

Down Payment Assistance Loan (DPAL) PLUS Program Term Sheet

PURPOSE

Accruing enough assets to close on a new home is one of the largest barriers to homeownership. To address that need, SONYMA is offering a limited, enhanced down payment assistance loan, called DPAL PLUS. This subsidy is designed to help low-income New Yorkers achieve their homeownership dream.

PROGRAM TERMS

Interest Rate	0% charged on DPAL PLUS funds. No increase in interest rate, regardless of program.
Recapture Liability	Yes. DPAL PLUS is forgiven in equal monthly installments over the first 10 years (120 months) of borrower occupancy. Balance subject to recapture.
Borrower Eligibility	Owner occupied only. Borrowers must be first-time home buyers, a US military veteran (excluding those dishonorably discharged), or be purchasing a home in a federally designated targeted area.
Eligible Loan Purpose	To assist with down payment and closing costs, including single premium private mortgage insurance. Can be combined with any SONYMA Bond Program Purchase or Purchase Renovation Mortgage.
Loan Amount Calculation	<p>All other subsidies must be included first. DPAL PLUS can be used to pay down payment and closing costs until purchase money mortgage amount is 80% LTV, up to \$30,000. Can be used to pay single premium MI for transactions over 80% LTV.</p> <p>Ex. 1: \$100,000 purchase price + \$6,000 closing costs (no other subsidies) DPAL PLUS amount \$26,000 (\$6,000 for closing costs and \$20,000 down payment to get to 80% LTV)</p> <p>Ex. 2: \$100,000 purchase price + \$6,000 closing costs (\$12,000 in other subsidies) DPAL PLUS amount \$14,000 (\$12,000 other subsidies with \$6,000 applied to closing costs and \$6,000 down payment THEN \$14,000 in DPAL PLUS applied to down payment to get to 80% LTV)</p>
Eligible Property Characteristics	1-4 family home, condominium, cooperative, or manufactured home in New York State
Purchase Price Limit	Lesser of the SONYMA County Purchase Price limit or \$400,000
Income Limits	Maximum household income of 60% AMI (see attached table)
Subordinate Financing	<p>SONYMA DPAL PLUS must be in 2nd lien position.</p> <p>Can be combined with other acceptable subordinate financing types (except traditional SONYMA DPAL):</p> <ul style="list-style-type: none"> • Government Agencies • Non-Profit Agencies • Other organizations or private individuals, as approved by SONYMA <p>Other subordinate financing must be subordinate to the SONYMA DPAL PLUS, unless a Parity Agreement is approved and provided by SONYMA.</p>

Maximum Lender Compensation and Allowable Fees	All loans with a DPAL PLUS purchased by SONYMA will be funded at an additional .50% of loan amount. NYS State Mortgage Tax and recording fees apply to the DPAL PLUS second mortgage.
Pre-Closing Homebuyer Education & Counseling Requirements	All applicants using DPAL PLUS must complete homebuyer education before loan approval. Counseling from a HUD-approved homebuyer counseling agency is preferred, but web-based counseling from a PMI company is acceptable.
Post-Closing Early Delinquency Intervention Counseling Requirements	Required in the event of a delinquent mortgage payment.
Owner Occupancy	Required for all loans.

PROGRAM STRUCTURE/MASTER SERVICER

Financing Structure	SONYMA Bond
Master Servicer	M&T Bank
Loan Process	<ul style="list-style-type: none"> ➤ See applicable 1st Lien SONYMA Bond program term sheet. ➤ DPAL PLUS to be entered as alternate subsidy type in SONYMA Express.
Required Application Forms	<ul style="list-style-type: none"> ➤ Interest Rate Option Form (SONYMA Form D3/04-21) ➤ DPAL Recapture Notification or NRP/DPAL Recapture Notification ➤ DPAL Enforcement Note and Mortgage or NRP/DPAL Enforcement Note and Mortgage

Note: SONYMA and its partners continue to discuss the above terms. While we do not expect major deviations from these terms, they are subject to change.