

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: March 24, 2020

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Single Family Loan Operations

SUBJECT: Interest Rate Increase for Mortgage Revenue Bond (MRB) Program

THDA would like to announce that **effective Thursday, March 26, 2020**, the interest rate on the Great Choice Mortgage Loan Program will increase to **4.00%**. Based on this rate, the Homeownership for the Brave Mortgage Loan Program will increase to **3.50%**. To alleviate any delays with the review of the loan application submission, as well as the receipt of timely commitments from THDA, please verify all submission documentation reflects the correct interest rate as indicated on the lock confirmation.

All interest rate locks **received by THDA on or after Thursday, March 26, 2020**, will be locked at the higher rate. All rate locks received by THDA **prior to March 26, 2020**, and outstanding commitments at the lower rates of 3.75% for Great Choice and 3.25% for the Homeownership for the Brave will close at those respective rates.

This is the second rate change since THDA implemented the new rate lock system on November 12, 2019, therefore the process has some changes to align with industry standards. As a reminder, rate locks for existing construction are for 90 days and new/proposed construction are for 180 days. The THDA commitment will expire on the same date the interest rate expires. Property and/or borrower cannot change from loan lock to loan submission.

Thank you again for your continued support and participation in the THDA mortgage program.

If you have any questions, please call 615-815-2100 or send an e-mail to SFask@thda.org.