



# State of New York Mortgage Agency

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**PRISCILLA ALMODOVAR**  
*President and CEO*

By E-mail and Mail

November 23, 2009

**RE: SONYMA Lender OnLine Program and Security Enhancements**

Dear Participating Lender:

SONYMA continuously seeks ways to make our procedures run more efficiently and to improve our technology. In that regard, this letter describes two new enhancements that we have made to the Lender OnLine Program (LOL). In addition, SONYMA has upgraded the security level of the LOL system. As a result of this, LOL users will initially be required to create 5 unique challenge questions and answers. This process, coupled with transparent one-time-password technology, creates a second layer of authentication which is more secure than the traditional user name and password. *This “dual authentication” process will go into effect for any LOL User that attempts to login to LOL on or after December 1, 2009.*

**SONYMA Loan Commitment Letter**

For Mortgage Loans, lenders may print a SONYMA Pre-Closing Loan Approval Notice (Commitment Letter) on the LOL system. Note that this approval notice is only available for those loans that have received both pool insurance and SONYMA compliance approval (LOL Stage/Status is referred to as “SONYMA Commitmt/Approved”).

Please refer to the attached procedures to print the SONYMA Loan Commitment Letter.

**MCC Loan Commitment Letter**

For MCC Loans, lenders may print an MCC Commitment Letter on the LOL system. Note that this approval notice is only available for those MCC loans that have received SONYMA compliance approval (LOL Stage/Status is referred to as “MCC Commitment/Approved”).

Please refer to the attached procedures to print the MCC Loan Commitment Letter.

**Purchase Advice Report**

LOL now gives lenders the capability to produce a report of the loans it has sold to SONYMA. The

Purchase Advice Report allows lenders to select any purchase date range it desires by making an entry on the report data entry screen. Data listed on the report includes: SONYMA Reservation Number, Borrower Name, Lender Loan Number, Loan Term, Paid-to-Date (PTD), Principal Purchase Amount, Accrued Interest Amount (as applicable), Interest Rate, Penalty Fee (as applicable), Level Payment, CCAL Amount (as applicable), Purchase Date and Net Purchase Amount.

Please refer to the attached procedures to print the Purchase Advice Report.

**Lender OnLine Dual Authentication Process**

As a result of measures taken to enhance the security of the LOL system, LOL users will be required to complete a one-time process of providing 5 unique authentication challenge questions. Subsequent logon attempts from unrecognized computers will require the user to answer one of the original challenge questions in addition to his/her username and password. The attached procedures outline the process that LOL users will follow when completing this authentication process. If a user has not successfully completed the authentication process and cannot access LOL, please contact Susan Pline at 212-872-0391 or [spline@nyhomes.org](mailto:spline@nyhomes.org).

Note that the system may prompt the user to run a Java applet when completing the procedures. The user should ensure that the "Always trust content from this publisher." box is checked and then click on "Run". However, certain user's computers may be set up to block the use of Java applets. Therefore, prior to approving the use of the Java applet, user may wish to inform his/her IT Department of this requirement.

If you should have any questions, please feel free to contact Susan Pline, Vice President, at 212-872-0391 or [spline@nyhomes.org](mailto:spline@nyhomes.org) or Anthony Mancusi, Operations Manager, at 212-872-0616 or [amancusi@nyhomes.org](mailto:amancusi@nyhomes.org).

Sincerely,



George M. Leocata  
Senior Vice President  
Single Family Programs

Enclosures

## Lender OnLine Dual Authentication Process

- When each Lender OnLine (LOL) user logs onto the SONYMA LOL site for the first time after the effective date of the LOL dual authentication process, the message in **Exhibit 1** will appear on the LOL Login screen:

**Note:** If the user utilizes more than one computer, a re-verification process must be completed for each separate computer, based on the below-referenced challenge questions.

**Note:** The system may prompt the user to run a Java applet when completing the following procedures. The user should ensure that the “Always trust content from this publisher.” box is checked and then click on “Run”. However certain user’s computers may be set up to block the use of Java applets. Therefore, prior to approving the use of the Java applet, user may wish to inform his/her IT Department of this requirement.

Refer to the screen message below:



- The LOL user must enter the requested information in order to register his/her computer with the LOL program.

\* User Name: Enter user's current LOL User Name

\* System Password: Enter user's current LOL Password

\* Confirm Password: Re-enter user's current LOL Password

\* Questions and Answers: Select five (5) questions and enter the correct response

**Note:** All five (5) questions must be selected and all answers must be provided.

**Note:** User must remember the question responses in the event the system requests this information at a later date in order to verify the user's access authorization.

\* Activation Secret: Enter the information displayed in red type on the screen

\* Click on the "Register" button

Lender Online Web Login - Register

SONYMA

**How to Start ?**

Please complete the registration information, then click on the "Register" button.

**Notes:**  
All fields are case sensitive.

If you forgot your personal account information please contact your system administrator.

Please [click here](#) to go back to the home page.

**System Login**

**Security Message:**  
As a new security enhancement feature of this site, you are now required to register this computer with us before you can login to our site. To register your computer, we are going to ask you to enter your password and to respond to some challenge questions. The answers to those questions will be encrypted and stored on our servers for future authentication efforts.

\*User Name  
susamp

\*System Password

\*Confirm Password

\*Questions & Answers

\*Activation Secret (please type below): **sonyma online 123**

Register

Exhibit 1

- **Exhibit 2** reflects the error message that is received if the user does not select five (5) questions and responses or type in the Activation Secret code.



**Exhibit 2**

- Once the user has entered his/her correct LOL log-on information, has selected and answered five (5) questions, and has entered the Activation Secret code, the system acknowledges that the authentication process has been successfully completed. Refer to **Exhibit 3**.



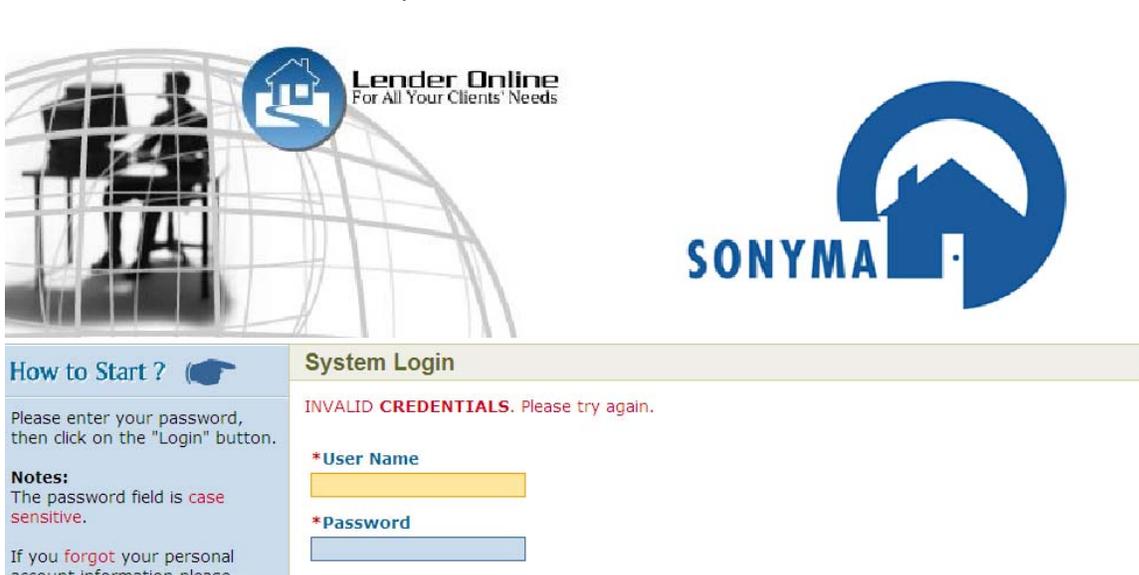
**Exhibit 3**

**Possible Error Messages Received During the Authentication Process**

**Incorrect LOL Password**

- If, during the authentication process, the user enters an incorrect LOL Password, the screen displays the error message shown in **Exhibit 4**.
- The user must re-enter the correct password to continue with the process.

If the user has forgotten his/her password, he/she must contact the lender’s LOL Administrator to re-set the password.



**Exhibit 4**

**Incorrect LOL Password Confirmation**

- If, during the authentication process, the user enters an incorrect LOL Password Confirmation, the screen displays the error message shown in **Exhibit 5**.
- The user must re-enter the correct Password and Password Confirmation in order to continue with the process (the Password and the Password Confirmation entries must be identical).



**Exhibit 5**

## **Possible Error Messages Received After the Authentication Process and During Future Access to LOL**

### **Incorrect Entry of User Name or LOL Password**

- If, during the LOL log-on process, the user enters an incorrect User Name or LOL Password, the screen may display the error message shown in **Exhibit 6**.
- The user must re-enter the correct LOL User Name and LOL Password in order to access the LOL system.
- The system will allow the user up to five (5) attempts to log on successfully. The number of remaining log-on attempts will be displayed on the screen. If the user is not successful with the log-on process after the maximum number of attempts have been made, the user's security token will be unassigned and the user will be blocked from access to LOL.

**The user must contact SONYMA in order to have the token reset.**

The screenshot shows a web interface for a system login. At the top, there is a header bar with the text "System Login". Below the header, a red error message is displayed: "INVALID CREDENTIALS: Your workstation is registered with us but we cannot recognize the information entered. Please try again! Tries remaining before automatically un-register your workstation: [2]. To manually reset your credentials in this workstation, please click [here](#)." Below the error message, there are two input fields. The first is labeled "\*User Name" and contains the text "Tester3". The second is labeled "\*Password" and is currently empty. At the bottom of the form, there is a blue button labeled "Login".

**Exhibit 6**

- If the user clicks on “click here” to manually reset his/her credentials, the screen shown in **Exhibit 7** is displayed.
- The user must enter the correct response to the listed security question.

<p><b>How to Start ?</b> </p> <p>Please complete the re-registration information, then click on the "Re-register" button.</p> <p><b>Notes:</b> All fields are <b>case sensitive</b>.</p> <p>If you <b>forgot</b> your profile information please contact your system administrator.</p> <p>Please <a href="#">click here</a> to go back to the home page.</p>	<p><b>System Login</b></p> <p><b>Security Message:</b> Please fill out the information below to re-register your workstation. If you think you reached this page by mistake, please click <a href="#">here</a> to go back to the login page.</p> <p><b>*User Name</b> <input type="text" value="Tester2"/></p> <p><b>*Password</b> <input type="password"/></p> <p><b>*Confirm Password</b> <input type="password"/></p> <p><b>*Challenge Question 1: Boss name</b> <input type="text"/></p> <p><input type="button" value="Re-Register"/></p>
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**Exhibit 7**

- Users are allowed up to five (5) attempts to respond to the security question. The screen displays the number of remaining attempts allotted the user.

Refer to **Exhibit 8**.

<p><b>How to Start ?</b> </p> <p>Please enter your password, then click on the "Login" button.</p> <p><b>Notes:</b> The password field is <b>case sensitive</b>.</p> <p>If you <b>forgot</b> your personal account information please contact your system administrator.</p> <p>Please <a href="#">click here</a> to go back to the home page.</p>	<p><b>System Login</b></p> <p><b>INVALID CREDENTIALS:</b> Your workstation is registered with us but we cannot recognize the information entered. Please try again! Tries remaining before automatically un-register your workstation: [1]. To manually reset your credentials in this workstation, please click <a href="#">here</a>.</p> <p><b>*User Name</b> <input type="text" value="ttestor"/></p> <p><b>*Password</b> <input type="password"/></p> <p><input type="button" value="Login"/></p>
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**Exhibit 8**

## Incorrect Password Entry

- If, during the LOL log-on process, the user enters an incorrect LOL password, the screen may display the error message shown in **Exhibits 9 or 10**.
- The user must re-enter the correct LOL User Name and LOL Password in order to access the LOL system.
- The system may also request that the user answer one of the five (5) security questions.

### System Login

**INVALID CREDENTIALS:**

Your workstation is registered with us but we cannot recognize the information entered. Please try again!

Tries remaining before automatically un-register your workstation: [2].

To manually reset your credentials in this workstation, please click [here](#).

**\*User Name**

**\*Password**

**Exhibit 9**

### System Login

Reactivation failed: invalid activation password. Tries remaining :

**\*User Name**

**\*Password**

**Exhibit 10**

## LOL Log-on With Different Computer

- If the user is accessing LOL from a different computer than the one used during the initial authentication process, the computer may display the error message shown in **Exhibit 11** during the LOL log-on process.
- The user must re-enter the correct LOL User Name, LOL Password, and Confirm Password in order to access the LOL system.
- The system may also request that the user answer one of the five (5) security questions.



The screenshot displays the Lender Online interface. At the top left, there is a logo for 'Lender Online For All Your Clients' Needs' featuring a house icon. To the right is the 'SONYMA' logo with a house icon inside a blue circle. Below the logos, the page is divided into two main sections. On the left, under the heading 'How to Start?', there is a 'Re-register' button and a 'Notes' section. The notes state that all fields are case sensitive and provide instructions for users who have forgotten their profile information. On the right, under the heading 'System Login', there is a 'Security Message' in red text, followed by a 'Re-Register' button and a form with four input fields: 'User Name' (containing 'susanp'), 'Password', 'Confirm Password', and 'Challenge Question 1: Boss name'. A 'Re-Register' button is located at the bottom of the form.

**Lender Online**  
For All Your Clients' Needs

**SONYMA**

**How to Start ?**

Please complete the re-registration information, then click on the "Re-register" button.

**Notes:**  
All fields are **case sensitive**.

If you **forgot** your profile information please contact your system administrator.

Please [click here](#) to go back to the home page.

**System Login**

**Security Message:**  
Please fill out the information below to re-register your workstation.  
If you think you reached this page by mistake, please click [here](#) to go back to the login page.

\***User Name**  
susanp

\***Password**

\***Confirm Password**

\***Challenge Question 1: Boss name**

**Re-Register**

**Exhibit 11**

## Preparation of SONYMA Loan Commitment Letter

- LOL System
- Click on the “Loan Status” tab
- Select the appropriate SONYMA Loan Number and Borrower/Co-Borrower Name
- Ensure that the Loan “Stage” and “Status” reflects “SONYMA Commitment” / “Approved”
- Click on the “PDF Docs” button (which is located to the left of the Reservation No. column)



[Home](#) | [Bulletin Board](#) | [Program Documents](#) | [Glossary](#) | [H](#)

**The State of New York Mortgage Agency**  
 Affordable Housing Solutions for New York State

NEW RESERVATION

AVAILABLE FUNDS

LOAN STATUS

REPORTS

USER ACCOUNTS

ADMINISTRATION

**Quick Search**

**Reservation No.**



12 characters

**Advanced Search**

Reserved by Lender:

Lender Loan No:

Borrower Name/SSN:  SSN:

Co-Borrower Name/SSN:  SSN:

**Loans** Updated on Monday, Oct

Results for Reservation No: **91036E732352**

[Page 1 of 1] Page Size: 50

Actions	Reservation	Lender Loan No.	Borrower Name	Co-Borrower Name	Stage	Status
<div style="display: flex; justify-content: space-around; font-size: x-small;"> <span> View</span> <span> Reprint</span> <span> PDF Docs</span> <span> Delete</span> </div>	91036E732352	770153110	DUFFY, JAMES ***-**-4935	DUFFY, EILEEN P ***-**-4582	SONYMA Commitmt	Approver

- Select the LOL Pre-Closing Approval Letter (Commitment Letter) by checking the box to the left of the document name
- Click on “Generate Documents”

**Select Documents**

Reservation/Loan No: **91036E732352 - DUFFY, JAMES**

<input type="checkbox"/>	Document Name
<input type="checkbox"/>	Application Loan File Checklist (#225/10-08)
<input type="checkbox"/>	Loan Verification Form (#213/9-04)
<input type="checkbox"/>	Recapture Notification & Mortgagor's Affidavit (#211/5-09)
<input type="checkbox"/>	Military Veteran's Eligibility Affidavit (#243/5-09)
<input type="checkbox"/>	CCAL Recapture Notification (#C4/10-05)
<input type="checkbox"/>	CCAL Interest Rate Option Form (#C9/10-08)
<input checked="" type="checkbox"/>	LOL Pre-Closing Approval Letter [Commitment Letter]
<input type="checkbox"/>	Commitment Extension Request Form (#235/5-08)
<input type="checkbox"/>	Reservation Cancellation/Request for Waiver Form (#244/5-08)
<input type="checkbox"/>	CCAL Request for Disbursement Form (#C6/10-08)
<input type="checkbox"/>	Closed Loan Document Checklist (#223/5-08)
<input type="checkbox"/>	Property Seller's Affidavit (Form #210/5-09)

Showing 1-19 of 19

Generate Documents

Cancel

- Double-click on the pdf file name for the document, or highlight the document name and click on “Print All Documents”
- The document appears on the screen, fully completed, using data that resides the LOL system
- Print the document

**Generated Documents**

LOL Pre-Closing Approval Letter [Commitment Letter]

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Print ALL Documents

- Example of a SONYMA Commitment Letter



**\* SONYMA Pre-closing Loan Approval Notice \***

Commitment Date: 10/16/2009

Lender: ABC BANK

Dear Lender:

SONYMA is pleased to issue this pre-closing commitment letter for the below-referenced applicant. Please note that the commitment expiration date for this loan is 12/18/2009. The mortgage loan must close by this date in order to close at the interest rate stated below.

***This approval is subject to any terms/conditions listed on the LOL Loan Status screen.***

**Approval Information**

SONYMA Program: Low Interest Rate Program with CCAL  
 SONYMA Loan Number: 91036E732352  
 Lender Loan Number: 770153110

Borrower Name: JAMES DUFFY  
 Co-Borrower Name: EILEEN P. DUFFY

Property Address: 16 EUSTON ROAD SOUTH  
 Property City: West Hempstead  
 Property County: Nassau  
 # of Units: 1 Family  
 Target/Non-Target Area: Non-Target

Loan Amount: 235,000.00  
 Interest Rate: 5.7500  
 Loan Term: 360  
 Purchase Price: 265,000.00  
 LTV: 89

## Preparation of MCC Loan Commitment Letter

- LOL System
- Click on the “Loan Status” tab
- Select the appropriate SONYMA Loan Number and Borrower/Co-Borrower Name
- Ensure that the Loan “Stage” and “Status” reflects “MCC Commitment” / “Approved”
- Click on the “PDF Docs” button (which is located to the left of the Reservation No. column)

NEW RESERVATION
AVAILABLE FUNDS
LOAN STATUS
REPORTS
USER ACCOUNTS
ADMINISTRATION

**Quick Search**

Reservation No.  
 Go  
12 characters

**Advanced Search**

Reserved by Lender:

Lender Loan No:

Borrower Name/SSN:  SSN:

Co-Borrower Name/SSN:  SSN:  Go

**Loans** Updated on Monday, Octo

Results for Reservation No: **750158733040**

Reset Search [Page 1 of 1] Page Size: 50

Actions	Reservation	Lender Loan No.	Borrower Name	Co-Borrower Name	Stage	Status
<div style="display: flex; justify-content: space-around; font-size: x-small;"> <span> View</span> <span> Reprint</span> <span> PDF Docs</span> <span> Delete</span> </div>	750158733040	6210132186	KOGA, TAMMY M ***.**-8495		MCC Commitment	Approved

- Select the MCC Commitment Letter (Commitment Letter) by checking the box to the left of the document name
- Click on “Generate Documents”

**Select Documents**

Reservation/Loan No: **750158733040 - KOGA, TAMMY M**

	Document Name
<input type="checkbox"/>	Recapture Notification & Mortgagor's Affidavit (#211/5-09)
<input type="checkbox"/>	Military Veteran's Eligibility Affidavit (#243/5-09)
<input type="checkbox"/>	Property Seller's Affidavit (Form #210/5-09)
<input type="checkbox"/>	MCC Application File Checklist (Form #M1/8-09)
<input checked="" type="checkbox"/>	MCC Commitment Letter [Commitment Letter]
<input type="checkbox"/>	MCC Post-Closing Document Checklist (Form #M2/8-09)

Showing 1-6 of 6

Generate Documents

Cancel

- Double-click on the pdf file name for the document, or highlight the document name and click on “Print All Documents”
- The document appears on the screen, fully completed, using data that resides the LOL system
- Print the document

## Generated Documents

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MCC Commitment Letter [Commitment Letter]

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**Print ALL Documents**

- Example of an MCC Commitment Letter



**SONYMA Mortgage Credit Certificate Program  
Commitment Letter**

10/9/2009

**To:** ABC BANK

**RE: MCC #** 750158733040

**Lender #** 6210132186

This Commitment is being made, subject to the terms and conditions set forth below and upon SONYMA's receipt and acceptance of the documents listed in Item 6 below, pursuant to the application for a Mortgage Credit Certificate ("MCC") by the below named "MCC Beneficiaries". Accordingly, an MCC will be issued to:

TAMMY M. KOGA

127 LINCOLN STREET GLOVERSVILLE, NY 12078-0000

**Terms and Conditions:**

1. An MCC will be issued to the MCC Beneficiary equal to 20 percent (20%) of the Certified Indebtedness Amount of \$ 51,075.00 which consists of the mortgage loan financing provided by ABC BANK (the "Lender").
2. The Certified Indebtedness Amount is to be used in connection with the acquisition of a " Existing " 1 Family residence located at:

127 LINCOLN STREET Gloversville, NY 12078-0000

The purchase price of which is \$ 51,000.00 . The residence is located in a Target .

3. This Commitment will expire on 04/05/2010 .
4. For residences identified above as being located in a "non-target" area, this Commitment is expressly conditioned upon SONYMA's receipt of true, complete signed copies of the MCC Beneficiary's Federal income tax returns, or such other IRS verification as is acceptable pursuant to the MCC program requirements, indicating that no deduction for real estate taxes or mortgage interest was taken for a principal residence for the three (3) years preceding application for an MCC. SONYMA has been furnished with said tax returns or verifications and certification that the MCC Beneficiary has met the three (3) year principal residence non-ownership requirement.
5. This Commitment has been issued in reliance upon the representations made in the Recapture Notification and Mortgagor's Affidavit, the Property Seller's Affidavit, and if applicable, Military Veteran's Eligibility Affidavit, and information contained in photocopies of: (a) MCC Beneficiary's mortgage loan

application (1003), (b) contract of sale, (c) appraisal report, (d) current income documentation, (e) the applicant's Federal tax returns and (f) any other documents that SONYMA requested, that the requirements necessary for issuance of a qualified MCC have been met. If SONYMA becomes aware of any change in the circumstances under which the Commitment was issued, or any material misstatement was made in the application for an MCC, this Commitment shall be revoked. Further, if any such material misstatement shall be due to fraud, this Commitment or any MCC issued shall be automatically null and void without need for further action on the part of SONYMA.

6. The MCC will be issued to the MCC Beneficiary (with a copy to Lender) upon SONYMA's verification of the closing of the aforesaid financing, and receipt and approval of the following applicable documents:

- **Post-Closing Document Checklist (Form M2)**
- **Original Reaffirmed Recapture Notification and Mortgagor's Affidavit (Form 211/5-09)**
- **Original Property Seller's Affidavit (Form 210/5-09)**
- **Original Military Veteran's Eligibility Affidavit (Form 243/5-09), if applicable**
- **Final signed HUD-1 (copy)**
- **MCC Fee: Bank or certified check made payable to the "State of New York Mortgage Agency" in the amount of:**
  - (a) \$250 (for a loan amount of \$100,000 or less); or
  - (b) \$500 (for a loan amount exceeding \$100,000).

STATE OF NEW YORK MORTGAGE AGENCY



By: George M. Leocata  
Its: Senior Vice President/Single Family Programs

## Preparation of LOL Purchase Advice

- LOL System
- Click on the “Reports” tab
- Click on the “Purchase Advice” report



- Make the appropriate criteria selections for the report, by clicking the “All” or “Select” option for each data entry section of the screen.

If the “Select” option is selected, highlight the desired criteria from the menu list and click on “Insert”. Multiple criteria listings may be selected by holding the “Ctrl” key and highlighting the appropriate listings.

- Enter the appropriate “From” and “To” dates in the “Purchase Period” section
- To list each lender branch separately, check the “Show Branches” box
- Click on “Run Report”

The screenshot shows the 'Report Wizard for: Purchase Advice' screen. The wizard is divided into four main sections: 'LENDERS/BRANCHES', 'BOND SERIES', 'PURCHASE PERIOD', and 'REPORT OPTIONS'. Each section has a radio button for 'All' and a radio button for 'Select'. The 'LENDERS/BRANCHES' and 'BOND SERIES' sections each have a list box and 'Add' and 'Remove' buttons. The 'PURCHASE PERIOD' section has two date input fields labeled 'From' and 'To', both containing the date '11/19/2009'. The 'REPORT OPTIONS' section has a checkbox labeled 'Show Branches'. At the bottom center of the screen is a blue button labeled 'Run Report'.

- Example of the Purchase Advice



The State of New York  
Affordable Housing Solution  
**PURCHASE ADV**

<b>Originator:</b> [REDACTED] <b>FEDERAL SAVINGS &amp; LOAN</b>						
<b>Purchase Period from: 11/19/2009 to: 11/19/2009</b>						
Reservation No.	Borrower Name	Lender Loan No.	Loan Term	PTD	Principal Purchase	Accrued Int
<b>Bond Series: HMB Warehouse</b>						
<a href="#">21736E731578</a>	[REDACTED]	770149188	360	12/01/2009	\$175,298.69	(\$307.12)
<a href="#">21736E731914</a>	[REDACTED]	770153741	360	11/01/2009	\$217,550.00	\$0.00
<b>Series Total</b>				<b>2</b>	<b>\$392,848.69</b>	<b>(\$307.12)</b>
<b>Originator Total</b>				<b>2</b>	<b>\$392,848.69</b>	<b>(\$307.12)</b>

**Part 1**

NY State Mortgage Agency  
for New York State  
**PURCHASE ADV**

Updated on Sunday, November 22, 2009, at 08:00 AM

Interest Rate	Penalty Fee	Level Payment	CCAL Amount	DPAL Amount	Purchase Date	Net Purchase
5.2500%	\$0.00	\$969.12	\$0.00	\$0.00	11/19/2009	\$174,991.57
5.7500%	\$0.00	\$1,269.56	\$6,526.50	\$0.00	11/19/2009	\$217,550.00
	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,526.50</b>	<b>\$0.00</b>		<b>\$392,541.57</b>
	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,526.50</b>	<b>\$0.00</b>		<b>\$392,541.57</b>

**Part 2**