

VA Homes Loans (VA) vs. SONYMA Homes for Veterans (HFV)

Product Features	VA	HFV
Interest Rate	Market rates. Will vary by Lender.	<ul style="list-style-type: none"> • Traditionally below market rates • Veterans & Active-Duty Military Personnel receive a preferred rate when opting for one of SONYMA's down payment assistance programs, including Down Payment Assistance Loans (DPAL) or Repayable Second Liens (RSL)
Available Terms	<ul style="list-style-type: none"> • Typically 15 and 30-year terms • Fixed rate or Adjustable Rate Mortgage (ARMS) • Varies by Lender 	30-year Fixed Rate
Rate- Lock period	<ul style="list-style-type: none"> • Typically 30 or 60 days • Varies by Lender 	<ul style="list-style-type: none"> • 120 days - Existing Housing • 240 days – Homes under construction or rehabilitation; Cooperatives or distressed sales • Varies by Lender
First-time Homebuyer Requirement	None	<ul style="list-style-type: none"> • Waived for eligible Military Veterans and their households • Active-duty military personnel and Co-Mortgagors must be FTHB's unless property is in a Target Area. (Target Area waiver does not apply to Achieving the Dream Program)
Household Income Limits	None	<p>Limits apply.</p> <ul style="list-style-type: none"> • Limits vary by Household Size, County & SONYMA program • May also vary by location of property (Target or Non-Target Areas) • Visit http://SONYMA.NY.gov for current limits
Mortgage Loan Limits & Purchase Price Limits	Limited by entitlement and prior use. Certificate of Eligibility (COE) used.	<ul style="list-style-type: none"> • Purchase Price Limits vary by county • Loan Limits vary by property type

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Borrower-Paid Funding Fee (financed)	2.15% - 1st time users 3.30% - subsequent uses 2.40% - National Guardsman or Reservist 1.50% -5%-9.99% downpayment 1.25% -10% downpayment or less	None
Origination Fee	1% of the total loan amount may be charged by the lender.	Capped at \$900
Monthly Mortgage Insurance (MI) Payment	None	<ul style="list-style-type: none"> • Monthly Mortgage Insurance required for loans with LTV's over 80% • No MI required for LTV's under 80%.
Maximum Financing: 1- & 2-unit properties	<ul style="list-style-type: none"> • Maximum 100% LTV (Lenders may require down payment) • No maximum CLTV 	<ul style="list-style-type: none"> • Maximum 97% LTV - 1 & 2 units, including condominiums & doublewide Manufactured Homes • No maximum CLTV when subordinate financing is a qualified grant/subsidy. • Borrower must contribute 1% of their own money into the transaction.
Maximum Financing: Cooperatives	Cooperatives not eligible	Maximum 95% LTV: Cooperatives
Maximum Financing 3- & 4-unit properties	<ul style="list-style-type: none"> • Maximum 100% LTV • No maximum CLTV 	<ul style="list-style-type: none"> • Maximum 90% LTV - 3 & 4 units • No maximum CLTV when subordinate financing is a qualified grant/subsidy. • Borrower must contribute 3% of their own money into the transaction. • Must be existing property, 5 years or older

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Eligible Borrowers - Full Entitlement	<ul style="list-style-type: none"> • Full guarantee available when applicants are eligible by COE (Active-duty, Veterans, Surviving Spouse, National Guard and Reserves that meet guidelines: • Veteran (or other eligible member) • Veteran (or other eligible members) & Spouse • Veteran (or other eligible members & Veteran (requires prior VA approval) 	<ul style="list-style-type: none"> • Eligible Veterans or active-duty military personnel must be loan applicants. • No restrictions relative to Co-Borrowers.
Down Payment Assistance	None	<p>Two (2) down payment assistance program available to eligible Veterans & Active-Duty Military:</p> <p>Down Payment Assistance Loan (DPAL)</p> <ul style="list-style-type: none"> • DPAL equal to the greater of \$3,000 or 3% of purchase price, not to exceed \$15,000 • 0% interest; no monthly payment; forgiven incrementally over 10 years. <p>Repayable Second Lien (RSL)</p> <ul style="list-style-type: none"> • RSL up to 5% of the net purchase price. • 0% interest rate, no monthly payments required. • Must be repaid upon refinance or at time of 1st lien payoff
Approval process for grants/subsidies	VA approval required	Grants and subsidies acceptable if subordinate to SONYMA lien(s).
Maximum seller-paid closing costs	Property seller may pay allowable closing costs, pre-pays and discount points. Sellers concession is limited to 4%.	<p>3% - LTV's 90.01% -97%</p> <p>6% - LTV's ≤90%</p>

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Homebuyer Education	Not required	Required when: <ul style="list-style-type: none"> • LTV is >95%. • CLTV is >100%. • Borrowers contribute less than 5% of their own money toward transactions. • Borrowers apply for Achieving the Dream, Habitat, or Remodel NY Program.
Minimum Borrower contribution	None	<ul style="list-style-type: none"> • 1-2-unit properties, condos and cooperatives: 1% minimum Borrower contribution (from “own funds”) • 3-and 4-unit properties: 3% minimum borrower contribution (from “own funds)
Requirements for using non-traditional credit references	<ul style="list-style-type: none"> • 12-month history required 	<ul style="list-style-type: none"> • Must have been established for at least 12 months • May be used in lieu of, or to supplement traditional credit • Manual underwrite required
Non-Occupying Co-Borrower or Non-Occupying Guarantor	Ineligible	<p>Guarantor eligible when primary Borrower has either no credit – or limited credit.</p> <ul style="list-style-type: none"> • Guarantor’s income may not be used to qualify for credit • Guarantor may not hold title. • Guarantor may be used in conjunction with all property types
Cash-on-hand	Not eligible	Up to \$1,000 cash-on-hand may be counted as an asset once the borrower’s minimum contribution requirement has been met. Cash must be deposited prior to application
Gift of equity from family member	May be applied to down payment and/or closing costs	May only be applied to down payment
Waiting period after discharge or Bankruptcy	2 years	3 years