

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: August 28, 2019
TO: All Originating Agents
FROM: Rhonda Ronnow, Director of Loan Operations
SUBJECT: **Hazard Insurance**

Recently THDA has observed hazard insurance policies that exceed the allowable amount for deductibles. Once these issues are corrected by the lender after closing, it is resulting in debt ratios exceeding the allowable 45%. **Therefore effective immediately**, THDA will require the hazard insurance declaration page be submitted with the underwriting package. If the hazard insurance declaration page is not received, it can be a prior to closing condition.

As a reminder, the maximum allowable amount for Hazard Insurance deductible is the maximum of 1% of the loan amount or \$2,500.

Thank you 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.