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Homes and Community Renewal

Division of Housing
and Community
Renewal

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Satisfaction of a New York State Housing Trust Fund Corporation HOME Program Grant Enforcement Mortgage

The NYS HOME Program enforces the Periods of Affordability (POA) required of HOME Program beneficiaries with a recapture note and mortgage (grant enforcement mortgage). The POA is based on the HOME activity and/or HOME funds invested in the project and is detailed in the note and mortgage filed with the county clerk.

The note and mortgage is zero percent interest, and the principal balance is reduced annually on the anniversary date of when the unit was closed in IDIS. No repayment is required if the HOME beneficiary remains as principal resident of the HOME funded unit throughout the POA and meets all obligations in the note and mortgage.

If the home is sold or the owner no longer resides as principal resident for whatever reason during the POA, the pro-rated portion of the note and mortgage must be repaid to the HTFC and the HOME Returned/Repayment of Funds procedure should be used instead.

Most note and mortgages have a “self-extinguishing” clause that state when the POA has been met and that the lien is of no further force of effect. This clause can be used to satisfy the lien, however if a satisfaction document is still required, follow the steps below.

LPA must submit a detailed request for satisfaction (email is fine) to the Program Manager for review and approval. If no program manager is known, request can be submitted to HOMEProgram@nyshcr.org. The email must include:

1. SHARS ID
2. Activity address (and IDIS # if available)
3. Reason for the request (that the POA has been met)
4. Copy of the note and mortgage filed including the filing page

If the original note and mortgage is in the name of the HTFC, the satisfaction is prepared by the HTFC. If the original note and mortgage is in the name of the LPA, the HTFC reviews and approves the transaction, but the satisfaction is prepared by the LPA.