Low Interest Rate Mortgage Program
Participation Application Deposit Agreement

At the time of application to SONYMA, a new Lender is required to submit a fully executed Participation application along with a participation deposit of $5000.00. The purpose of this deposit is to ensure a minimum level of annual Lender participation in the SONYMA program. SONYMA must purchase a minimum of five (5) first mortgage loans from the Lender before the end of the first full calendar year after their approval as a SONYMA Participating Lender. Once this minimum purchase requirement has been met, the initial $5000 deposit will be refunded to the Lender.

If SONYMA does not purchase a minimum of five (5) first mortgage loans from the Lender before the end of the first full calendar year after their approval as a SONYMA Participating Lender, they will not receive a refund of their $5,000 participation deposit.

Once approved, if SONYMA does not purchase any first mortgage loans from the Lender in a full calendar year, the Lender will be placed in a dormant status. Dormant lenders are not permitted to register loans for purchase by SONYMA, promote themselves as SONYMA Participating Lenders, or offer SONYMA mortgage products.

If a dormant Lender wishes to become an active Participating Lender again, they will need to provide their annual certification documents and pay an additional $5,000 participation deposit. The participation deposit will be refunded in the event SONYMA purchases a minimum of five (5) first mortgage loans from the Lender before the end of the calendar year in which the lender was re-activated.

Lender hereby also encloses (i) an executed Mortgage Purchase Agreement, (ii) an executed Servicing Agreement, if Applicant will service the referenced Mortgage Loans, (iii) a Counsel's Opinion, and (iv) all required application attachments, in connection with Applicant's offer to participate in the Agency's Low Interest Rate Mortgage Program.

_____
(Name of Applicant)

_____
(Date)

By: _____
(Authorized Signature)

_____
(Title)

SONYMA Participation Deposit Acceptance

In consideration for the Participation deposit paid and retained as set forth above and the Applicant's execution and delivery of a Mortgage Purchase Agreement accompanied by a Counsel's Opinion and subject to the availability of funds and any other applicable provisions described in the Seller's Guide and the Availability of Funds and Notice of Terms Bulletin, the Agency hereby accepts the above Application and agrees to enter into the Mortgage Purchase Agreement. The Applicant may not assign this Participation Acceptance Notice or any of its rights thereunder without the prior written consent of SONYMA. SONYMA will begin accepting loan reservations when the Participating Lender Technical Training and administrator set up in SONYMA Express is complete.

State of New York Mortgage Agency

_____
(Date)

By: _____
Darrelle Forde
Senior Vice President, Single Family Programs

Dated: 3/20