and/or Mortgage interest. If so, an original notarized affidavit explaining these deductions must be included in the loan file. Depending on the explanation, Borrower(s) may or may not be eligible. See Section 2.301 of the Seller's Guide for more details.

Lender must also review the tax returns for potential use of the property by the Borrower(s) for business or commercial purposes. If Borrower(s) files Schedule C – Profit or Loss from Business with their most recent Federal tax return and indicates their primary residence as their business address, Lender must check Line 30 of Schedule C to determine Borrower(s) eligibility. If Borrower(s) did not use their primary residence as their business address, Borrower(s) remains eligible. If an amount is entered on Line 30 of Schedule C and/or, IRS Form 8829 – Expenses for Business Use of House is filed, it must be attached to the return. Borrower(s) will be eligible for SONYMA financing as long as Line 3 of Form 8829 does not exceed 15%. Please note that SONYMA cannot base this calculation on the square footage of the property being purchased. Notwithstanding this paragraph, SONYMA, at its sole discretion, may deny a loan application if it has reason to believe that more than 15% of the property will be used for a commercial or business use. In addition, the Borrower(s) cannot amend their tax returns for the previous year to reflect a percentage less than 15%.

10. Computer-Generated Paystubs for Most Recent 30 Days or Equivalent

Photocopies are acceptable.

Documentation must be submitted for each Household Member(s) as defined in the Seller's Guide. Equivalent documentation (i.e. a VOE) can be substituted [see item 5(d) above] and must

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reflect YTD earnings. If a Household Member(s), age 18 or older, has no income, submit a notarized affidavit indicating such. [if the Household Member(s) is not a Borrower, the affidavit must be signed by all Borrowers].

11. Standard Fannie Mae/Freddie Mac Verification of Deposit or Equivalent

Photocopy is acceptable.

Equivalent documentation can be substituted (see Section 3.105 or 3.110 of Seller's Guide).

12. Residential Mortgage Credit Report or Equivalent

Photocopy is acceptable.

Equivalent documentation can be substituted [see Section 3.103(a) or 3.110 of Seller's Guide].

13. Automated Underwriting Findings Report/Feedback Certificate, if applicable

Photocopy is acceptable.

All accompanying reports and documentation to support the conditions of the findings report/feedback certificate must be submitted.

14. FEMA Standard Flood Hazard Determination (FEMA Form 81-93, Dec. 05)

Photocopy is acceptable.

If property is determined to be located in a Special Flood Hazard Area, Lender must ensure that the Eligible Property is covered by a flood insurance policy in conformance with Section 2.219 (e) of the Seller's Guide.

15. Closing Cost Assistance Loan ("CCAL") Recapture Notification (Form C4/10-05), if applicable, *for loan reservations made through 12/31/09.*

If utilizing a SONYMA Closing Cost Assistance Loan, Borrower(s) must complete this form. The form must be accurately completed in its entirety. *No revisions to the form are permitted.*

Original document or photocopy is acceptable. **Note:** Lender **must** deliver original document in the post-closing package if photocopy was provided with the pre-closing application file.

Borrower(s) to complete the document as follows:

- a. Enter Lender and Borrower(s) names(s) at the top of the form.
- b. Must be signed and dated by all Borrowers.

16. Down Payment Assistance Loan ("DPAL") Recapture Notification (Form D4/9-09), if applicable, *for loan reservations made on or after 1/1/2010.*

If utilizing a SONYMA Down Payment Assistance Loan, Borrower(s) must complete this document. The document must be accurately completed in its entirety. *No revisions to the*

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document are permitted.

Original document or photocopy is acceptable. **Note:** Lender **must** deliver original document in the post-closing package if photocopy was provided with the pre-closing application file.

Borrower(s) to complete the document as follows:

- a. Enter Lender name, Borrower(s) names(s) and residence at the top of the form.
- b. Must be signed and dated by all Borrowers.

17. Tax Credit Advance Loan (“TCAL”) Recapture Tax Notification and Disclosure (Form T5/12-09), if applicable

If utilizing a SONYMA Tax Credit Advance Loan, Borrower(s) must complete this document. The document must be accurately completed in its entirety. *No revisions to the document are permitted.*

Original document or photocopy is acceptable. **Note:** Lender **must** deliver original document in the post-closing package if photocopy was provided with the pre-closing application file.

Borrower(s) to complete the document as follows:

- a. Enter SONYMA TCAL number, Lender name and Borrower(s) names(s) at the top of the form.
- b. Bottom of first page must be initialed by all Borrowers.
- c. Must be signed and dated by all Borrowers.

18. CCAL Interest Rate Option Form (Form C9/10-08), for all loan reservations made through 12/31/2009.

Applicant(s) must complete this document if opting for a CCAL. The form serves as the applicant’s acknowledgment and acceptance of the interest rate locked in with SONYMA.

Original or photocopy is acceptable. **Note:** Lender **must** deliver original document in the post-closing package if photocopy was provided with the pre-closing application file.

Applicant(s) to complete the document as follows:

- a. Enter Loan Amount, Lender name, Borrower(s) name(s), and property address at the top of the form.
- b. Check the appropriate box as to whether Borrower(s) is/is not accepting CCAL and indicate the applicable interest rate and lock-in period (either 100 or 240 days) information.
- c. Must be signed and dated by all Borrowers.

19. Interest Rate Option Form (Form D3/9-09), for all loan reservations on or after January 1, 2010.

Applicant(s) must complete this document regardless of whether opting for DPAL. The document serves as the applicant’s acknowledgment and acceptance of the interest rate locked

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in with SONYMA.

Original or photocopy is acceptable. **Note:** Lender **must** deliver original document in the post-closing package if photocopy was provided with the pre-closing application file.

Applicant(s) to complete the form as follows:

- a. Enter the Lender name, SONYMA Reservation Number, and Loan Amount at the top of the form.
- b. Enter the Borrower(s) name and the Property Address being financed.
- c. Check the appropriate box as to whether Borrower(s) is/is not accepting DPAL and Indicate the applicable interest rate and lock-in period (either 100 or 240 days) information.
- d. Must be signed and dated by all Borrowers.

20. Subsidy Documentation (other than DPAL, TCAL or CCAL), if applicable

Lender must submit documentation if any mortgage subsidies, other than any DPAL, TCAL or CCAL subsidy, are being utilized in the transaction. Lender must ensure that the subsidy program is acceptable to SONYMA. See Section 3.101(b) of the Seller's Guide for more information on subsidies.

Photocopy of supporting documentation is acceptable.

Information provided should include name of subsidy provider, subsidy amount, and an indication of how funds are being distributed (purchase price buydown, downpayment or closing cost assistance, etc.).

21. Condominium or Cooperative Project Questionnaire, if applicable

If property is a condominium or a cooperative, Lender must submit a completed condominium or cooperative project questionnaire. Please see Seller's Guide Section 3.108(j)(x) or 3.109(vi)(J), as applicable, for specific requirements on completing the form.

Photocopy is acceptable.

22. Additional Documents for Remodel New York Program

If the loan has been reserved under the Remodel New York Program, additional forms will be necessary to complete and submit. Please see [Remodel New York Program Seller's Guide Addendum](#).

23. Any other documents as SONYMA may reasonably request.

[Current versions of all SONYMA Documents may be downloaded from our website (www.nyhomes.org/home/index.asp?page=935)]