

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: January 23, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **Great Choice Plus Change Update**

On September 23, 2016, THDA announced changes to our Great Choice Plus mortgage program. At that time it was effective for all applications dated October 3, 2016 and afterwards.

Effective February 1, 2017, regardless of the application date, all Great Choice Plus mortgage program submissions should be disclosed and submitted reflecting the forgiveness term of 30 years and down payment assistance of “up to 5%” of the sales price. These forms are accessible at THDA.org.

To prevent any delays with the purchase of the loan by THDA, please review the THDA commitment which will reflect the term of the second mortgage. The correct note must be executed at closing by the borrower.

Thank you again for your continued support and participation in the THDA mortgage program. If you have questions, please feel free to contact SFask@thda.org or call (615) 815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: January 24, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **New Down Payment Assistance Program**

THDA would like to announce a new program **effective March 1, 2017**, the Hardest Hit Fund Down Payment Assistance (HHF-DPA) second mortgage loan program. THDA received approval from the U.S. Department of Treasury to commit \$60 million in federal funding for the purchase of existing homes in 55 designated ZIP Codes across the state. The source of this funding is U.S. Treasury's Hardest Hit Fund (HHF), which was established in the aftermath of the mortgage market crisis to help homeowners at risk of losing their homes to foreclosure. Applicants who apply for the HHF-DPA second mortgage loan must qualify and obtain THDA's Great Choice first mortgage loan.

As stated in last week's webinars, all marketing and training materials must be approved by THDA.

Designated ZIP Codes

37037	37172	37321	37716	37921	38107	
37040	37186	37323	37721	37924	38109	38128
37042	37207	37404	37813	38012	38111	38133
37073	37208	37406	37821	38016	38115	38134
37086	37217	37411	37871	38018	38116	38135
37110	37218	37412	37912	38053	38122	38141
37115	37303	37416	37914	38063	38125	38301
37148	37311	37660	37917	38105	38127	38305

The HHF-DPA second mortgage loan will be a \$15,000, 10-year term, 0% interest, deferred second mortgage lien; and must **close simultaneously with THDA's Great Choice first mortgage loan**. Repayment is required if the borrower sells or refinances the home before year 10 of the loan. The second mortgage lien is forgiven at 20% per year starting at year six, and



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



fully forgiven at the end of year 10. The loan is for existing homes only; new construction is excluded.

For example, if a borrower closed on their loan on March 1, 2017, the principal reduction would occur as follows:

Through March 1, 2022	\$15,000
March 1, 2023	\$12,000
March 1, 2024	\$9,000
March 1, 2025	\$6,000
March 1, 2026	\$3,000
March 1, 2027	\$0

The Originating Agent will be able to access all forms specific to the Great Choice HHF-DPA second mortgage loan on the THDA website. They are as follows:

- Disclosure of Loan Terms for HHF-DPA
- HHF DPA Program Certification
- HHF-DPA Good Faith Estimate
- HHF-DPA Loan Program Second Promissory Note
- HHF-DPA Loan Program Subordinate Deed of Trust

The Enforceable Obligation Letter will continue to be sent to the Originating Agent at the time of THDA loan commitment. The borrower is required to sign this document prior to or at closing. A draft of this letter is also available to view on the THDA website.

The Application for Assistance (HO-0573) has been eliminated, and the Disclosure of Loan has been modified to include this information. There is a disclosure for the Great Choice Plus (HO-0574) and a disclosure form for the HHF-DPA loan (HO-0574-HHF).

The Underwriting Submission Checklist (HO-0549) has been revised to include HHF-DPA.

If you would like THDA to provide additional training for your company or joint training with your real estate partners on the HHF-DPA mortgage loan program or our Great Choice Plus mortgage loan, please let us know. Please note that marketing and training materials must be approved by THDA.

Please feel free to contact THDA directly at 615-815-2100 or by email to SFask@thda.org with any questions. Thank you for your continued participation in THDA's mortgage programs.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: February 27, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **Interest Rate Change**

THDA would like to announce that **effective Monday, March 6, 2017**, the interest rate on the Great Choice Loan Program applications will be increased to 4.625%. Based on this rate, the Homeownership for the Brave Loan Program will increase to 4.125%.

All loan applications **received by THDA on or after Monday, March 6, 2017**, must be submitted at the higher rate. All applications received by THDA **prior to March 6, 2017**, and outstanding commitments at the lower rates of 4.375% for Great Choice and 3.875% for the Homeownership for the Brave will close at those respective rates.

Thank you again for your continued support and participation in the THDA mortgage program. If you have questions, please feel free to contact SFask@thda.org or call (615) 815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: March 3, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **Principal Reduction**

Borrowers receiving down payment assistance from THDA cannot receive any funds at closing from this assistance that exceed the amounts that they paid in advance. To prevent any delays at the closing table that arise from excessive cash back to the borrower, THDA will allow a Principal Reduction to be listed on the Closing Disclosure.

Please feel free to contact THDA directly at 615-815-2100 or by email to SFask@thda.org with any questions. Thank you for your continued participation in THDA's mortgage programs.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: March 22, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **Tax Service Fee Reduction**

US Bank sent out a Lender Operations Update on March 17, 2017 notifying all lenders of the reduction in the tax service fees. The tax service fee for Tennessee properties will be reduced to \$58. This change will be effective with any loan purchased on or after April 1, 2017.

Thank you for your continued participation in THDA's mortgage programs. If you have any questions, please contact SfASK@thda.org or call 615-815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



EXHIBIT A

US BANK HOME MORTGAGE

SCHEDULE OF FEES AND SERVICING RELEASE PREMIUM FOR THDA LOANS

EFFECTIVE FOR LOANS WITH SERVICING RIGHTS PURCHASED BY U.S. BANK
HOME MORTGAGE ON OR AFTER APRIL 1, 2017

FEES

COMMITMENT FEE - \$300.00 on all THDA Loans
TAX SERVICE FEE - \$58.00 on all THDA Loans

SERVICING RELEASE PREMIUM

ALL LOANS REGARDLESS OF LOAN SIZE OR TYPE – 100 basis points or 1.00%

MINIMUM FICO

ALL FHA/VA/USDA LOANS MUST HAVE A MINIMUM 640 FICO TO BE ELIGIBLE
FOR LOAN SERVICING PURCHASE

NOTICE:

A CHECK FOR THE INTIAL ESCROW DEPOSIT MUST BE INCLUDED WITH THE
COPY PACKAGE SUBMITTED TO USBHM FOR SERVICING. ALL APPLICABLE
FEES BETWEEN USBHM AND THE ORIGINATING LENDER WILL BE NETTED OUT
OF ANY SRP PAID ON THE LOAN.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: April 4, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **Allowable Fee Change**

Currently THDA allows a total of 2.25% for origination and points. THDA staff recently reviewed the fee structure and compensation earned on THDA mortgage loans, and discovered many Originating Agents (OAs) have not been charging the .25% discount point. The actual average being charged by OAs is 1.41%.

Therefore, **effective with loan applications dated May 1, 2017** there will be a change in the fees Originating Agents may charge.

- Discount Points of .25% will no longer be allowed.
- The allowable application fee will be changed from “up to \$600” to “within the normal and customary limits”.
- The origination fee of up to 2% of the Base Loan Amount will remain in effect.

THDA thanks you for your continued participation in the Great Choice Loan Program and your continued efforts in helping Tennesseans reach their goals of homeownership.

If you have any questions, please contact SFASK@thda.org or call 615-815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: May 11, 2017

TO: Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: Change in Household Income Limits

THDA would like to announce that **effective Wednesday May 24, 2017**, there will be changes to the Household Income Limits.

These changes are reflected on the revised page 10 of the Originating Agents Guide.

All THDA loan applications received on or after May 24, 2017 will be considered in accordance with these new Household Income Limits. All THDA loan applications received prior to this date will utilize the old Household Income Limits.

Thank you for your continued participation in THDA's mortgage programs. If you have any questions, please contact SfASK@thda.org or call 615-815-2100.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: May 18, 2017

TO: Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: Change to MERS Process

Recently we were made aware of a change to MERS and their process that will be going into effect June 1, 2017. This new change requires investors such as THDA to become MERS members. THDA is in the process of completing our membership application, this is a process that will take a few weeks to complete. Until the time THDA is issued our Originating ID by MERS, we will no longer be able to accept MERS as original mortgagee (MOM) documents.

Effective June 1, if a loan has closed and reflects MOM, an assignment will need to be recorded assigning the loan from MERS to THDA. If a loan does not reflect MOM, an assignment will need to be recorded assigning the loan from the Lender to THDA. Please refer to **Section 7.7-- USE OF MERS SYSTEM in the Originating Agents Guide**. As soon as our Originating ID has been issued by MERS, we will provide this to all of our approved lenders.

Thank you for your continued participation in THDA's mortgage programs. If you have any questions, please contact SfASK@thda.org or call 615-815-2100.

2. Origination Fee

A fee up to 2% of the Base Loan Amount is permissible, and is paid to the Originating Agent. The origination fee may not be charged on financed FHA MIP, VA Guaranty Fee, USDA/RD Guaranty Fee or PMI, unless expressly permitted by FHA, VA, USDA/RD or PMI regulations. Either the Borrower or the seller may pay the Origination Fee up to 2%. No additional origination fee may be charged to the Borrower or seller.

A loan originator may designate an origination point on page 2 of the CD.

3. THDA allows the Originating Agent to charge normal and customary fees, including without limitations, appropriate application fee. If the Originating Agent elects to charge the Application Fee, it must be included on the LE and CD.
4. A \$50 grant will be provided to the borrower for the Great Choice Plus program. The credit should be reflected on the GFE. THDA will reimburse the lender at the time the loan is purchased.

7.7 USE OF MERS SYSTEM

Originating Agents who are MERS members, in good standing, may use loan documentation showing Mortgage Electronic Registration Systems, Inc., as the nominee for Originating Agent and Originating Agent's successors and assigns for THDA loans closed on or after July 1, 2006. The THDA loan number must be reflected on all THDA loan documentation in addition to the use of the Mortgage Identification Number (MIN) as may be assigned and required by MERS.

Originating Agents shall cause each deed of trust (with THDA Rider) securing a THDA loan to be properly recorded in the Register's Office of the county in which the property is located and to register such deeds of trust with MERS in accordance with applicable MERS requirements. Originating Agent may sell servicing rights to THDA loans registered with MERS only to THDA approved Servicers who are also MERS members in good standing.

Originating Agent shall, upon THDA's request, obtain and properly record an assignment of any MERS registered THDA loan from MERS to THDA or as THDA may direct. In the event of any dispute regarding a THDA loan registered with MERS, Originating Agent shall take all steps deemed necessary by THDA to protect THDA's interest. All other requirements of this Guide and of the Working Agreement between THDA and Originating Agent shall apply to each THDA loan regardless of registration with MERS.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: June 1, 2017

TO: Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: Update on MERS Process

Notification was sent out last week regarding the MERS System Procedures changes. An update has now been received from US Bank that THDA has been given a 60 day waiver for us to complete the process of researching membership to MERS. Therefore, US Bank will continue their review/ servicing as normal.

We will keep you updated with the progress. If you have any questions, please contact SfASK@thda.org or call 615-815-2100.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: June 30, 2017

TO: Originating Agents

FROM: Lindsay Hall
Chief Administrative Officer, Single Family Programs

SUBJECT: Use of THDA DPA Funds

HHF-DPA and Great Choice Plus DPA funds are to be utilized for eligible down payment and closing costs.

Mortgage loan amounts are based off of the lesser of the sales price or appraised value. Therefore, if a buyer agrees to a sales price higher than the appraised value of the home, the HHF- DPA and the Great Choice Plus DPA funds **cannot** be used to pay the difference between sales price and appraised value. The difference must be paid by the borrower using their own funds.

If you have any questions, please contact SfASK@thda.org or call 615-815-2100.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: July 17, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: MERS System Update

THDA would like to provide our lenders with an update on the MERS System Procedures changes. We have received an update that THDA has been given an additional waiver until October 1, 2017 for us to complete the process of researching membership to MERS. Therefore US Bank will continue their review/ servicing as normal. We will keep you updated with the progress.

If you have any questions, please contact SfASK@thda.org or call 615-815-2100.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: July 20, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: Updated THDA Forms

Recently the nation's three major credit rating agencies: Equifax, TransUnion and Experian, announced that they will drop tax liens and civil judgments from some consumer's profiles if the information is not complete. To ensure THDA's guideline regarding arrearages and tax liens are met for all files, the borrower's title commitment must be submitted with the underwriting package for all underwriting packages submitted on or after **August 1, 2017**. All matters shown in the public records for the proposed borrower that would be exclusions from coverage, on Schedule B or otherwise, must be shown.

THDA forms have currently been under review for updates. You will find attached the updated forms along with Revision 123 to the Originating Agents Guide.

We would like to bring to your attention the HHF-DPA disclosure form. THDA must report data to the Department of Treasury for this program. In the revised form, consent for the release of this information has been included. THDA will be reaching out to the borrowers who have already closed their HHF-DPA loan to obtain their consent.

Thank you for your continued participation in THDA's loan programs. If you have any questions, please contact SfASK@thda.org or call 615-815-2100.

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: July 28, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: Changes in THDA Servicing

For many years, THDA has explored servicing opportunities for both strategic and financial reasons. In September 2015, the THDA Board approved creation of a THDA in-house servicing group called Volunteer Mortgage Loan Servicing (VMLS). THDA staff has worked diligently over the past several months to make this a reality. THDA believes that in-house servicing of THDA loans provides a closer connection to THDA borrowers and strengthens THDA's relationship with THDA Originating Agents by having greater control over THDA loan products.

THDA is excited to announce that starting October 1, 2017, VLMS will begin receiving the servicing for newly originated Great Choice Mortgage Loans. This will be a controlled rollout with specified THDA Originating Agents scheduled each month to transfer the servicing of their new THDA loans to VLMS. A tentative timeline for this transition is attached. Each THDA Originating Agent will be expected to execute a new working agreement as provided by THDA, prior to the effective transfer date as shown on the attached timeline or any revised timeline as may be provided by THDA. The working agreement, executed by the Originating Agent must be returned to nherndon@thda.org

A service release premium (SRP) of 1% will be paid to a THDA Originating Agent when all closing documents for a particular THDA loan are submitted to THDA and the loan hits a complete status. THDA will deduct a \$60 tax service fee from the SRP. If wiring instructions for SRP payments differ from loan purchase payments, Originating Agents must deliver wiring instructions to THDA as provided in the THDA Originating Agent's Guide dated January, 2014, as subsequently amended (O.A. Guide). Additional details about this process can be found in Chapter 8.6 of the O.A. Guide.

THDA and VMLS are looking forward to servicing your borrowers. Thank you for your continued participation in the THDA mortgage loan programs. If you have any questions, please call 615-815-2100 or send an e-mail to SFask@thda.org.

THDA Originating Agent Servicing Transfer Schedule

October 2017

Bank of Cleveland
Bartlett Mortgage
Community Mortgage Company
First Citizens National
Guaranty Trust Company

November 2017

F & M Bank
First Advantage Bank
First Community Mortgage
iMortgage dba Loan Depot
Regions Bank
Renasant Bank
SWBC Mortgage Corp.
Synovus Mortgage
The Mortgage Firm
Triumph Bank
Wilson Bank & Trust

December 2017

Bank of Putnam County
Bank of Tennessee
Brand Mortgage
Cal Con Mutual Mortgage LLC
dba One Trust Home Loans
Capital Bank
Eagle Home Mortgage
Equity Prime Mortgage
Farmers Bank
Financial Federal Bank
IberiaBank Mtg.
People's Home Equity Inc.

January 2018

Academy Mortgage Corporation
AmeriFirst Financial Corporation
AmeriFirst Financial Inc.
Bank of England
Christensen Financial Inc.
Everett Financial Inc.
First Federal Savings-Dickson
FirstBank
Franklin Synergy Bank
Pinnacle Bank
Reliance First Capital
Security Federal Savings

February 2018

Acopia Home Loans
Ameris Bank
Bank of Jackson
Caliber Home Loans Inc.
CMG Mortgage Inc.
Envoy Mortgage Ltd.
Movement Mortgage
Reliant Bank

March 2018

Castle and Cooke Mortgage LLC
Cumberland Bank and Trust
Evolve Bank & Trust
First Liberty Financial Mortgage,
a Division of ETFCU
Franklin American Mortgage
Gateway Mortgage Group
Guild Mortgage Co.
Home Federal Bank of Tennessee
InterLinc Mortgage Services LLC
Leaders Credit Union
Mortgage Solutions of Colorado
Platinum Financial Funding
PrimeLending
Security National Mortgage Co.
Stockton Mortgage Corp
SunTrust Mortgage

April 2018

AmCap Mortgage
American Mortgage Service Co.
American Mortgage Services Inc.
Appalachian Community Fed. C.U.
Athens Federal Community Bank
Atlantic Bay Mortgage
Atlantic Home Loans Inc.
BancorpSouth Bank
Bay Equity LLC
BBMC Mortgage
Branch Banking & Trust Co.
Century Mortgage Company
Churchill Mortgage Corp.
Citizens Bank
Colonial Savings aka
Colonial Natl Mort.
Commercial Bank and Trust
Cornerstone Home Lending
DHI Mortgage Company, LTD

April 2018 (cont'd)

Embrace Home Loans Corp.
Fairway Independent Mtg. Corp.
Fidelity Bank
Fifth Third Mortgage Co.
Finance of America Mortgage
First Mortgage Company
First National Bank of Middle Tenn.
First National Bank of Pulaski
First National Bank of Tennessee
First National Mortgage Services LLC
Gardner Financial Services Ltd,
dba Legacy Mutual Mortgage
Gold Star Mortgage
Highlands Residential Mortgage
Independent Bank
Integrity First Financial Group
iServe Residential Lending LLC
Land Home Financial Services
Mortgage Research Center LLC
Nations Lending Corp.
Nations Reliable Lending
New Penn Financial
NTFN Inc.
NVR Mortgage
Pacific Union Financial
Paragon Bank
Primary Residential
Prosperity Home Mortgage
Pulte Mortgage—Franklin
Republic Bank and Trust
Republic State Mortgage
Security Bank
Simmons First National Bank
Summit Funding Inc.
Sun West Mortgage Co.
Tennessee State Bank
TriStar Bank
Trustmark National Bank
United Community Bank
US Bank
Victorian Finance LLC
Wells Fargo
Wolfe Financial Inc

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: August 1, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: HHF-DPA Third Party Authorization Form

THDA is required by the Department of Treasury to share information regarding the applicants that apply for the HHF-DPA. THDA must have authorization from the borrower to release this information. Effective immediately, all applicants that apply for the HHF-DPA must sign the Hardest-Hit Fund Down Payment Assistance Third Party Authorization Form.

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

Ralph M. Perrey, Executive Director



MEMORANDUM:

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

DATE: September 18, 2017

SUBJECT: TRID and Great Choice Plus Second Mortgage

The Consumer Financial Protection Bureau (CFPB) released a final rule in July that implements several changes to its TILA-RESPA Integrated Disclosure Rule (TRID). This includes two provisions that affect State Housing Finance Agencies' down payment assistance programs by adding additional exemptions to ease the complicated disclosure requirements. The final rule officially **becomes effective October 1, 2018**. CFPB has established a voluntary compliance period beginning 60 days after the rule is published in the Federal Register.

The final rule amends the RESPA exemption § 1026.3(h)(5) to exclude recording fees from being counted toward the one-percent limit on fees. In addition, the final rule includes a revision in exemption § 1026.3(h)(6) that will allow originators to provide borrowers with the TRID disclosures to meet their disclosure obligations for loans that qualify for the partial exemption. Currently, TRID disclosures are not allowed to be used when disclosing on a mortgage loan that meets the partial exemption. It can often be difficult for originators to produce these forms now that the TRID rule has been implemented.

Due to the above TRID revisions, **effective with loan applications dated November 1, 2017** requiring down payment assistance, the \$50.00 grant will no longer be provided to the lenders to cover the cost of recording fees associated with the second mortgage loan. Originators may use TRID disclosures (Loan Estimate and Closing Disclosure). **THDA will also make these available on our website on November 1.** Additional criteria for the partial exemption can be found in §1026.3(h). Also effective with loan applications dated November 1, 2017, the Second Mortgage Good Faith Estimate Disclosure will be discontinued.

Thank you for your continued participation in THDA's mortgage programs.

If you have any questions, please contact sfASK@thda.org or call 615-815-2100



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM:

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

DATE: October 12, 2017

SUBJECT: Servicing and MERS System and Servicing Update

THDA would like to provide an update for the servicing of our newly originated Great Choice Mortgage Loans as well as a MERS System Procedure update.

With regard to MERS, THDA has received an additional waiver for loans that are serviced by US Bank; therefore the process will continue business as usual utilizing the MERS System. This waiver is through December 31, 2017.

Regarding the flow business servicing schedule previously provided: With the majority of lenders utilizing the MERS system, THDA has decided to change the Originating Agent (OA) servicing transfer schedule to allow time for THDA to review the option to become a MERS member. We realize paper assignments are more costly and time consuming, therefore we will delay the servicing transfer for OAs who are MERS members. **The updated timeline is attached.** Information regarding training webinars for closing staff will be sent prior to the transfer effective date. THDA and VMLS are looking forward to servicing your borrowers.

Thank you for your continued participation in THDA's mortgage programs.

If you have any questions, please contact sfASK@thda.org or call 615-815-2100



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



THDA Originating Agent Servicing Transfer Schedule

October 2017

Mortgage Investors Group

November 2017

Community Mortgage Company
Regions Bank

December 2017

Bank of Cleveland
Bank of Putnam County
Bank of Tennessee
Bartlett Mortgage
Brand Mortgage
Cal Con Mutual Mortgage LLC
Capital Bank
 dba One Trust Home Loans
Eagle Home Mortgage
Equity Prime Mortgage
F & M Bank
Farmers Bank
Financial Federal Bank
First Advantage Bank
First Citizens National
First Community Mortgage
Guaranty Trust Company
IberiaBank Mtg.
iMortgage dba Loan Depot
People's Home Equity Inc.
Renasant Bank
SWBC Mortgage Corp.
Synovus Mortgage
The Mortgage Firm
Triumph Bank
Wilson Bank & Trust

January 2018

Academy Mortgage Corporation
AmeriFirst Financial Corporation
AmeriFirst Financial Inc.
Bank of England
Century Mortgage Company
Christensen Financial Inc.
Everett Financial Inc.
First Federal Savings-Dickson
FirstBank
Franklin Synergy Bank
Pinnacle Bank
Reliance First Capital

Security Federal Savings

February 2018

Acopia Home Loans
Ameris Bank
Bank of Jackson
Caliber Home Loans Inc.
CMG Mortgage Inc.
Envoy Mortgage Ltd.
Movement Mortgage
Reliant Bank

March 2018

Castle and Cooke Mortgage LLC
Cumberland Bank and Trust
Evolve Bank & Trust
First Liberty Financial Mortgage,
 a Division of ETFCU
Franklin American Mortgage
Gateway Mortgage Group
Guild Mortgage Co.
Home Federal Bank of Tennessee
InterLinc Mortgage Services LLC
Leaders Credit Union
Mortgage Solutions of Colorado
Platinum Financial Funding
PrimeLending
Security National Mortgage Co.
Stockton Mortgage Corp
SunTrust Mortgage

April 2018

AmCap Mortgage
American Mortgage Service Co.
American Mortgage Services Inc.
Appalachian Community Fed. C.U.
Athens Federal Community Bank
Atlantic Bay Mortgage
Atlantic Home Loans Inc.
BancorpSouth Bank
Bay Equity LLC
BBMC Mortgage
Branch Banking & Trust Co.
Churchill Mortgage Corp.
Citizens Bank
Colonial Savings aka
 Colonial Natl Mort.
Commercial Bank and Trust
Cornerstone Home Lending
DHI Mortgage Company, LTD
Embrace Home Loans Corp.

April 2018 (cont'd)

Fairway Independent Mtg. Corp.
Fidelity Bank
Fifth Third Mortgage Co.
Finance of America Mortgage
First Mortgage Company
First National Bank of Middle Tenn.
First National Bank of Pulaski
First National Bank of Tennessee
First National Mortgage Services LLC
Gardner Financial Services Ltd,
 dba Legacy Mutual Mortgage
Gold Star Mortgage
Highlands Residential Mortgage
Independent Bank
Integrity First Financial Group
iServe Residential Lending LLC
Land Home Financial Services
Mortgage Research Center LLC
Nations Lending Corp.
Nations Reliable Lending
New Penn Financial
NTFN Inc.
NVR Mortgage
Pacific Union Financial
Paragon Bank
Patriot Bank
Primary Residential
Prosperity Home Mortgage
Pulte Mortgage—Franklin
Republic Bank and Trust
Republic State Mortgage
Security Bank
Simmons First National Bank
Summit Funding Inc.
Sun West Mortgage Co.
Tennessee State Bank
TriStar Bank
Trustmark National Bank
United Community Bank
US Bank
Victorian Finance LLC
Wells Fargo
Wolfe Financial Inc

Ralph M. Perrey, Executive Director



MEMORANDUM:

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

DATE: October 16, 2017

SUBJECT: HHF-DPA Expansion of Eligible ZIP Codes

THDA would like to announce an expansion to the Hardest Hit Fund Down Payment Assistance (HHF-DPA) second mortgage loan program. **Effective November 1, 2017**, seven additional ZIP Codes across the state will be added. These include 37877, 37890, 37920, 37354, 37874, 38118, and 37650.

Earlier this year, THDA received approval from the U.S. Department of Treasury to commit \$60 million in federal funding for the purchase of existing homes in designated ZIP Codes across the state. THDA has committed 1/3 of these funds, approximately \$20 million. The source of this funding is U.S. Treasury's Hardest Hit Fund (HHF), which was established in the aftermath of the mortgage market crisis. Applicants who apply for the HHF-DPA second mortgage loan must qualify and obtain THDA's Great Choice first mortgage loan.

The HHF-DPA second mortgage loan is a \$15,000, 10-year term, 0% interest, deferred second mortgage lien; and must close simultaneously with THDA's Great Choice first mortgage loan. Repayment is required if the borrower sells or refinances the home before year 10 of the loan. The second mortgage lien is forgiven at 20% per year starting at year six, and fully forgiven at the end of year 10. The loan is for existing homes only; new construction is excluded.

If you would like THDA to provide additional training for your company or joint training with your real estate partners on the HHF-DPA mortgage loan program or our Great Choice Plus mortgage loan, please let us know. Please note that marketing and training materials must be approved by THDA.

Please feel free to contact THDA directly at 615-815-2100 or by email to SFask@thda.org with any questions. Thank you for your continued participation in THDA's mortgage programs.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM:

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

DATE: October 24, 2017

SUBJECT: Additional information on TRID and Great Choice Plus Second Mortgage

As stated earlier, the Consumer Financial Protection Bureau (CFPB) released a final rule in July that implements changes to its TILA-RESPA Integrated Disclosure Rule (TRID) that affect State Housing Finance Agencies' down payment assistance programs. The final rule officially becomes effective October 1, 2018. State Housing Finance Agencies anticipate additional clarification to the rule prior to the effective date. CFPB has established a voluntary compliance period beginning 60 days after the rule is published in the Federal Register.

The final rule amends the RESPA exemption § 1026.3(h)(5) to exclude recording fees from being counted toward the one-percent limit on fees. In addition, the final rule includes a revision in exemption § 1026.3(h)(6) that will allow originators to provide borrowers with the TRID disclosures to meet their disclosure obligations for loans that qualify for the partial exemption. Currently, TRID disclosures are not allowed to be used when disclosing on a mortgage loan that meets the partial exemption. It can often be difficult for originators to produce these forms now that the TRID rule has been implemented.

Due to the above TRID revisions, effective with loan applications (1003) dated 11/1/2017 requiring down payment assistance, the \$50.00 grant THDA provides to the borrower will no longer be provided to the lenders to cover the cost of recording fees associated with the second mortgage loan. Originators may generate their own TRID disclosures (Loan Estimate and Closing Disclosure) for the Second Mortgage Loans or use the fillable disclosures made available on our website. THDA will also allow lenders to continue using GFE and Settlement Statements until the CFPB's effective date of October 1, 2018. These disclosures are also available on our website. Additional criteria for the partial exemption can be found in § 1026.3(h).

Thank you for your continued participation in THDA's mortgage programs.

If you have any questions, please contact sfASK@thda.org or call 615-815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM:

TO: Originating Agents, REALTOR and Non-Profit Participants

FROM: Lindsay Hall, Chief Operating Officer of Single Family Programs

DATE: November 8, 2017

RE: Proposed Tax Reform Proposal

I am certain you have heard or read about the tax reform proposal being debated currently in Congress. One of the provisions within the proposal is the elimination of tax-exempt private activity bonds as of December 31, 2017. As you know, THDA has funded its mortgage loan program since 1974 with funds raised by the sale of tax-exempt mortgage revenue bonds, which are private activity bonds.

At this time, there is no guarantee of the outcome. This legislation may pass in its current form, it may be altered prior to passing, or it may not pass at all. Ralph Perrey, THDA Executive Director, has assured our Board of Directors that "THDA has both the means and the methods to continue financing mortgages for first time homebuyers."

In fact, THDA sold bonds today that will generate proceeds to continue to purchase eligible mortgage loans into the beginning of next year. In addition, staff is recommending that the THDA Board approve the sale of Convertible Option Bonds (COB) in an amount sufficient to continue to purchase loans through 2018 and 2019. At the same time, THDA has been working toward getting back into the conventional loan market as a method of continuing to purchase mortgage loans, even if private activity bonds are eliminated.

All this to say that regardless of the decision made by Congress on the tax reform proposal as it is currently presented, THDA will continue to be in the business of purchasing loans for the Great Choice Loan and Great Choice Plus loan program.

As always, I appreciate your support and participation in our Great Choice Loan Program.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

DATE: November 13, 2017

SUBJECT: Lender Notice Regarding MCC Program

The Mortgage Credit Certificate (MCC) program provides benefits to first-time homebuyers by increasing affordability through a federal tax credit. Unfortunately, the current House version of the Tax Reform proposal referenced in Lindsay Hall's memo of November 8, will eliminate the Take Credit (MCC) Program, effective December 31, 2017. Although efforts will be made to pass some version of tax reform prior to year end, it is impossible to predict the impact the final version of tax reform will have on MCCs.

If the House version passes, we think it would mean:

- We would be able to issue MCCs for loans closed by December 31, 2017.
- We could not issue MCCs for loans closed after December 31, 2017.
- Borrowers with existing MCCs would still be able to use their MCC, however, any borrower who refinances their loan after December 31, 2017 would not be able to retain their MCC.

Because of the uncertainty, we recommend that you:

1. Not use MCC income for qualifying a borrower unless you know for certain the loan will close on or before December 31, 2017, and that THDA will issue the MCC.
2. Advise all borrowers who want an MCC that the program may be eliminated for any loans that do not close on or before December 31, 2017.
3. If you disclosed any MCC fees and the loan does not close on or before December 31, 2017, you will need to re-disclose on the loan.

Again, it is unclear at this time what the final tax reform proposal will say about the MCC program. To ensure all interested parties are aware of this proposed tax legislation, THDA will issue conditional MCC commitments with the inclusion of the language: "Proposed changes to federal law may prevent THDA from issuing this MCC". We will continue to monitor the progress of this proposed legislation, communicate updates to procedures as necessary, and provide updates as this issue progresses.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: November 15, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: Interest Rate Decrease

THDA is pleased to announce that **effective Monday, November 27, 2017**, the interest rate on the Great Choice Loan Program applications will be reduced to 4.25%. Based on this rate, the Homeownership for the Brave Loan Program will be reduced to 3.75%.

All loan applications **received on or after Monday, November 27, 2017**, must be submitted at the lower rate. All applications received by THDA prior to November 27, 2017, and outstanding commitments at the higher rates of 4.625% for Great Choice and 4.125% for the Homeownership for the Brave will close at those respective rates.

Thank you again for your continued support and participation in the THDA mortgage program. If you have questions, please feel free to contact SFask@thda.org or call (615) 815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



MEMORANDUM:

DATE: December 14, 2017

TO: THDA Originating Agents

FROM: Rhonda Ronnow, Director of Single Family Loan Operations

SUBJECT: Homebuyer Education Options in Jackson, TN

THDA is sad to share that effective December 31, 2017, Jackson Housing Authority will no longer be participating in THDA's Homebuyer Education Program. JHA has offered valuable housing education and counseling services to many customers during their time as an approved provider; however, their Executive Director recently decided to focus their efforts on other agency programs. The services offered by JHA and their counselors are valuable to THDA customers, and their absence will create a great reduction in the housing education options available in the Jackson area. THDA recognizes the value and the need for available housing education in this area, and will be providing the following options to ensure a smooth transition for all.

- Effective January 13, 2018, Life of Victory will be holding in-person Pre-Purchase & Post Purchase combo classes (minimum of 8 hours) at the NAACP – Jackson Madison County Office (118 North Church Street, Jackson, TN 38301)
 - Classes will be available on the 2nd and 4th Saturday of each month; first class will take place January 13, 2018.
 - Class Time: 8:00a – 4:30p; Includes a 30 minute lunch break (Lunch is provided)
 - Fee: \$99 per household; to be paid via cash or check on day of class
 - Registration: Contact Life of Victory at lov.lifeofvictory@comcast.net or 615-213-1468 (NOTE: Registration must be complete prior to 12:00 noon the Friday prior to class)
- UT Extension-Madison County offers one-on-one counseling, specifically with eHome America follow up sessions. You may contact Amy Elizer: aelizer@utk.edu for more information.
- THDA also has several approved providers in surrounding counties. Click here to find a provider, via county search: <http://resources.thda.org/OAandHBEweblist/HBEIlist1.aspx>
- eHome America offers online education options for Pre Purchase and Post Purchase. THDA requires a one hour follow up with an approved provider once the course is completed. Click here for more information, including how to register: https://thda.ehomeamerica.org/sponsor_user/sponsor_main.

Please feel free to contact me or Homebuyer Education Manager, Jayna Johnson: jjohnson@thda.org for specific questions.



Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: December 19, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: MERS Update and VLMS Servicing Timeline

THDA would like to provide an update for the servicing of our newly originated Great Choice mortgage loans as well as a MERS system procedure update. As we are making progress, some additional time is needed.

With regard to MERS, THDA is pleased to announce we have completed the MERS membership process and have received our approval as a General MERS System Member and have been assigned Org ID 1014378.

Regarding the flow business servicing schedule previously provided: With the delays of the MERS membership and postponing new flow business for several lenders, THDA had decided to modify the transfer schedule.

The updated VLMS servicing timeline is attached. Training webinars will be offered for closing staff and information will be sent prior to the transfer effective date for each company. THDA and VMLS are looking forward to servicing your borrowers.

Thank you for your continued participation in THDA's mortgage programs.

If you have any questions, please contact sfASK@thda.org or call 615-815-2100.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.



THDA Originating Agent Servicing Transfer Schedule

October 2017

Mortgage Investors Group

November 2017

Community Mortgage Company
Regions Bank

February 2018

Bank of Cleveland
Bank of Putnam County
Bank of Tennessee
Bartlett Mortgage
Brand Mortgage
Cal Con Mutual Mortgage LLC
Capital Bank
 dba One Trust Home Loans
Eagle Home Mortgage
Equity Prime Mortgage
F & M Bank
Farmers Bank
Financial Federal Bank
First Advantage Bank
First Citizens National
First Community Mortgage
Guaranty Trust Company
IberiaBank Mtg.
iMortgage dba Loan Depot
People's Home Equity Inc.
Renasant Bank
SWBC Mortgage Corp.
Synovus Mortgage
The Mortgage Firm
Triumph Bank
Wilson Bank & Trust

March 2018

Academy Mortgage Corporation
Acopia Home Loans
AmeriFirst Financial Corporation
AmeriFirst Financial Inc.
Ameris Bank
Bank of England
Bank of Jackson
Caliber Home Loans Inc
Century Mortgage Company
Christensen Financial Inc.
CMG Mortgage Inc.
Envoy Mortgage Ltd

Everett Financial Inc.
First Federal Savings-Dickson
FirstBank
Franklin American Mortgage
Franklin Synergy Bank
Gateway Mortgage Group
Movement Mortgage
Pinnacle Bank
Reliance First Capital
Reliant Bank
Security Federal Savings
Wells Fargo

April 2018

Castle and Cooke Mortgage LLC
Cumberland Bank and Trust
Evolve Bank & Trust
Fairway Independent Mtg. Corp.
Fidelity Bank
Fifth Third Mortgage Co.
Finance of America Mortgage
First Mortgage Company
First National Bank of Middle Tenn.
First National Bank of Pulaski
First National Bank of Tennessee
First National Mortgage Services LLC
First Liberty Financial Mortgage,
 a Division of ETFCU
Gardner Financial Services Ltd,
 dba Legacy Mutual Mortgage
Guild Mortgage Co.
Home Federal Bank of Tennessee
InterLinc Mortgage Services LLC
Leaders Credit Union
Mortgage Solutions of Colorado
Platinum Financial Funding
PrimeLending
Security National Mortgage Co.
Stockton Mortgage Corp
SunTrust Mortgage

May 2018

AmCap Mortgage
American Mortgage Service Co.
American Mortgage Services Inc.
Appalachian Community Fed. C.U.
Athens Federal Community Bank
Atlantic Bay Mortgage
Atlantic Home Loans Inc.
BancorpSouth Bank

Bay Equity LLC
BBMC Mortgage
Branch Banking & Trust Co.
Churchill Mortgage Corp.
Citizens Bank
Colonial Savings aka Colonial
 Natl Mort.
Commercial Bank and Trust
Cornerstone Home Lending
DHI Mortgage Company, LTD
Embrace Home Loans Corp.

June 2018

Gold Star Mortgage
Highlands Residential Mortgage
Independent Bank
Integrity First Financial Group
iServe Residential Lending LLC
Land Home Financial Services
Mortgage Research Center LLC
Nations Lending Corp.
Nations Reliable Lending
New Penn Financial
NTFN Inc.
NVR Mortgage
Pacific Union Financial
Paragon Bank
Patriot Bank
Primary Residential
Prosperity Home Mortgage
Pulte Mortgage—Franklin
Republic Bank and Trust
Republic State Mortgage
Security Bank
Simmons First National Bank
Summit Funding Inc.
Sun West Mortgage Co.
Tennessee State Bank
TriStar Bank
Trustmark National Bank
United Community Bank
US Bank
Victorian Finance LLC
Wolfe Financial Inc

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: December 22, 2017

TO: Originating Agents

FROM: Rhonda Ronnow
Director of Loan Operations, Single Family Programs

SUBJECT: Tax Reform Update

THDA would like to provide the following update on the passage of the tax reform bill and how the current version impacts THDA's funding source. As it stands, the tax reform preserves both tax-exempt private activity bonds and Mortgage Credit Certificates (MCC). The tax reform bill has no bearing on THDA's funding source. Therefore, THDA will continue to structure the funding of our Great Choice mortgage loan programs through the sale of tax-exempt mortgage revenue bonds, which are private activity bonds.

Since the MCCs were also preserved, please disregard the memo dated 11/13/17 "Lender Notice Regarding MCC Program" and continue submitting Take Credit MCCs as usual.

Thank you for your patience as THDA awaited the results of the tax reform proposal and any changes that may have affected the Great Choice and MCC programs. If you have any questions, please contact SFAask@thda.org or call (615)815-2100.

We appreciate your participation in the Great Choice and Take Credit Programs, and wish you and your family a happy holiday season.



Andrew Jackson Building Third Floor - 502 Deaderick St. - Nashville, TN 37243
THDA.org - (615) 815-2200 - Toll Free: 800-228-THDA

THDA is an equal opportunity, equal access, affirmative action employer.

