Tennessee Housing Development Agency

40 Years of the Single Family Homeownership Program

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Tennessee Housing Development Agency
Leading Tennessee Home

Introduction

A law student's public policy assignment from 1972 has grown into a financial entity with $2.7 billion in assets that has helped hundreds of thousands of Tennesseans with housing assistance and had an impact of $5.22 billion on the state's economy for just the homeownership program. Tennessee Housing Development Agency (THDA) was established in 1973 through the enactment of state law to stimulate the homebuilding industry and provide affordable housing. And it has.

The mission of THDA is: *Leading Tennessee home by creating safe, sound, affordable housing opportunities*. THDA administers a variety of programs for a wide range of housing needs. In this report, we will reflect on its various homeownership programs.

Year 2013 marked THDA's 40th year assisting over 107,000[1] Tennesseans into the security of homeownership. We will look at the different types of loans that were available in these programs and the economic impact generated through THDA's homeownership program during 40 years of operations. We will compare the demographic characteristics of borrowers and of loan and property characteristics over the years.

THDA's single family program loans are financed with the proceeds from the sale of Mortgage Revenue Bonds (MRBs). The earnings from MRBs are free from federal taxation; therefore, THDA loans must meet certain federal tax code requirements:

- THDA loans are for homebuyers of low- and moderate-income. To be eligible for a THDA mortgage loan, family income cannot exceed 100 percent or 115 percent of the applicable area median income, depending on family size and the county of residence.
- THDA loans are intended for modest homes. The acquisition cost of a property cannot exceed certain limits that vary by county. The acquisition cost limits are determined as 90 percent of the county's average area purchase price. If the house purchased is located in a targeted area[2], the allowable acquisition cost limit is raised to 110 percent of the applicable average area purchase price.
- Generally, THDA single family loans are made to first-time homebuyers. All borrowers obligated on the loan must be first-time homebuyers. A first-time homebuyer is considered anyone who has not owned his or her principal residence in the last three years, anyone buying in special targeted areas, or an honorably discharged or re-enlisted veteran and spouse. From its inception in 1973 until the end of 2012, approximately two percent of THDA borrowers were not first-time homebuyers, but purchased homes in targeted areas.
- All THDA loans closed after December 31, 1990, are subject to the federal recapture tax. The recapture tax is designed to recapture a portion of the subsidy associated with the tax-exempt nature of the MRBs.

1 - THDA's homeownership programs' definition for the first-time homeowner is someone who did not own his/her principle residence in the last three years. That requirement is waived when buying in special targeted areas, or when the borrower is an honorably discharged or re-enlisted veteran and spouse. From its inception in 1973 until the end of 2012, approximately two percent of THDA borrowers were not first-time homebuyers, but purchased homes in targeted areas.

2 - A targeted area is a qualified census tract or an area of chronic economic distress as designated by the Internal Revenue Services (IRS). A targeted area may be an entire county or may be a particular census tract within a county.

Overview of THDA's Mortgage Loan Programs

THDA offered various homeownership choices over the years to assist Tennesseans of very low-, low- and moderate-income. Some of the programs were standard homeownership choices offered for many years, while others were designed for the short-term such as the Disaster Relief Programs of 2003 and 2006 or the Stimulus Second Mortgage Program in 2009.

Currently, THDA offers three standard loan programs for the first-time homebuyers - Great Rate, Great Advantage, and Great Start. The Great Rate Program, started in 1998, is a low interest rate loan program for households of low- to moderate-income. The Great Advantage Program, started in 2006, offers a slightly higher interest rate loan secured by a first mortgage and offers down payment and closing cost assistance of two percent of the purchase price of the home. The Great Start Program, started in 1998, offers a loan at a slightly higher interest rate than the Great Advantage Program, secured by a first mortgage, but offers assistance with down payment and closing costs of four percent.

The New Start Program, which offers a no interest loan, started in July 2001. It is designed to support homebuyers with lower incomes than borrowers in other current THDA programs (the Great Rate, Great Advantage and Great Start Programs) and to promote new construction. The New Start Program is delivered through non-profit housing providers. Effective January 2006, the New Start Program became a two-tiered program. Tier I offers a zero percent loan for borrowers who earn 60 percent or less of the state median income. Tier II allows a slightly higher income (70 percent of the state median income), and the borrower pays a rate of one-half of the interest rate on the Great Rate Program. From 2006 until the end of 2012, THDA funded 51 New Start Tier II loans.

In April 2011, THDA approved a special interest rate discount for active duty service members and National Guard, veterans discharged under conditions other than dishonorable, reservists with at least 180 days of active duty service, spouses of service members and qualified veterans as well as surviving spouses of service members and qualified veterans are eligible. The program offers a ½-percent interest rate reduction on three of the homeownership choices (Great Rate, Great Advantage, and Great Start). Since the start of this special discount until the end of 2012, 91 veterans took advantage of the Homeownership for the Brave Program. The program started as a temporary program, but in March 2013, the Board of Directors at THDA voted to make this veteran discount a permanent program.

From the inception of THDA in 1973 to the end of 2012, more than 107,000 loans were funded. The total value of those loans was approximately $10 billion, in 2012[3] dollars ($6.5 billion, in current dollars). The following table gives the number of loans originated and the total mortgage amount provided from the inception of THDA in 1973 until the end of 2012 for currently available and past loan programs. The dollar amounts are given both as current dollars and as 2012 dollars after adjusting for inflation.

Loans Funded and Total Loan Amount for THDA Loan Programs, 1973-2012

THDA Loan Programs (Start Date)	# of Loans Funded	Dollar Value of Loans (2012$)	Dollar Value of Loans (Current$)
Great Rate (1998)	22,479	$2,490,429,525	$2,081,623,993
Great Start (1998)	15,948	$1,732,661,098	$1,523,280,792
New Start (including Tier II) (2001)	1,038	$81,826,974	$75,941,038
Great Advantage (2006)	1,004	$120,381,170	$111,988,655
Other Loans	17,361	$1,493,975,035	$583,699,139
TOTAL FUNDED LOANS	107,567	$9,882,513,781	$6,542,091,678

3 - At the time it was established in 1973, THDA purchased loans already closed between 1970 and 1973 to create its portfolio. We have a record of nine of those loans. In any analysis, if there is available data for those loans purchased before THDA's inception in 1973, we are including them.

THDA's Housing Programs, 1973-2013

Housing Program	Target Population, Goal	Dates in Operation
Homeownership loans through Reservation of Funds Agreements	THDA's standard and only mortgage program during this time, serving Tennesseans with low/moderate income.	1973 - 1985
The Homeownership Program	THDA's standard mortgage program during this time, serving Tennesseans with low/moderate income.	1985 - 1998
Rural and Inner-City Loan Program	Loan program to serve homebuyers in rural, inner-city and economically distressed areas.	1987 - 1991
Revolving Loan Program	$2.5 million in seed money from THDA with additional contributions from Shelby County for zero percent loans.	1987 - 1993
Low Income Family of Tennessee (LIFT) Program	Lower interest loans targeted to lower income households with a disabled family member, a large family, a single parent or an elderly member.	1988 - 1992
START (Special Targeted Affordable Rate for Tennesseans) Program	Program serving lower income families (50% of Area Median Income) with a lower interest rate.	1993 - 1998
START Plus	THDA's first downpayment and closing cost assistance program, offering a second mortgage with the same interest rate as the first.	1993 - 1998
Great Rate Program	Our current standard program, serving Tennesseans with low and moderate income.	1998 - Present
Great Start	One of our current Down Payment Assistance Programs, offering four percent down payment and closing cost assistance with a slightly higher interest rate.	1998 - Present
Disaster Relief and Economic Recovery Mortgage Program	30-year fixed rate loans to help with those in areas with federally declared disasters. Loans were at below market interest rates, all the way down to zero.	2003, 2006
Great Advantage	One of our current Down Payment Assistance Programs, offering two percent down payment and closing cost assistance with a slightly higher interest rate.	2006 - Present
Great Save	A refinance program for non-THDA adjustable rate mortgage loans closed between 2002 and 2007	2008 - 2012
Stimulus Second Mortgage Program	Second mortgage program that monetized the federal homebuyer tax credit so it could be used on the front end to purchase a home rather than waiting to be reimbursed.	2009 - 2010
Homeownership for the Brave	Mortgage product to help veterans become homeowners, offering a discounted interest rate.	2011 - Present
Great Choice	Our newest mortgage program that will combine the goals of Great Rate, Great Start and Great Advantage. For those interested in down payment assistance, a zero percent second mortgage.	2013 (anticipated Oct. 1 start date)

Economic Impact of THDA's Homeownership Programs

In 40 years, in addition to helping over 107,000 Tennesseans become first-time homeowners, THDA's homeownership programs substantially contributed to the Tennessee economy by generating additional business revenue, jobs, personal income and tax revenue. THDA's homeownership programs contribute to the local economy in several ways.

We used the IMPLAN input-output model to calculate the ripple effects of THDA's single family programs on the Tennessee economy. The IMPLAN model calculates total business revenues, personal income, and total employment. The direct expenditures created by THDA's homeownership programs generate additional economic activity in the form of indirect and induced expenditures. Direct impact is the dollar amount of the initial spending because of the homeownership programs. We also report the corresponding direct personal income and employment figures. Indirect impact is the economic impact that is generated because of the subsequent rounds of business-to-business transactions in Tennessee's economy. Induced impact is the economic impact that is generated through employee spending in the economy.

THDA's homeownership programs' direct economic impact comes from the additional spending that would not be available if THDA did not provide the mortgage loans for purchasing homes. For this analysis, it is assumed that THDA generates additional economic activity through the purchases of new homes, the fees, commissions and taxes paid at loan closing and the changing spending patterns as explained next[4].

THDA borrowers' new home purchases stimulate the construction of more homes in the region. In this economic impact analysis, for the new home purchases of THDA borrowers, we input the construction cost of building those new homes in the model. The cost of land acquisition is removed from the final price of the house because it is not part of the construction spending and it does not create a multiplier effect like spending on the other items. The purchase of land for building a new home is assets changing hands (money for the land). There will not be a net change in the economy.

The purchase of existing homes by THDA borrowers does not create a multiplier effect either[5]. However, the fees and commissions paid in the home purchase process are included in the economic impact. We looked at the home purchases funded through THDA to find out the fees and commission paid by an average THDA borrower as related to the purchase price. Based on this data, we distribute the fees, commissions and expenditures among the financial sector, real estate sector and state and local government (the fees that are paid to the government and property taxes paid at the closing). This is done for every THDA loan whether it is for a new or an existing home purchase.

Individuals and families who purchase a home with THDA's single family loan program are new (first-time) homeowners[6], but they are not necessarily new to the region. They may not bring new spending to the state. However, homeowners' spending patterns are different than renters' spending patterns. To determine the change in the spending pattern of THDA borrowers after they became new homeowners, the Bureau of Labor Statistics' Consumer Expenditure Survey (CES) data are used.

4 - In addition to the before-mentioned, relatively easy to quantify impacts of THDA's homeownership program on the local economy, there are other impacts that we did not calculate. For example, downpayment and closing costs require large sums of money when someone is purchasing a house. The funds used for the downpayment and closing costs cannot be spent on goods and services in the local economy. THDA's loan programs that provide downpayment and closing cost assistance are, in an indirect way, putting the money borrowers would otherwise use for downpayment and closing costs back into the economy for more spending on goods and services that further stimulate economic activity. Another possible impact we could not quantify is the cost saving. THDA borrowers might acquire mortgages in the private market if THDA loan programs were not available. Considering that until recently (around 2008), interest rates for comparable mortgages in the market were higher than THDA borrowers were paying, THDA loans provide interest cost saving for its borrowers. Instead, that amount will be spent on the goods and services in the local economy. Our economic impact analysis is conservative in this sense.

5 - It might lead to the construction of new homes in subsequent rounds if those people who sold their homes to THDA borrowers purchase a new home, but we did not make any assumption to quantify this.

6 - The first-time homeownership requirement is waived if the borrowers purchase a home in federally targeted census tracts or if they are a veteran.

We provide the impact of THDA's homeownership programs on business revenue, personal income, employment and state and local taxes. Business revenue is the total economic activity generated by THDA's homeownership programs' spending in the economy. Personal income is the income that people in the economy receive because of the spending associated with the homeownership programs. Employment is the number of jobs generated in the economy. Estimated state and local taxes are derived from the IMPLAN model.

To calculate the economic impact, we converted every dollar value into 2012 dollars to make the comparison easier. Multipliers can be calculated by dividing the total impact by the direct injection to the economy through THDA's homeownership programs.

In 1973, THDA's loan programs supported $2.13 million in area business revenue, $499,260 in personal income and 12 jobs. Every dollar of THDA homeownership program spending generated an additional $0.65 in business revenue. In 2012, THDA's homeownership programs generated an additional $112.02 million in business revenue, $29.44 million additional income and 672 more jobs. Every dollar of THDA homeownership program spending generated an additional $0.76 in business revenue.

For the 40-year total, THDA's homeownership programs supported $5.22 billion in business revenue and $1.38 billion in personal income. On average, homeownership programs at THDA supported approximately 800 jobs each year. In 40 years, every dollar of THDA homeownership program spending generated an additional $0.76 in business revenue. THDA's homeownership programs also generated sizable tax revenues for the state and the local governments. The model-estimated total tax revenues in 40 years were $181.85 million.

Figure 1 displays the direct, indirect and induced jobs impacts of THDA's homeownership programs in each year. The economic impact depends on the spending injection to the economy through the THDA's homeownership programs. The impact is higher in the years when THDA increased its loan production and when THDA borrowers purchased more new homes because new home purchases lead to construction, which stimulates the economic activity. Figure 2 demonstrates the cumulative business revenue impact of THDA's homeownership programs.

Figure 1: Employment Impact of THDA's Homeownership Programs, 1973-2012

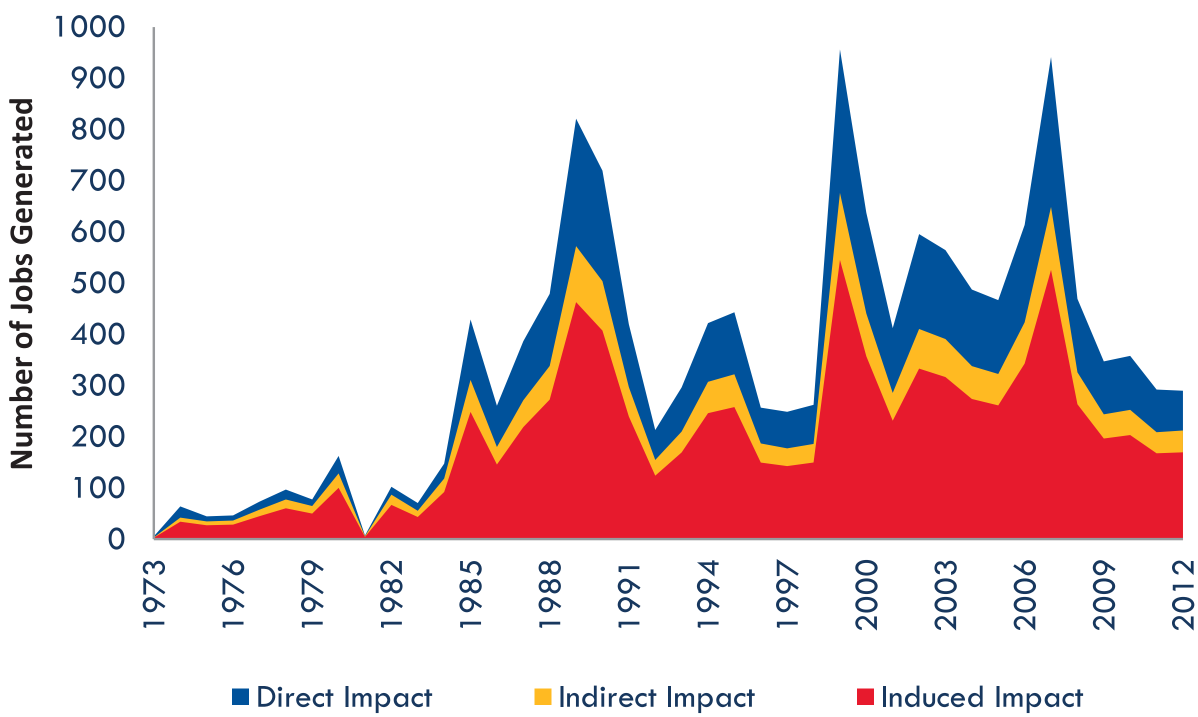
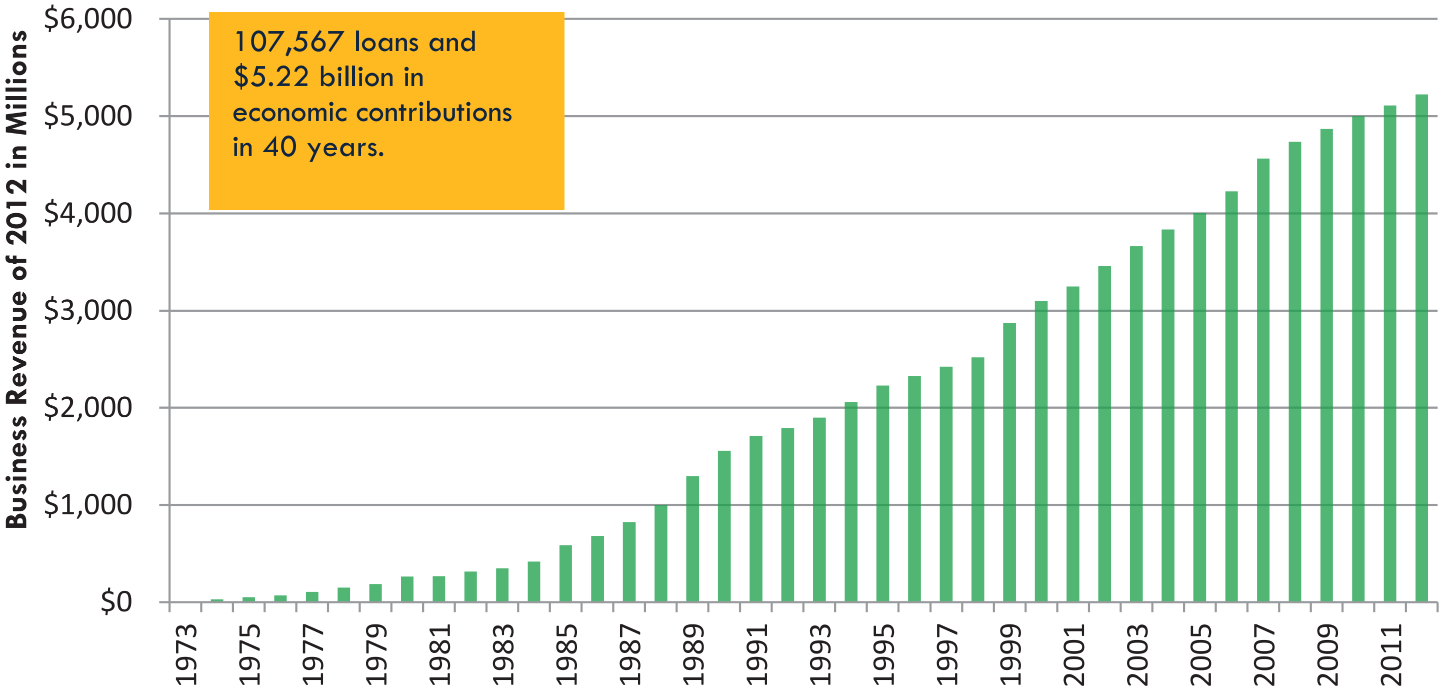


Figure 2: Cumulative Impact of THDA's Homeownership Programs, 1973-2012: Business Revenue



Keith and Ramona Bailey, THDA Homeowners

In 1983, Keith Bailey and his wife, Ramona, took out a THDA first-time homebuyer loan and bought a $45,000 house that he and his family lived in for the next nine years. The Baileys hit a few bumps in the road to becoming first-time homebuyers.

In the early 1980's, unemployment was high, and mortgage interest rates ranged from 13 to 14 percent. Although Keith had a solid job he had a difficult time getting a local bank to finance his loan. Then he heard about bank offering first-time homebuyer loans with a 12 percent interest rate through THDA. He quickly spoke to a representative about THDA.

During the application process, Keith learned the bank administered a limited number of THDA loans and they only had one loan left. In those days, banks had to reserve the THDA loans they wished to acquire, and do so by putting 1 percent down on each loan. The loan applications were to become available at 7 a.m. so Keith resolved to camp out in front of the bank and be there when the doors opened. Keith, and another gentleman who also was vying for the one loan the bank was offering, pitched their lawn chairs and waited through the night. The next morning, in what Keith believes to be a product of the bank's frustration with his stubbornness, the lender arranged loans for both men at 12 percent.

Wes and Chelsie Verbal, THDA Homeowners

Wes and Chelsie Verbal married in May of 2012. Even before they were married, the Verbals knew they wanted to own a home. Wes works as a lineman for the telephone company. One day, while he was out repairing phone lines, Wes saw a for sale sign in the yard of a beautiful corner lot, single-story brick home. He immediately called his Realtor® and asked him to look into whether or not they could afford the house. "We really liked the house because it was on a good chunk of land," Wes noted. "I knew we needed a place for our kids to play and the back side of the property is great for me workin' on the tractors."

With the help of Citizens Bank, they combined THDA's Great Rate program with Welcome Home funding from the Federal Home Loan Bank of Cincinnati. Because the Verbals received downpayment assistance from the Welcome Home program, they were able to take advantage of THDA's lowest interest rate loan.

Wes and Chelsie are consistently working to make their house feel like a home. One room that already feels like home is little Jeb's nursery. Two walls of the room are painted barn-door red and decorated with classic Americana items like tractors, old metal signs, and oil cans.

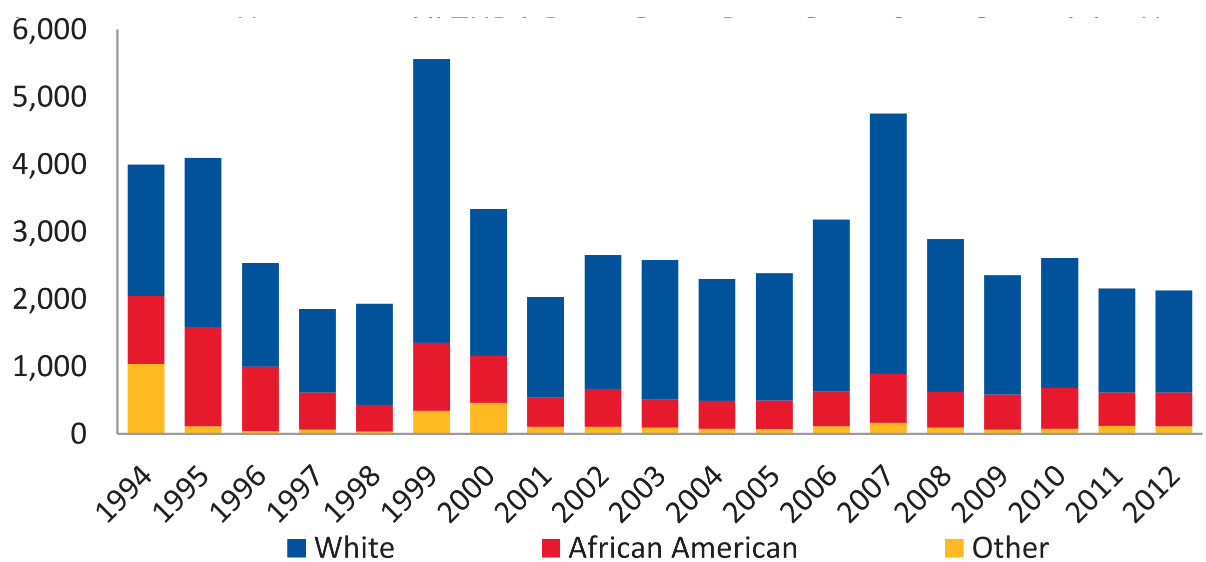
Borrower Characteristics

Looking at the borrowers from the inception of the program in 1973 to the end of 2012, the average THDA borrower was 33 years old. For the loans where the borrower's gender was recorded, the Great Rate, Great Start and Great Advantage Program borrowers were mostly male while more female borrowers utilized the New Start, START and LIFT Programs. Prior to 1993, approximately 30 percent of the borrowers did not have gender information recorded. Excluding the borrowers without information about their gender, 41 percent of all THDA borrowers were female and 59 percent were male.

Thirty-six percent of all THDA borrowers either did not have their race recorded or identified their race as "other." Of the remaining THDA borrowers, 76.7 percent (52,075 THDA borrowers) were white and 22.5 percent (15,257 THDA borrowers) were African American. The START, the Homeownership Plus and the New Start Programs had relatively more African American borrowers than other programs. Fifty-nine percent of all START Program borrowers whose race was recorded were African American (1,033 borrowers were African American out of 1,751 START Program borrowers whose race was recorded). Only one percent of all borrowers identified themselves as of Hispanic origin.

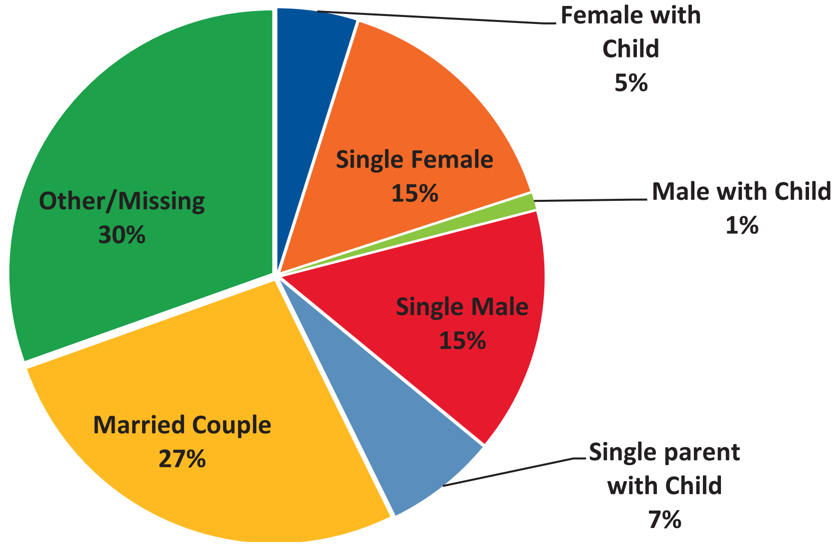
Figure 3 displays the distribution of the THDA borrowers by their race as they reported in their loan applications. Except white and African American borrowers, all others are collected under "other" as their race.

Figure 3: THDA Borrowers by Race, 1994-2012



Approximately 30 percent of all borrowers did not have information about their marital status. Of the remaining borrowers, 38 percent were married couples and 18 percent were single parents with a child. Figure 4 provides information about the familial status of THDA borrowers from the inception of THDA to the end of 2012. The majority of the New Start Program borrowers were female with child(ren), while the borrowers in the Great Rate, Great Advantage and Great Save Programs were mostly married couples.

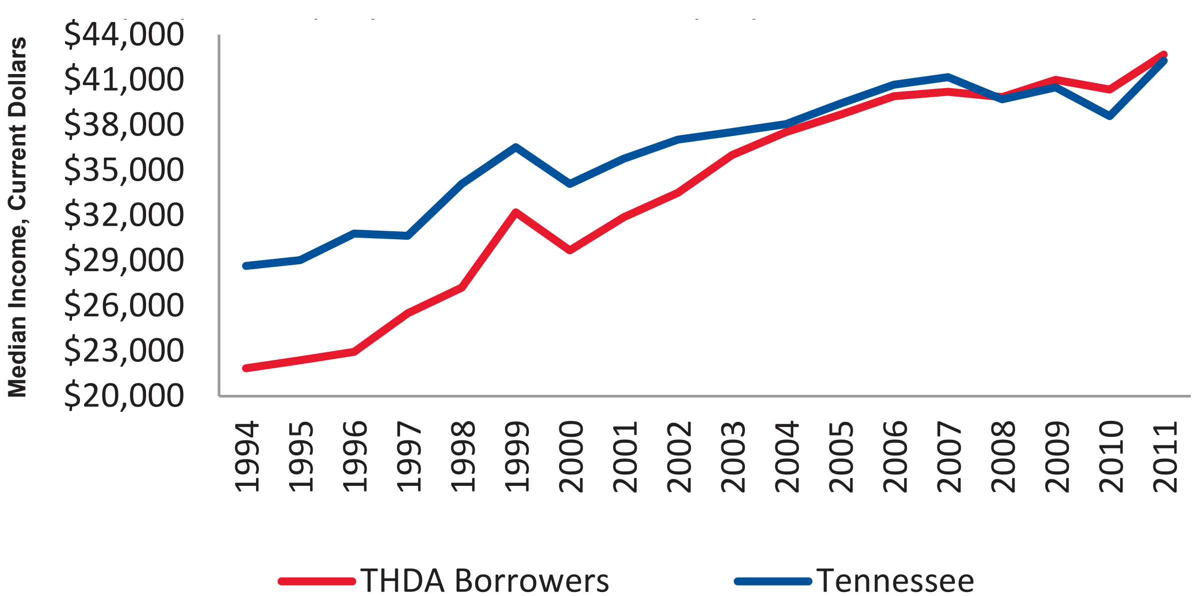
Figure 4: All THDA borrowers by Family Status, 1973-2012



Because THDA loans are intended for homebuyers of low and moderate income, a borrower's household income cannot exceed certain limits. The income limits are based on the size of the household and county in which the property is purchased. Current income limits range from $54,480 to $92,680, depending on family size and county of residence.

Figure 5 compares the THDA borrowers' median income to the median income of all Tennesseans from 1994 to 2011[7]. As the figure shows, the median income of THDA borrowers was substantially lower than the median for all Tennesseans until 2004 when the difference between the two almost disappeared. After 2008, THDA borrowers' median income became higher than median for all Tennesseans. This may suggest that THDA made more loans to the larger size households and to households in counties where the allowable income limit was higher than the state median. Approximately 30 percent of THDA loans were made in the Nashville-Davidson-Murfreesboro-Franklin MSA where the income limits are higher than in the balance of the state.

Figure 5: Median Income, All Tennesseans versus THDA Borrowers, 1994-2011

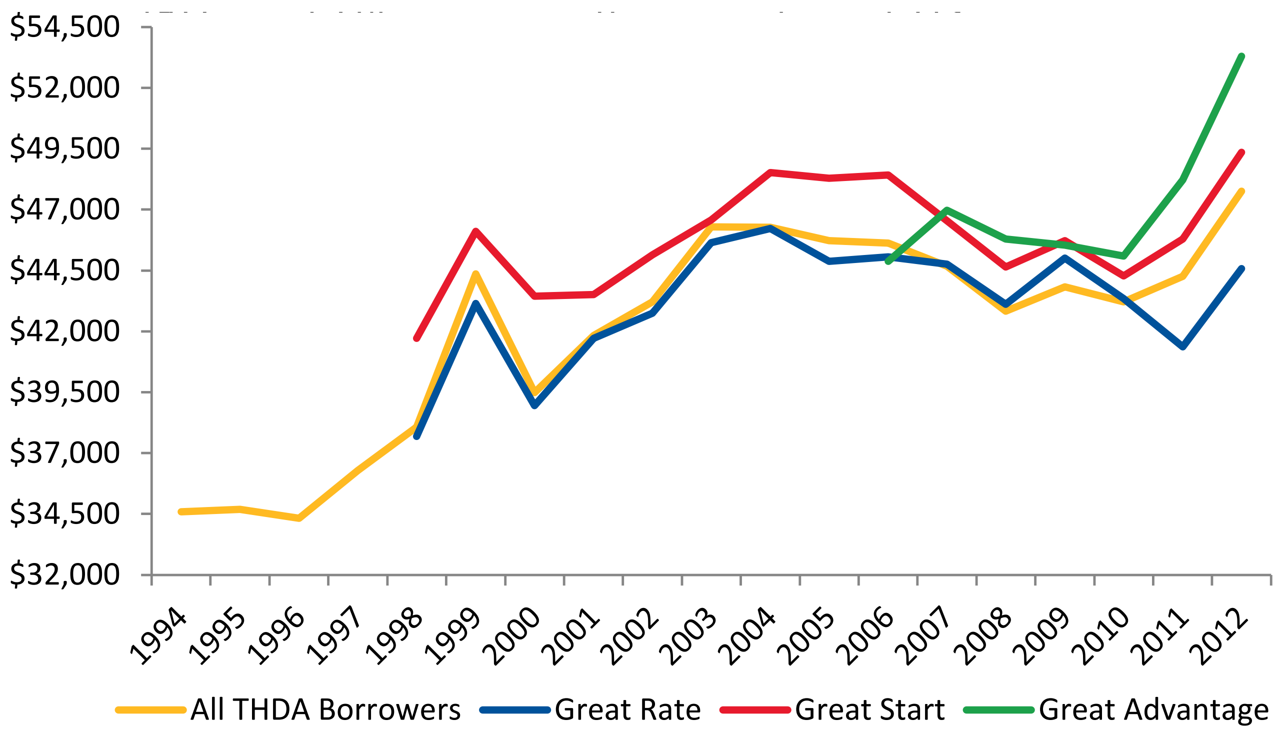


7 - The data on the borrowers' annual income are not very reliable before 1993.

The Great Advantage and Great Start borrowers, on average, were similar to each other in terms of their annual income. The New Start Program borrowers had substantially lower income, on average, than other borrowers, consistent with the program requirements.

Figure 6 shows the average income from 1994 until the end of 2012 for the THDA borrowers in currently available homeownership programs (except New Start Program borrowers[8]). Until 2009, the Great Rate borrowers were representative of the all THDA borrowers. From 2008 to 2009, the average incomes of the Great Rate and Great Start Program borrowers substantially increased. On average, Great Start Program borrowers had higher income than the borrowers in other programs except the Great Advantage Program borrowers.

Figure 6: Average Income of THDA borrowers by Programs, 2012 Dollars



THDA homeownership loans are for first-time homebuyers unless the borrowers are purchasing homes in federally targeted counties/census tracts. The first-time homeownership requirement is also waived for veterans. From 1973 to the end of 2012, approximately 30 percent of the borrowers did not have accurate information about either their homeownership status in the last three years or whether or not the home they purchased was in a targeted county/census tract. However, 1.7 percent of the remaining THDA borrowers were not first-time homeowners, but they purchased homes in federally targeted counties/census tracts. In total, 15 percent of all homes THDA borrowers purchased were in a federally targeted county/census tract, but the majority of those people who purchased homes in the federally targeted areas were first-time homebuyers.

8 - The New Start program has significantly different eligibility requirements relative to other homeownership programs because it is designed for households of very low income.

Regina Hubbard, Realtor®

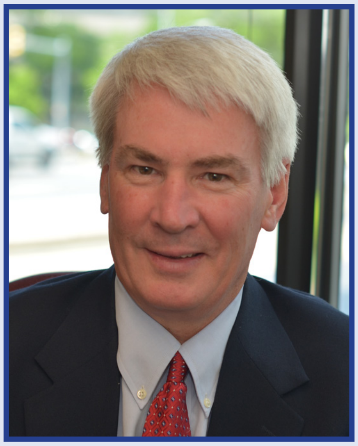
Regina Hubbard has worked in real estate for 18 years and is the 2013 president for the Memphis Area Association of Realtors®. Now with ERA Legacy Realty, Hubbard serves clients in the Memphis area and is particularly fond of working with first-time homebuyers.

"One of the things I truly like is working with the customers, particularly the first-time homebuyers. When I think about THDA, [their service to first-time homebuyers] is one of the things that stand out to me."

While Hubbard did not purchase her first home through THDA, she does remember the first time she heard about the program. "I did not know anything about it until I got into real estate. And I can remember my aunt when she was a Memphis city school teacher telling me, 'A bunch of these teachers are buying homes with money they are getting through some program in Tennessee.' At the time, I did not think she knew what she was talking about, and was fairly skeptical. Years later I had to go back and apologize because she was absolutely correct."

Hubbard makes it her goal to educate first-time homebuyers so they do not look back and find they were uninformed about the resources available to them. "THDA has great products, great services, and are heavily involved in the community," said Hubbard, "I think it is important that we keep marketing heavily the services they provide, especially to first-time homebuyers."

Pat Clarke, Financial Consultant



Pat Clarke is a financial consultant with J.J.B. Hilliard-Lyons, Inc. and has been in the consulting business for over 31 years. Throughout his career, Clarke frequently has advised his clients to invest in THDA tax-exempt mortgage revenue bonds. Clarke is a vocal advocate of THDA bonds because, "They have a predictable income stream and serve a remarkable social purpose."

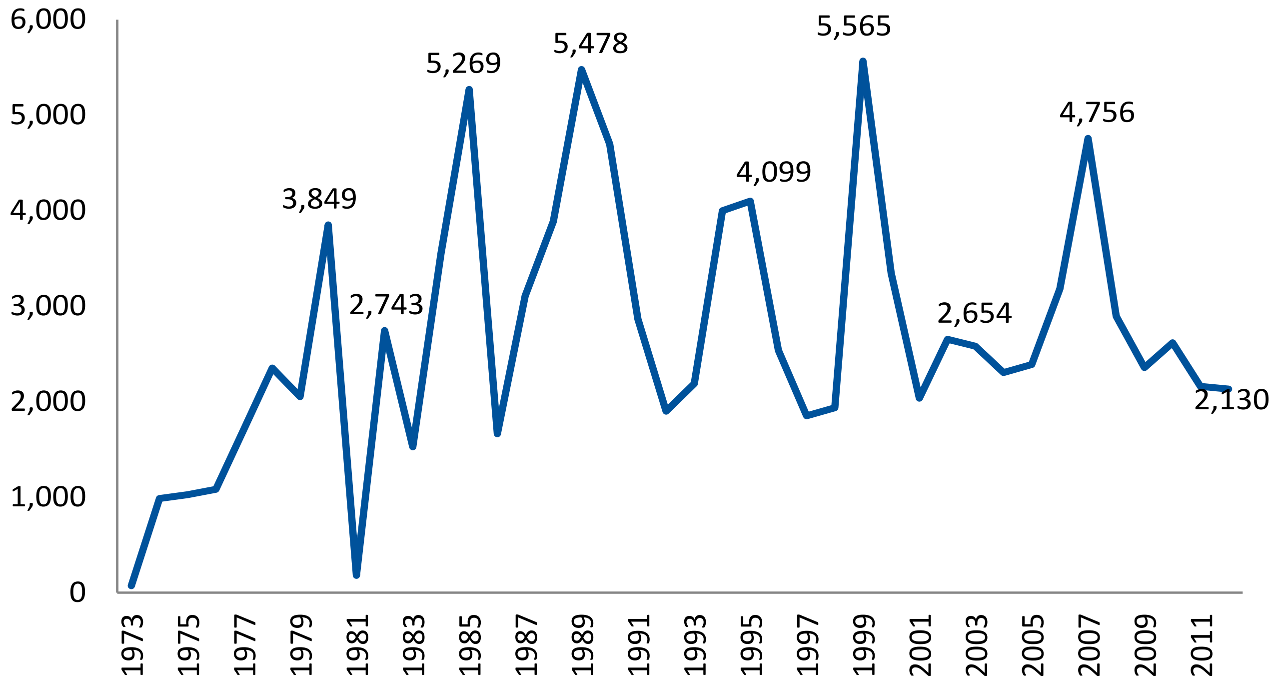
THDA offers tax-exempt mortgage revenue bonds to generate funds for single family mortgage loans for qualified borrowers. Clarke explained, "THDA issues bonds, and what they do is they take the money and loan it to first-time homebuyers. The individuals or institutions that buy the bonds receive tax-free returns off the bonds. It provides the bond buyers with tax-free income, and it helps the first-time homebuyers with a lower interest rate or downpayment assistance on their loans."

Hilliard Lyons' goal is to grow, protect, and manage the wealth of their clients. Clarke and his team believe that THDA tax-exempt mortgage revenue bonds are a proven way to help meet that goal.
Securities offered by J.J.B. Hilliard-Lyons LLC member NYSE, FINRA, SIPC

Loan Characteristics

The number of THDA loans funded by year is given in Figure 7. The number of loans funded fluctuates from one year to the next depending on various factors such as overall homeownership trends in the market; the difference between the market and THDA average interest rates; the pattern of bond issuance that makes funds available for loan purchases; THDA's outreach efforts and various homeownership choices offered (for example, the availability of down payment and closing cost assistance; the zero interest rate loans for borrowers very low income or the interest rate discount for veterans).

Figure 7: Number of THDA Loans Funded, 1973-2012



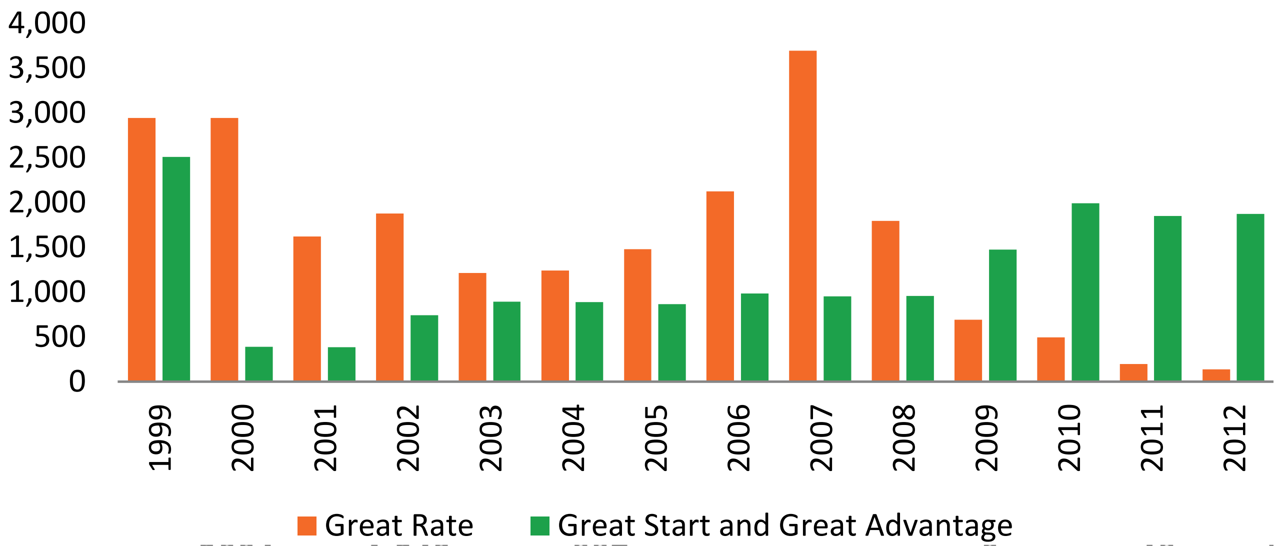
For example, the substantial increase in the volume of THDA loans in 1999 coincides with the introduction of the Great Start Program with the downpayment and closing cost assistance and the increased income and purchase price limits combined with the outside mortgage market trends. The dip that follows resulted from the suspension of the Great Start Program, based on concerns that the program grew too quickly and a substantial reduction in household income limits. After it was suspended in early 2000, the Great Start Program was reinstated in 2001 with some changes in its structure including higher interest rates and less downpayment and closing cost assistance (three percent instead of four). In October 2002, the downpayment and closing costs assistance was returned to four percent of the loan amount. In 2007 when the number of THDA loans increased approximately 50 percent compared to the previous year, THDA was following the upward trend in the general market. During this upswing, the majority of those borrowers preferred the Great Rate Program. In 2007, 78 percent of all THDA loans funded were the Great Rate loans and 14 percent were the Great Start loans.

Figure 8 displays the number of loans funded between 1999 and 2012 with the Great Rate Program and the Great Advantage and the Great Start Programs, which are THDA's current mortgage loan programs with downpayment and closing cost assistance. The majority of THDA borrowers preferred the lower interest rates offered with the Great Rate Program to the downpayment and closing cost assistance offered with the Great Start and the Great Advantage Programs (in exchange for a higher interest rate) from 1999 until 2009.

After 2007, both the total number of THDA loans funded and the number Great Rate Program loans started to decline. In 2010, only 19 percent of all THDA loans were the Great Rate Program loans while the Great Start Program loans increased to 70 percent of the total THDA loan portfolio. Even the availability of the second mortgage, offered in 2009-2010, did not stop the decline in the Great Rate loans[9]. The Great Rate Program loans were not very competitive with conventional mortgages because conventional mortgage interest rates were declining and were often lower than the THDA's Great Rate Program rates. Thus, the contribution of the Great Rate Program to the THDA portfolio declined.

In 2012, only six percent of all THDA loans were Great Rate loans. Although the Great Advantage and the Great Start Programs have slightly higher interest rates than the Great Rate Program, borrowers may have been attracted to these THDA mortgage products for the down payment and closing cost assistance, instead of the interest rate. The volume of Great Start loans has also increased as downpayment assistance alternatives in the market disappeared after the mortgage crisis.

Figure 8: The Total Number of THDA Loans Funded by Program Type, 1999-2012



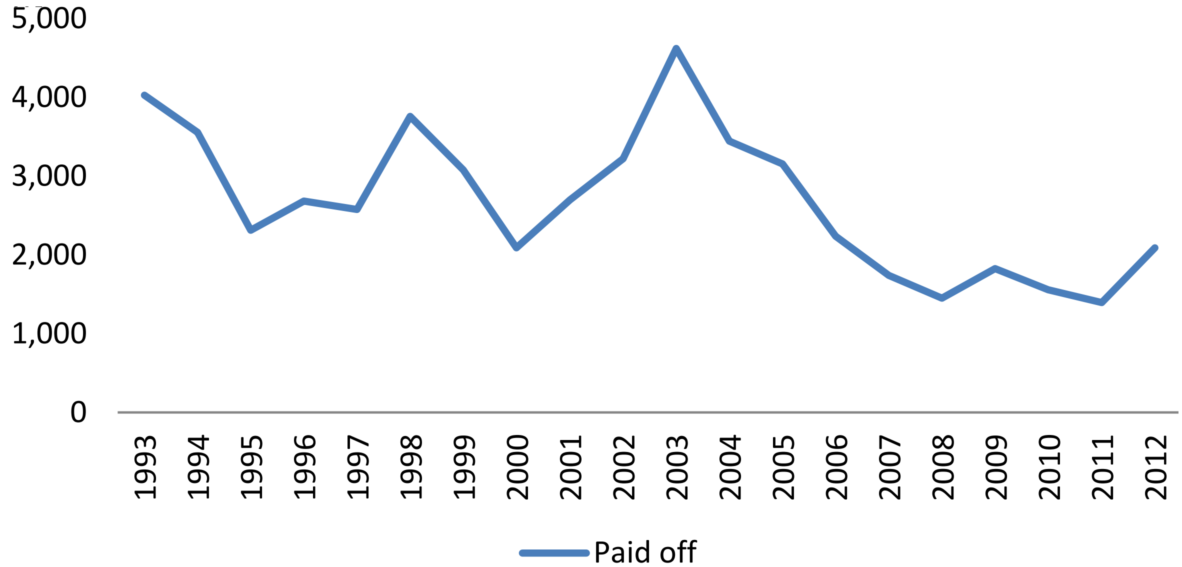
Of all the 107,000 loans funded, 25,988 loans were still active in the THDA portfolio as of December 31, 2012[10].

On average, THDA borrowers paid off their loans in 105 months, in the ninth year of their loans. In THDA's history, very few borrowers waited for the full 30-year term to pay off their loans. Different factors including selling or refinancing might cause borrowers to pay their loans before maturity in 30 years. The reasons for payoffs are not recorded in THDA's servicing database. However, payoffs follow trends in the overall market. Figure 9 shows the number of THDA loans paid off in each year from 1993 until 2012.

9 - The Stimulus Second Mortgage Program loans were only available to borrowers whose first mortgage was funded through the Great Rate or the Great Advantage Programs.

10 - See THDA Quarterly Bond Disclosure Reports on www.thda.org (Under "Investors") for more information about THDA loan portfolio performance.

Figure 9: THDA Loan Payoffs, 1993-2012



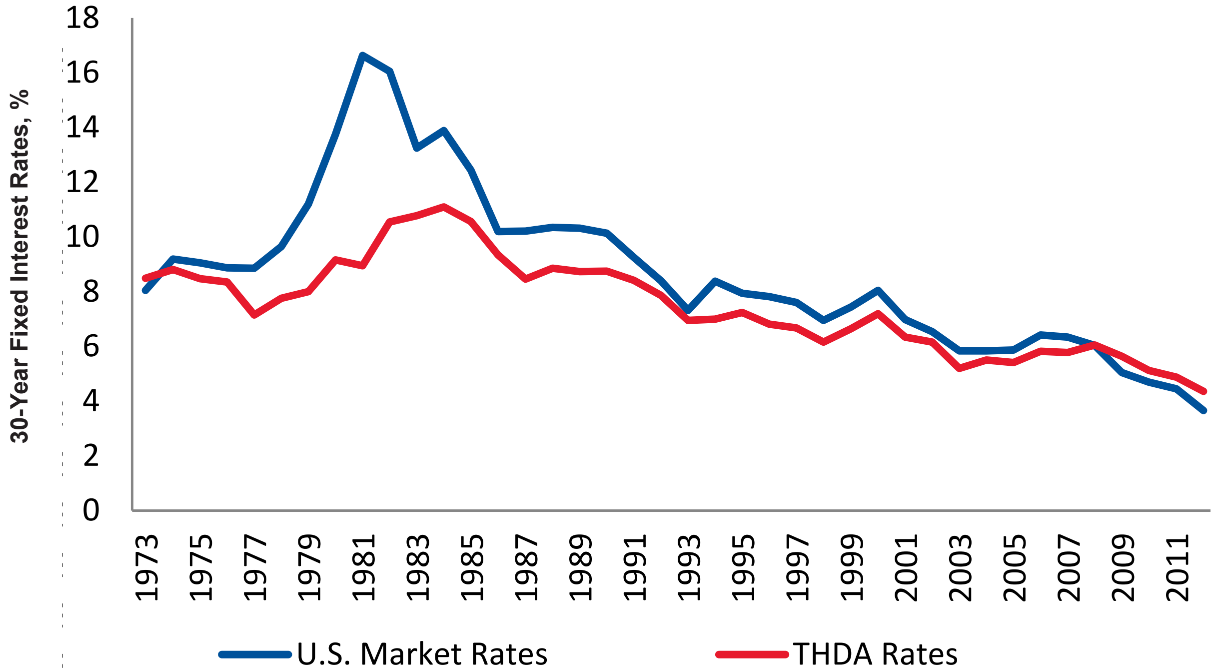
From a low level in 2000, THDA borrowers started to pay off their loans at an increasing rate. In 2003, the number of THDA loans that were paid off reached a peak of 4,624 loans in a year, and started declining continuously until 2009.

The difference between the market interest rate and the interest rate THDA charges on loans is an important factor that affects both the demand for THDA loans and the rate of payoffs. As the market interest rates start declining compared to the THDA rates, payoffs through refinancing may become more common. Figure 10 compares the national annual average interest rate on 30-year fixed rate mortgages[11] with the THDA annual average interest rate[12]. THDA does not offer a refinance program for its borrowers, and THDA borrowers are able to pay off their loans without any early payment penalty. In some situations, a payoff meeting certain criteria prior to the tenth year requires the seller to pay a recapture tax to the IRS.

11 -The market rates are annual national interest rates for 30-year fixed mortgages compiled by Freddie Mac Primary Mortgage Market Survey (PMMS). Freddie Mac's Primary Mortgage Market Survey® (PMMS®) surveys lenders each week on the rates and points for their most popular 30-year fixed-rate, 15-year fixed-rate, 5/1 hybrid amortizing adjustable-rate, and 1-year amortizing adjustable-rate mortgage products. The survey is based on first-lien prime conventional conforming mortgages with a loan-to-value of 80 percent. For more information about the survey and interest rates for different mortgage products, see: http://www.freddiemac.com/pmms/

12 - THDA rates are annual average interest rates applied in any year for loans in various programs, excluding the New Start Tier I and Tier II as they are not comparable to mortgages in the market.

Figure 10: THDA and the U.S. Annual Average Interest Rates, 1973-2012

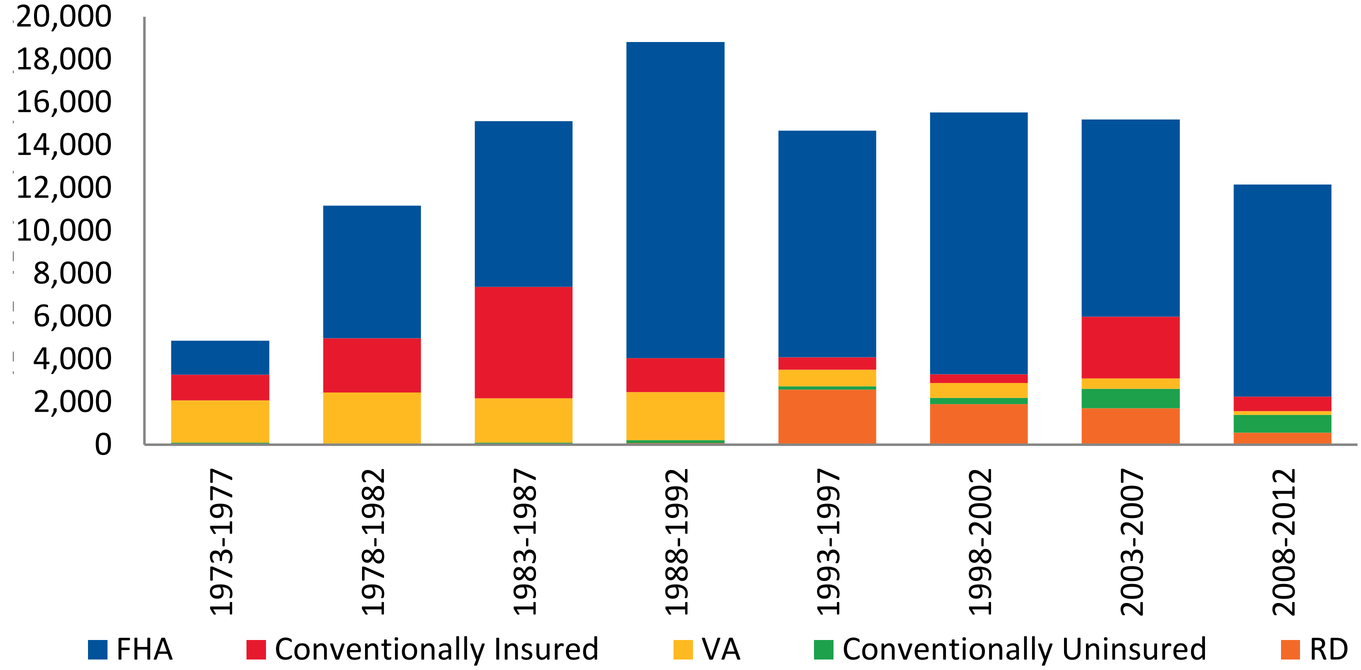


As the figure shows, until 2008, the annual average interest rates on THDA loans were lower than the average interest rate other borrowers in the market received. The difference between the two rates was more substantial in the early 1980s, for example when the market interest rate was more than 16 percent in 1981, THDA borrowers were paying less than nine percent, on average.

THDA Loans by Insurer

Conventional THDA loans must have a loan-to-value ratio of 78 percent or less based on the loan amount divided by the lesser of appraisal or contract sales price. A second mortgage for the remaining 22 percent is not permitted. All other THDA loans are required to be insured or guaranteed by the U.S. Department of Veterans Affairs (VA), the Federal Housing Administration (FHA) or the U.S. Department of Agriculture, Rural Development (RD). Of all loans that were originated from the beginning to the end of 2012, 67 percent were FHA-insured loans. Fourteen percent were conventional loans and 10 percent were VA insured. The loans by the insurer are represented in Figure 11 for the five-year periods.

Figure 11: Funded Loans by Insurer, 1973-2012



Since the 1980s, the majority of the loans originated during the year were insured by FHA. In the five-year period between 1983 and 1987, conventionally insured loans increased relative to loans from other insurers. After 1988, conventionally insured loans declined to 10 percent or less of the THDA loan production in each year. When the housing market was expanding during 2006 and 2007, the share of conventionally insured loans in the total THDA loan portfolio also started to increase. In 2007, THDA started to accept private mortgage insurance (PMI) provided by private mortgage insurers[13]. THDA allowed privately insured loans underwritten using nationally accepted underwriting guidelines established by Fannie Mae through the Fannie Mae "My Community Mortgage" program or by Freddie Mac through the Freddie Mac "Home Possible" program. Such privately insured mortgage loans were allowed to have loan-to-value ratios up to and including 100 percent of the purchase price (or the appraised value, if less).

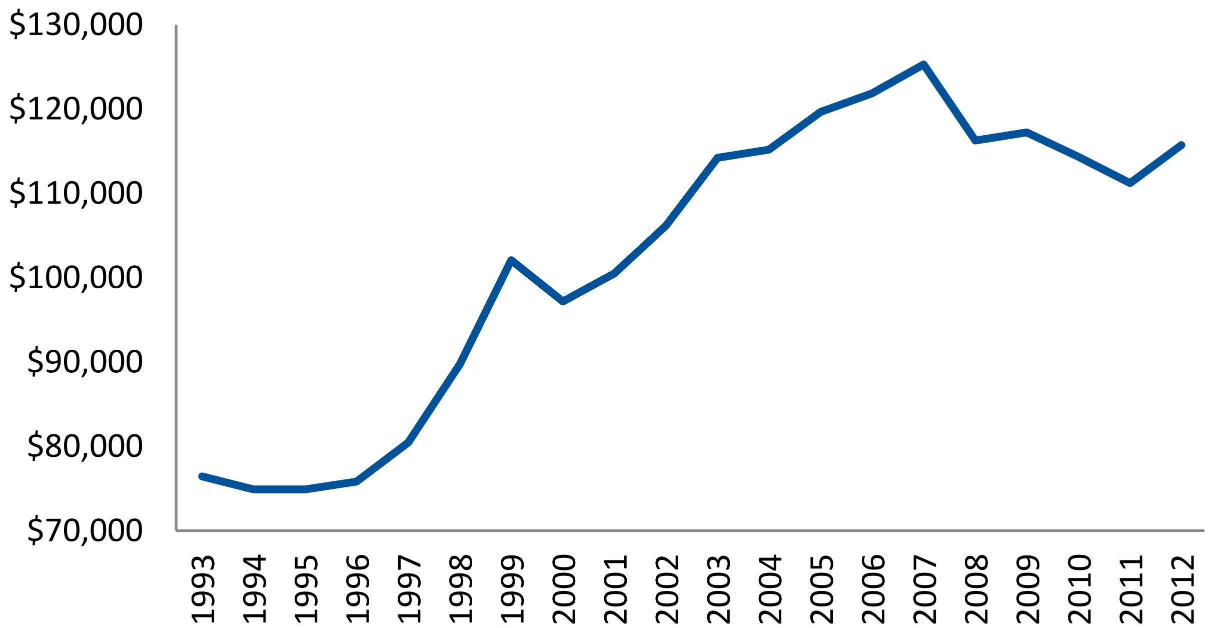
In 2007 and 2008, when Private Mortgage Insurance (PMI) companies started insuring THDA loans, the share of conventionally insured loans increased. In 2007, conventionally insured loans reached to the last ten years' peak and made up 51 percent of all THDA loans, while the share of FHA insured loans in total THDA loans declined to 30 percent. With the downturn in the housing market, the share of conventional loans started to decline. In 2008, there was still a considerable amount of conventionally insured loans (24 percent); after 2009 and in the following years, THDA made only a small amount of conventionally insured loans. With the financial crisis, many of the PMI companies lost their credit ratings to be eligible to insure THDA loans. The lack of private insurance led to the decline of conventionally insured loans in THDA loan production again. In year 2012, 89 percent of all loans were FHA insured loans.

13 - The private insurers are accepted if they are authorized by the Tennessee Commissioner of Commerce and Insurance to do business in Tennessee; they are rated at least AA by Standard & Poor's Rating Group; and they provide protection against involuntary job loss at no extra cost to the borrower.

Purchase Prices

Figure 12 displays the trend in the average prices of homes THDA borrowers purchased. The average purchase price in 2012 was lower than the 2007 average purchase price. In any year, THDA borrowers purchased homes priced substantially lower than the allowable purchase price limits. However, the average purchase prices followed the changes in the purchase price and income limits. The average purchase price of the borrowers increased by more than 13 percent from 1998 to 1999 when the purchase price limits substantially increased as it was explained in the previous sections.

Figure 12: Average Purchase Price, 2012 Dollars, 1993-2012



As of the end of 2012, the highest income any THDA borrower household can have is $92,680. The purchase prices cannot exceed $275,000 in Nashville MSA counties and counties designated as “targeted” areas, and $240,000 in any other county. Since 2005, the new and existing home purchases are subject to the same purchase price limit.

Homebuyer Education

THDA requires homebuyer education for Great Start and Great Advantage Program applicants and encourages it for all consumers considering homeownership. THDA's intention is to help Tennesseans become long-term, successful homeowners. THDA maintains a list of certified homebuyer education counselors who can help consumers as they consider purchasing a home. The "Realizing the American Dream" homebuyer education curriculum[14] used by these certified trainers addresses the four basic areas related to purchasing a home: budgeting and credit, shopping for a home, getting a mortgage loan, keeping the home and managing finances.

Participation in a "Realizing the American Dream" homebuyer education class helps consumers understand important facts related to homeownership including the advantages and disadvantages of owning a home, setting goals, budgeting and saving, making an offer, and maintaining and protecting their homes after moving in.

Tennesseans interested in homeownership can find the names of certified trainers in their area on THDA's website. Early participation in a homebuyer education program can help consumers make sound decisions as they make plans for a successful home buying experience.

In 2002, 30 certified trainers provided pre-purchase counseling to Tennessee homebuyers, including 222 THDA borrowers who purchased homes using THDA loans. Eleven years later, in 2012, 67 certified trainers helped 2,001 Tennesseans become more educated homebuyers. You Can Make It Homeownership Center at Smyrna educated 445 THDA borrowers in 2012. Dominion Financial Management counseled 127 THDA borrowers.

Even though THDA does not require Great Rate Program borrowers to receive homebuyer education, 41 THDA borrowers who used the Great Rate Program in 2012 took advantage of homebuyer education courses offered by certified trainers.

14 - The "Realizing the American Dream" curriculum is a copyrighted training product of the Neighborhood Reinvestment Training Institute.

Deborah Harding, Homebuyer Education Counselor

Deborah Harding is the executive director of You Can Make It Homeownership Center, Inc., a non-profit housing counseling agency in Smyrna, Tennessee. Deborah spent fifteen years as a loan officer before starting the non-profit in 2005. When asked how she made the decision, Harding said, "As a lender, if I declined someone, I always wanted to try to help and educate them, but of course that was not my job. So I started this non-profit and now I teach homeownership classes three days a week."

In 2012, You Can Make It Homeownership Center became the top producing THDA homebuyer counseling agency in the state. "I decided to aggressively market my homebuyer education classes," said Harding. "I just started talking to people and one person became ten and twenty and before I knew it we were expanding the number of classes we offered, offering classes in Smyrna and Clarksville, adding bilingual homebuyer education training, and hiring new staff."

"I love the THDA program because I can tell my family members about it! I make it a point not to teach anything that my family cannot use, but THDA homebuyer education courses are definitely something people can use. We change one life at a time, and I have enjoyed every last one of them."

Regina Harvey, Homebuyer Education Counselor

Regina Harvey is the co-founder and executive director of Dominion Financial Management, a faith-based non-profit providing Middle Tennesseans with budget, credit and debt reduction counseling. Dominion has been a housing counseling partner with THDA since 2003 and currently participates in homebuyer education, pre- and post-purchase counseling, and foreclosure prevention counseling.

When asked about the importance and purpose of homebuyer education, Harvey explained that, "As a homebuyer educator, our role is to inform and educate potential homeowners on what they can expect as they take that big step of homeownership. Often times, in working with THDA, we see families buying comfortable and affordable homes rather than stretching to the very top of what they can afford. That's good for both the families and also for our communities. Homebuyer education is important because there is a personal level of comfort an individual has when they are well informed and making good decisions. Homebuyer education equips them to make good, wise, and educated decisions for their families."

In 2012, Dominion made a concerted effort to fill a need in their community for foreclosure prevention counseling and were the top foreclosure prevention counseling agency in the state. Dominion ranked second in 2012 in the number of persons offered homebuyer education counseling.

THDA Lenders - Originating Agents (OAs)

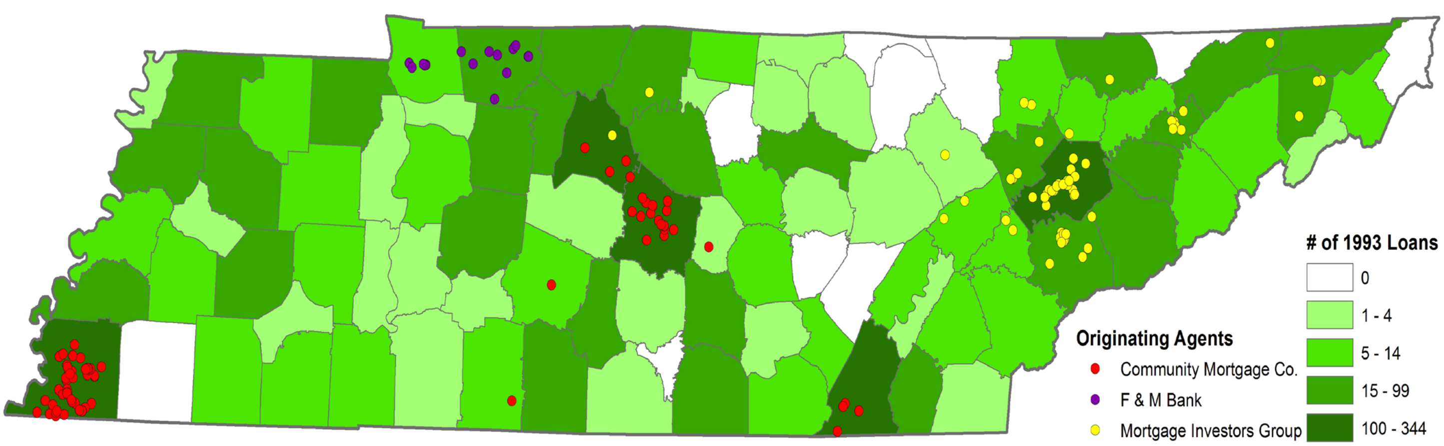
THDA is not a direct lender, but works with approved lenders (originating agents) who originate THDA loans. THDA underwrites loan applications submitted by originating agents (OAs), and then commits to purchase pre-approved loans after they are closed and documented; or in some cases, pre-funds (table funds) loans with proceeds from the sale of mortgage revenue bonds (MRBs). In 2012, 87 lenders including the Habitat for Humanity partners (using the New Start Program), submitted 2,170 loan applications. Mortgage Investors Group, First Community, Prime Lending, Community Mortgage Company and F & M Bank had the highest number of loan submissions in 2012.

The following maps display the geographic distribution of loans originated by the top five originators of 2012 in 1993, 2003 and 2012. In 2012, those five lenders originated a total of 866 loans. First Community Mortgage and Prime Lending joined the list of approved lenders within the last 10 years, but their 2012 loan production was quite high with 194 and 150 funded THDA loans, respectively.

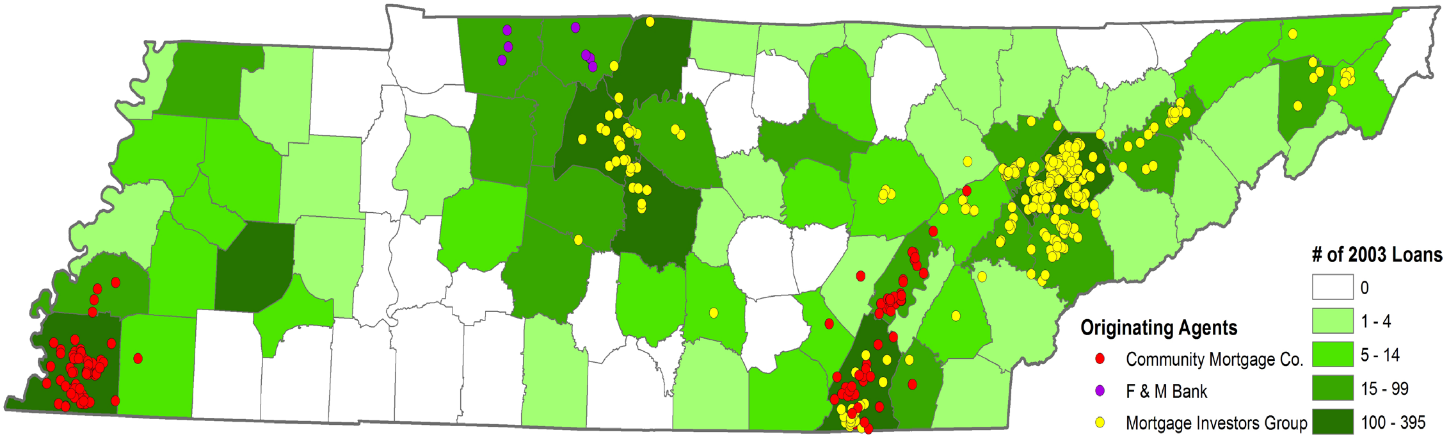
As the maps show, Mortgage Investors Group originated more loans in Eastern Tennessee than the rest of the state at the beginning. They expanded to the rest of the state in the following years. From their becoming an approved THDA lender in 1990 through 2012, they originated loans in 77 counties across the state. Mortgage Investors Group (MIG) became an approved THDA lender in 1990. By the end of 2012, 6,778 funded loans were originated by MIG. For each of the last 10 years, MIG is the top THDA lender in terms of number of loans submitted and funded.

Community Mortgage Corporation was mostly originating loans in Shelby County in 1993. In 2003, they also expanded to Hamilton and Rhea Counties and stopped originating THDA loans in Middle Tennessee. From the mid-1980s when it joined to THDA approved lenders to the end of 2012, Community Mortgage Corporation originated a total of 3,797 THDA loans in 45 counties.

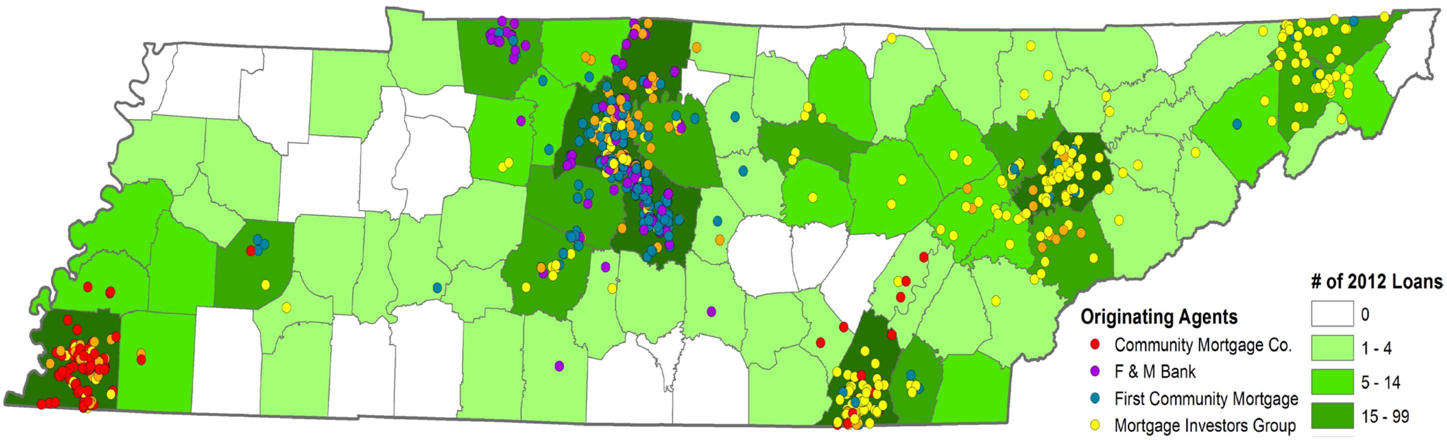
Map 1: THDA Loans by Top 5 Originating Agents of 2012, 1993



Map 2: THDA Loans by Top 5 Originating Agents of 2012, 2003



Map 3: THDA Loans by Top 5 Originating Agents of 2012, 2012



Eight originating agents (Mortgage Investors Group, First Community Mortgage, Prime Lending, Community Mortgage Corporation, F & M Bank, Primary Residential Mortgage, Guaranty Trust and Magna Bank) originated more than half of the all loans funded in 2012 (a total of 1,133 funded loans).

Steve Smith, Mortgage Banker

Steve Smith is the executive vice president of sales and production for Mortgage Investors Group (MIG). MIG attributes a large portion of their success with THDA loans to understanding that the first-time homebuyer becomes a second- and third-time homebuyer. They focus on meeting that need in the market, and believe that THDA's products are the most beneficial for their clients. "We've seen many of our THDA loans come back later on and have worked with those same clients on multiple home purchases throughout their lives," explained Smith. "It is a beginning point, and if you take care of clients on their first home, have the patience to guide them through that process, and stay in contact with them, they tend to come back to you when they are seeking that next home."

Smith, who has been in the mortgage business for 35 years, himself has been a THDA first-time homebuyer. "I bought my first home through THDA in 1977. For us, as first-time homebuyers, THDA was the most attractive product." A lot has changed in the market since 1977, but even now Smith and MIG see THDA's products as advantageous for first-time homebuyers, especially those who need downpayment and closing cost assistance. "THDA has been a huge part of our company's success; a huge part of Tennessee real estate's success. It is a key link in the chain of people becoming property owners, staying in their homes, and allowing the move-up market. It has been a great success for Tennessee and MIG."

In 2012, MIG became THDA's Top Annual Lender for the 10th consecutive year. MIG's volume of applications doubles the second most-active THDA lender in that same timeframe.

Lori Clark, Mortgage Banker

Lori Clark is a residential mortgage lender with Guaranty Trust, which is owned and operated out of Murfreesboro, Tennessee. "We have been in Murfreesboro for 27 years. We do a lot of first-time homebuyers in Rutherford County because we have built a reputation where our Realtor® partners know us, they know we do a lot of THDA loans, and recommend their clients to us," said Clark, "I like working with first-time homebuyers. They really appreciate the help. They come in not knowing a lot about the mortgage process, and we are able to walk them through the process and answer their questions along the way."

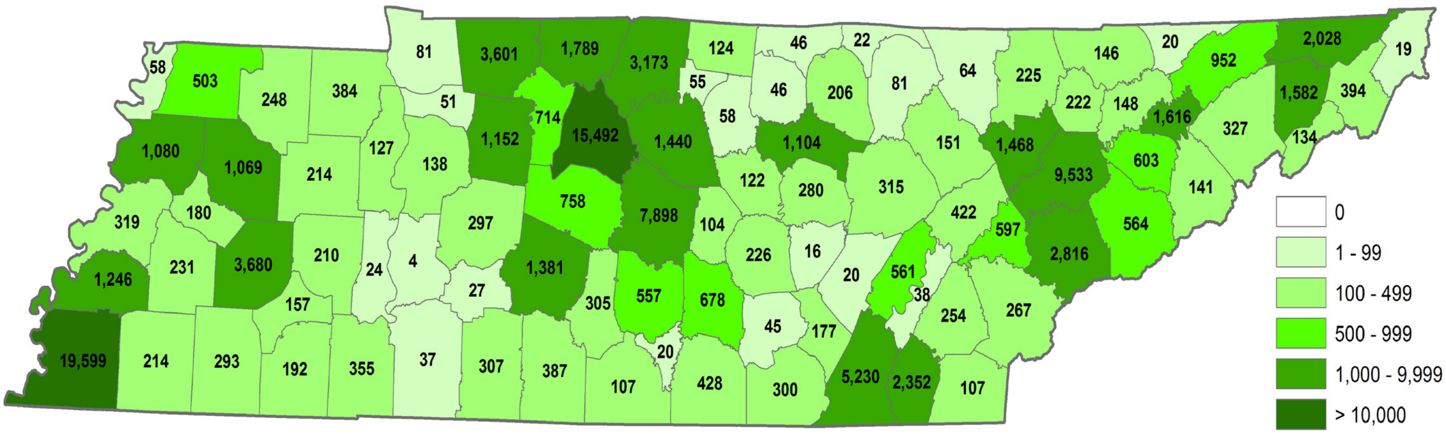
THDA's Great Start loan program, which offers a four-percent downpayment assistance grant, has been a key aspect of their success strategy. Clark explained, "Great Start helps our clients with downpayment and closing cost assistance, requires they take a homebuyer education course. We like this because the class equips them with budgeting skills and knowledge of what kind of expenses they can anticipate with owning a home."

Guaranty Trust services loans across the United States and, in 2012, ranked #66 on Mortgage Executive Magazine's list of "Top 100 Originators" nationwide. In 2012, Guaranty Trust did over $10 million in THDA mortgages, helping over 87 Tennesseans become first-time homebuyers.

Geographic Distribution

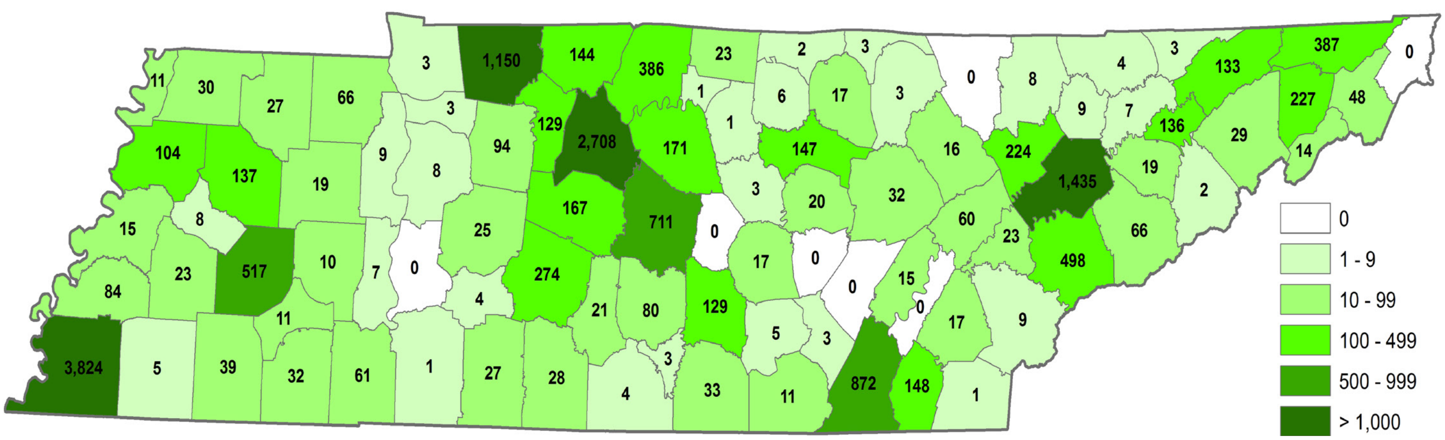
From 1973 to the end of 2012, the majority of loans, more than 18 percent of all loans funded, were originated in Shelby County. Davidson County closely followed with 14.4 percent of all loans funded.

Map 4: The Total Number of THDA Loans, 1973-2012



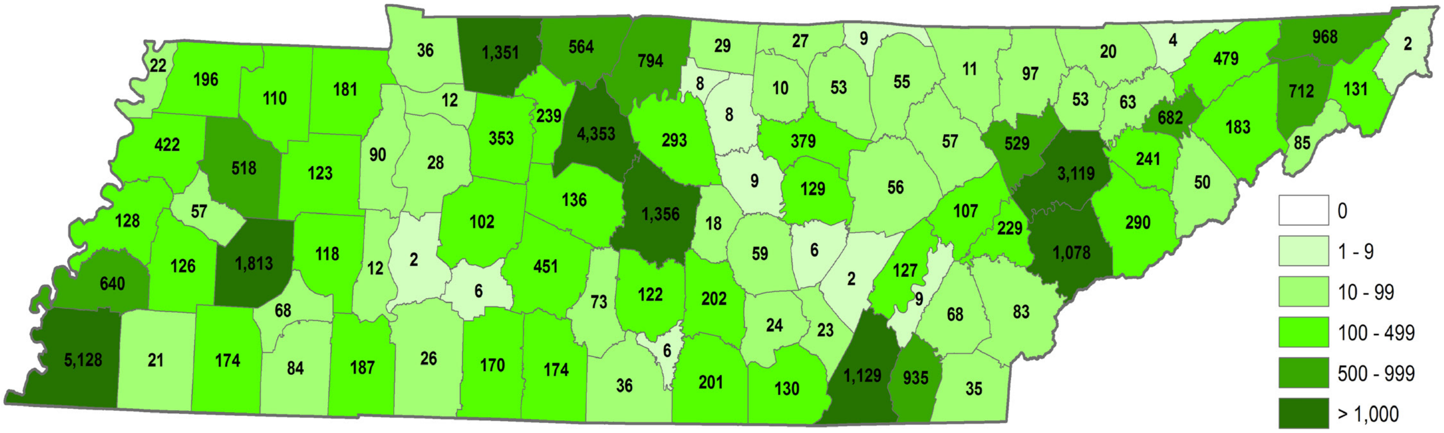
The distribution of loans among the counties across the state did not change significantly over the years. In the first 30 years of THDA's history, Shelby County residents received most of THDA loans, followed by Davidson County. In the last 10 years, Davidson and Rutherford Counties increased their share in the total THDA loan portfolio while Shelby County's share relatively declined. Maps 5 through 8 show the number of loans funded by county in 10-year periods from the inception of THDA in 1973 until the end of 2012.

Map 5: The Number of THDA Loans Funded, 1973-1982

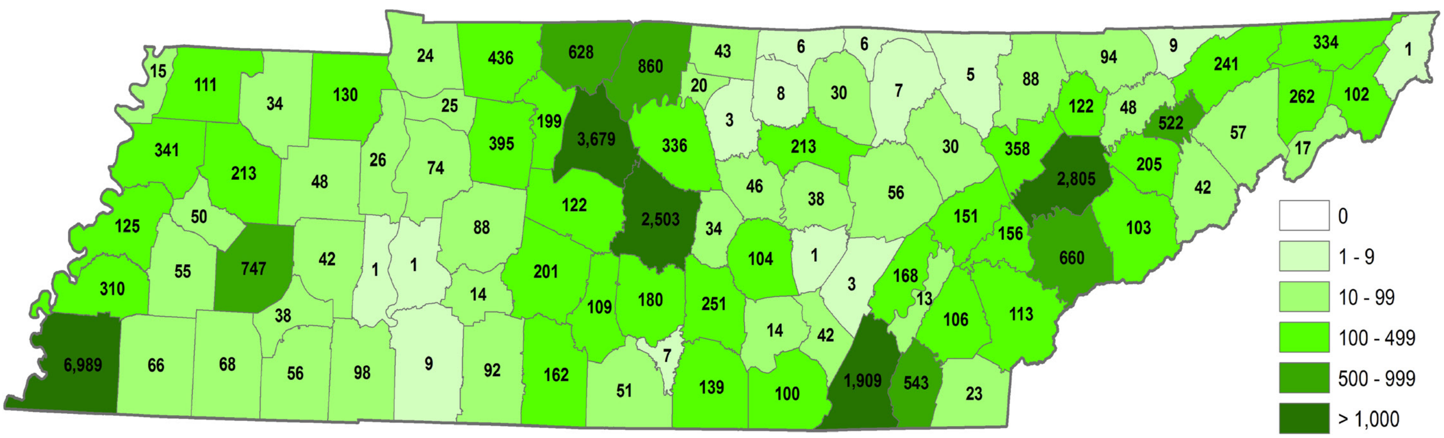


From 1973-1982 to 1983-1992, THDA's loan portfolio more than doubled across the state. In every county, except Perry, Polk and Williamson Counties, the number of THDA loans issued increased.

Map 6: The Number of THDA Loans Funded, 1983-1992

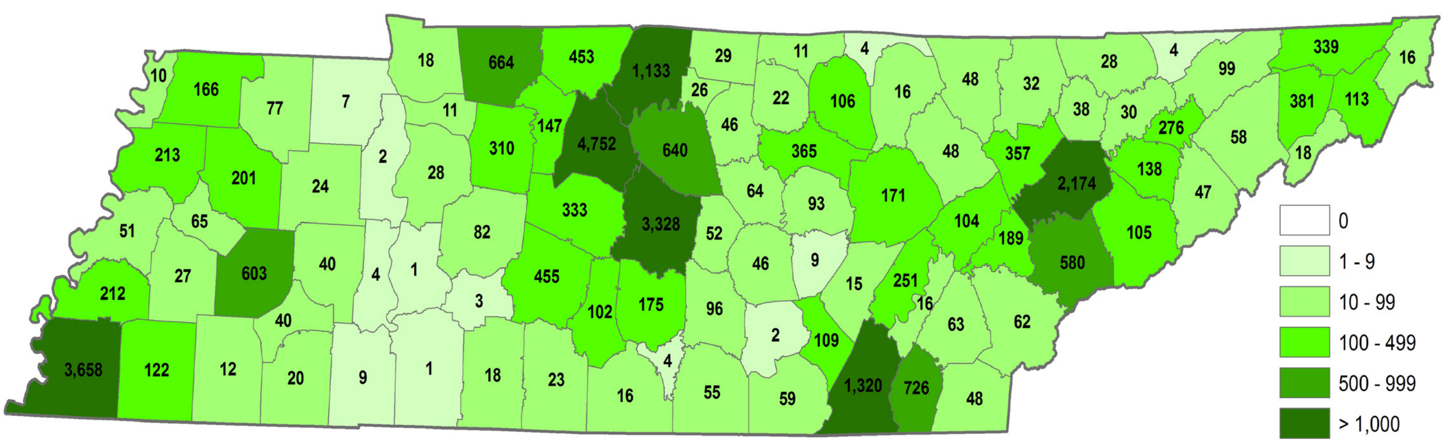


Map 7: The Number of THDA Loans Funded, 1993-2002



The total number of THDA loans in the state declined by 11 percent from 1993 to 2002 compared to the previous 10-year period. Among the five counties with the most THDA loans overall (Shelby, Davidson, Knox, Rutherford and Hamilton), Davidson and Knox Counties experienced declines of 16 and 10 percent, respectively, in that period.

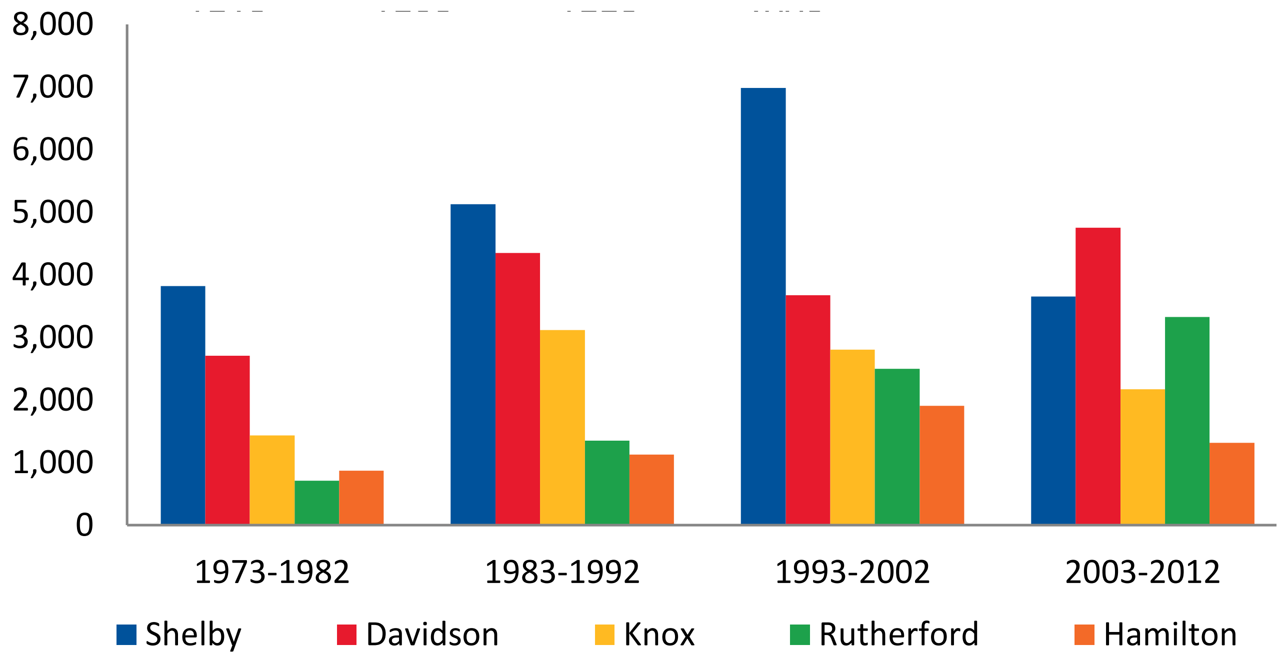
Map 8: The Number of THDA Loans Funded, 2003-2012



In the last 10 years, Tennessee was also affected by the developments in the financial sector and the housing industry. During the housing boom, THDA's loan production increased, while later when the housing industry suffered, THDA's ability to make loans was negatively impacted by two factors: declining homeownership demand overall in the market and historically low interest rates. As a result, the THDA loan production declined by more than nine percent in the last 10 years compared to the previous 10-year period. THDA made almost 50 percent fewer loans in Shelby County. However, THDA was able to increase its loan origination in Davidson and Rutherford Counties even during this difficult period.

The following figure shows the total number of loans funded in 10-year periods for the five counties with the highest number of funded loans in total THDA portfolio. While THDA's loan origination in most of these high volume counties fluctuated, the number of THDA loans originated in Rutherford County steadily increased.

Figure 13: Counties with the Highest Number of Loans Funded, 1973-2012



Forty-one percent of all loans funded were originated in the Middle Tennessee grand division. When the mortgage amounts are considered, Middle Tennessee's share increases to 50 percent of all loans funded. THDA's presence in any region depends on various factors.

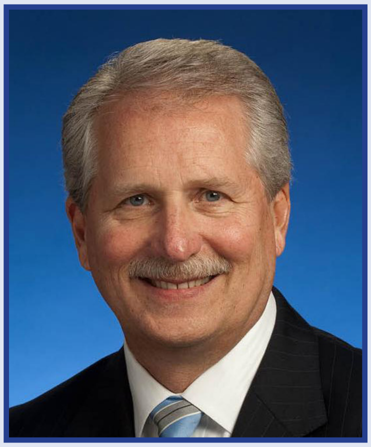
State Senator Mike Bell, THDA Homebuyer

In 1985, State Senator Mike Bell (R-Riceville) was newlywed and living in a cabin owned by his in-laws. He and his wife had the desire to be homeowners, and eventually found a small house in Bradley County. In that time, the U.S. economy was still recovering from the high inflation of the late 1970's, and interest rates were still high- in the 11 ½ to 12% range. Bell and his wife spoke with several of their lender friends and learned about the first-time homebuyer program offered by the Tennessee Housing Development Agency (THDA) and discovered he could get a THDA loan for 9.95%. "At that time, 9.95% was great," explained Bell. "We felt very fortunate to qualify as a first-time homebuyer and to get a THDA loan."

Even though they were newly married, Bell and his wife still knew the value of owning a home. "It's an investment. We only lived in that home for a couple of years before we sold it, made a little profit, moved into another rental home and stayed there for a couple of years until we were able to build another home."

While it has been 28 years since Bell utilized THDA's loan services, he does remember that his outcome was favorable and went on to say he, "would recommend, especially first-time homebuyers, before you buy a home, check with THDA."

State Senator Bill Ketron, THDA Homebuyer



In 1981, State Senator Bill Ketron (R- Murfreesboro) was working at his father's insurance company and living in a small apartment behind his office. "My dad thought my rent was part of my salary. He gave me rent for free so he did not have to pay me a lot," chuckled Ketron as he reminisced on that time in his life. "After a while, I had the yearning to go out and get a place of my own."

He was dating a girl at the time and her father worked in construction and was building some homes in Murfreesboro. He told Ketron to come out and look at the homes and that he would make sure that a good deal was struck. Ketron was put into contact with a State Farm agent who helped him find an 1100 square foot home and recommended he consider financing through THDA.

"I had never heard of THDA," explained Ketron, "and had no idea as a first-time homebuyer, so I was willing to travel whatever trail someone gave me to become a homeowner." He spoke with a loan officer and found out what his salary threshold would need to be to qualify. The State Farm agent offered to help with the downpayment, as long as Ketron signed a promissory note, which meant the only thing left was to coax a raise out of his father!

"Homeownership gave me pride. I would go home and lock the door at night and it was 'mine'. That is really the dream of every American; some form of homeownership. If you are not blessed with a lot of money, this is a vehicle that THDA allows and helps people become that first-time homebuyer."

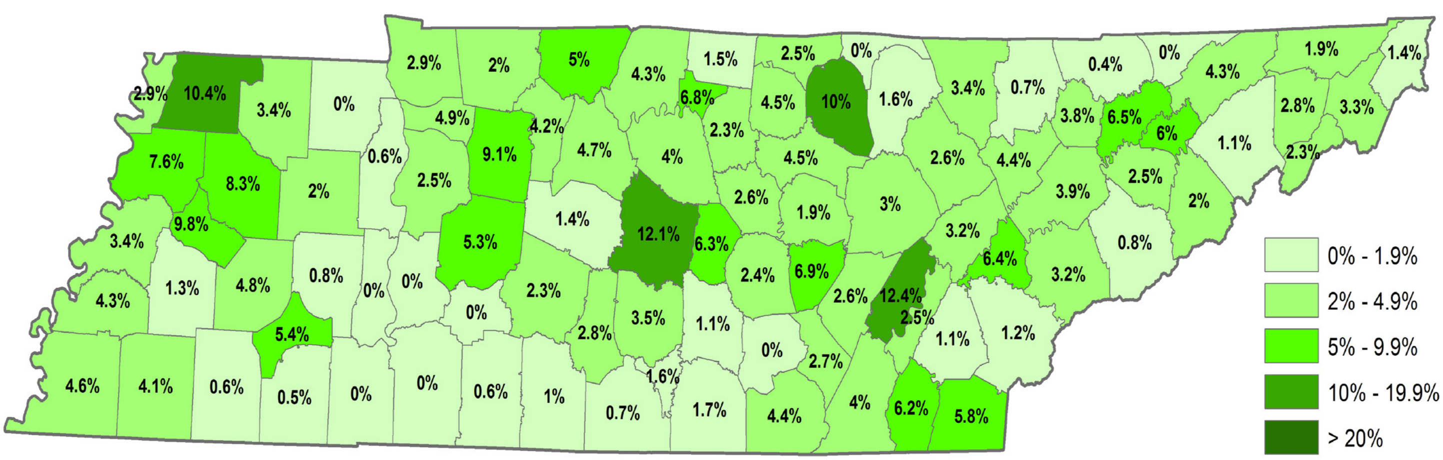
Market Share and Service Index

Because THDA is not a direct lender, but purchases the loans originated by approved lenders, the activities of our lending partners are an important factor that affects the total loan production and its geographic distribution. THDA improved its geographic coverage over the years by creating more partnerships and increasing the awareness of THDA mortgage products. While these factors are spreading THDA's loan production across the state, there are at least two additional factors that affect THDA's loan origination in any region: the market conditions and the size of the population eligible to receive THDA loans. The market share analysis and service index can help us see THDA homeownership program's geographic reach.

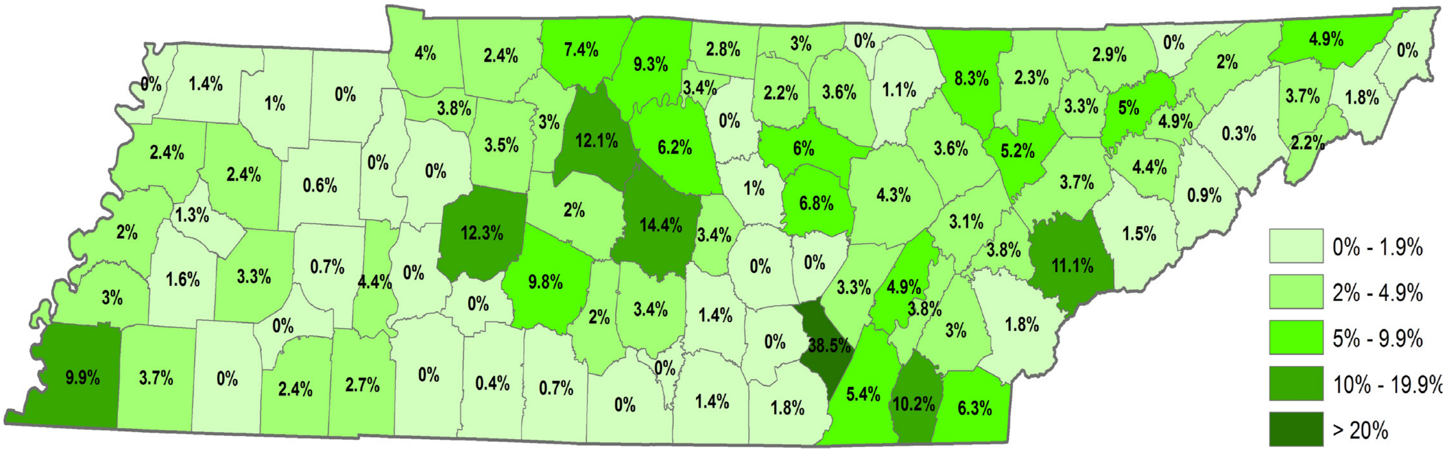
The general demand for homeownership in the market also affects the number of potential borrowers THDA can attract. If the market is not very active, THDA's loan origination will also be low. The market share analysis helps us identify what percentage of Tennessee's mortgage market (by county) is comprised of THDA loans. We use the data from the state comptroller's office for the number of homes sold in the market, including the THDA borrowers' purchases. As it was stated before, THDA borrowers have to be first-time homebuyers and satisfy income and purchase price limit requirements. The data from the comptroller's office include the price of the home purchased. However, it does not provide information about the buyer's income or whether he/she is a first-time homebuyer. We compare the total number of THDA loans originated in the region during the year to the total number of eligible loans (based on the purchase price) made in the region. This gives us an estimate of how many homebuyers would be eligible for THDA loans.

Map 9 and Map 10 display the THDA's market share in 2006 and 2011, respectively.

Map 9: THDA Market Share, 2006



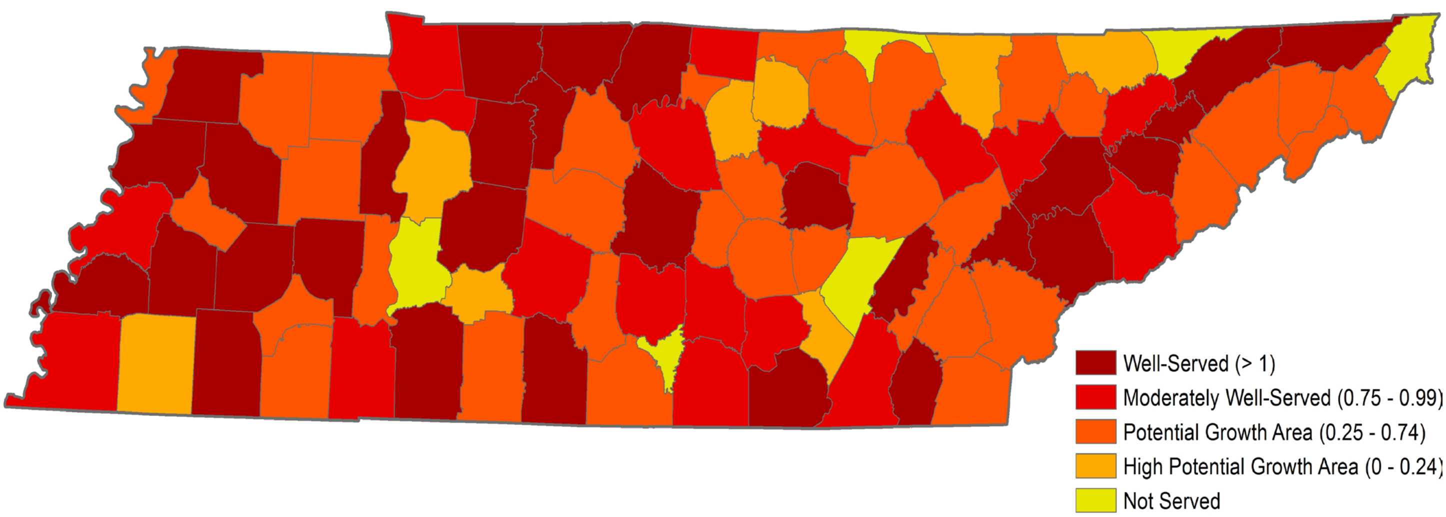
Map 10: THDA Market Share, 2011



As the maps indicate, THDA improved its market share in a majority of the counties from 2006 to 2011. In 2011, THDA reached 39 percent of all eligible Sequatchie County residents.

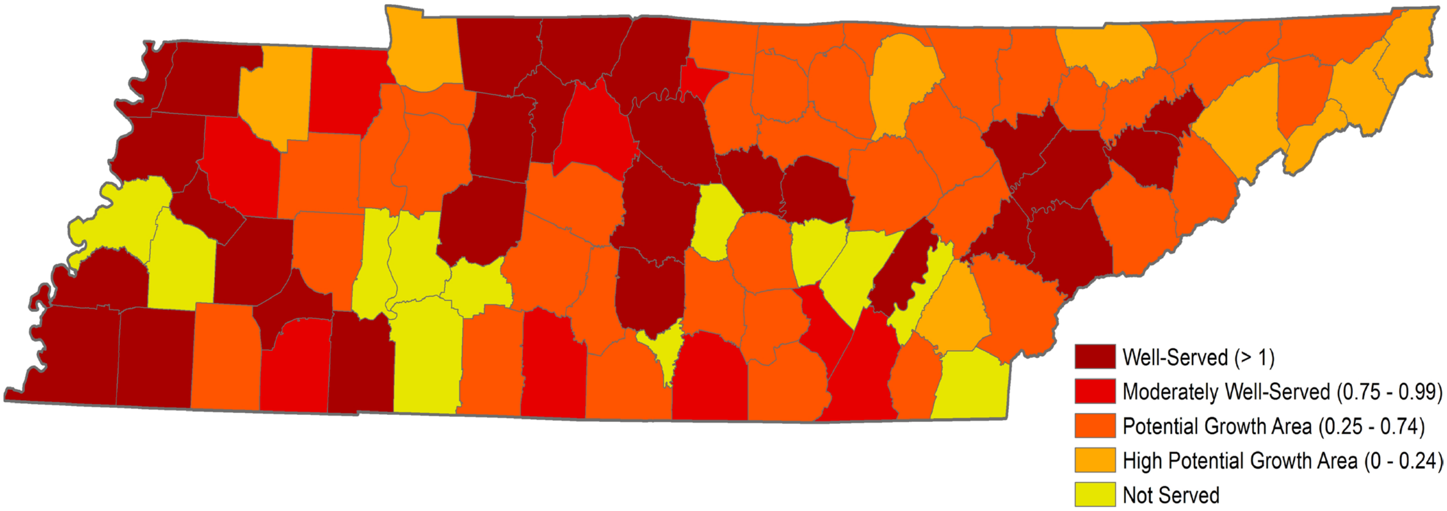
The service index compares the number of eligible Tennesseans[15] living in a county to the number of THDA loans made in the county. The service index helps identify the areas in the state where there is growth potential for THDA's loan products, in addition to showing which counties are well-served by THDA. An index value of one and higher means that county is adequately served by THDA loans. If the index value is lower than 0.74, the county is a potential growth area for THDA loans. By attracting more eligible borrowers in the potential growth counties, THDA can help more Tennesseans achieve homeownership. The following maps show the counties by the service index in 1990, 2000 and 2010.

Map 11: Service Index by County, 1990

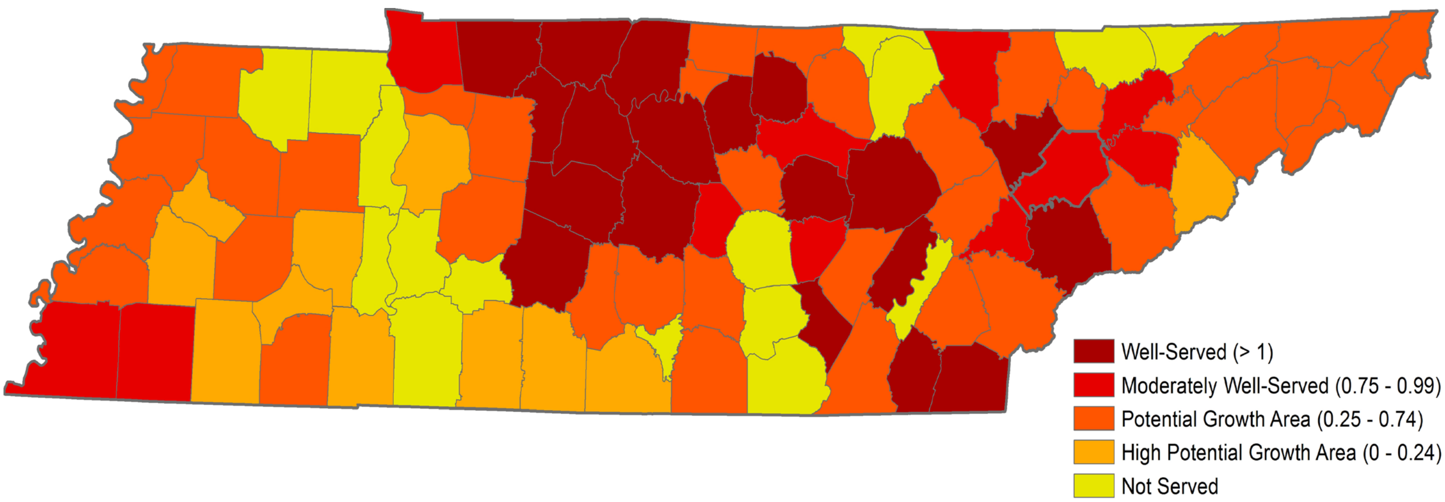


15 - Eligibility was determined based on two factors: that the household is renting rather than owning a home, and that the household's median income fell between 30 percent and 100 percent of the state's median income. Comprehensive Housing Affordability Strategies (CHAS) data was utilized in the analysis.

Map 12: Service Index by County, 2000



Map 13: Service Index by County, 2010

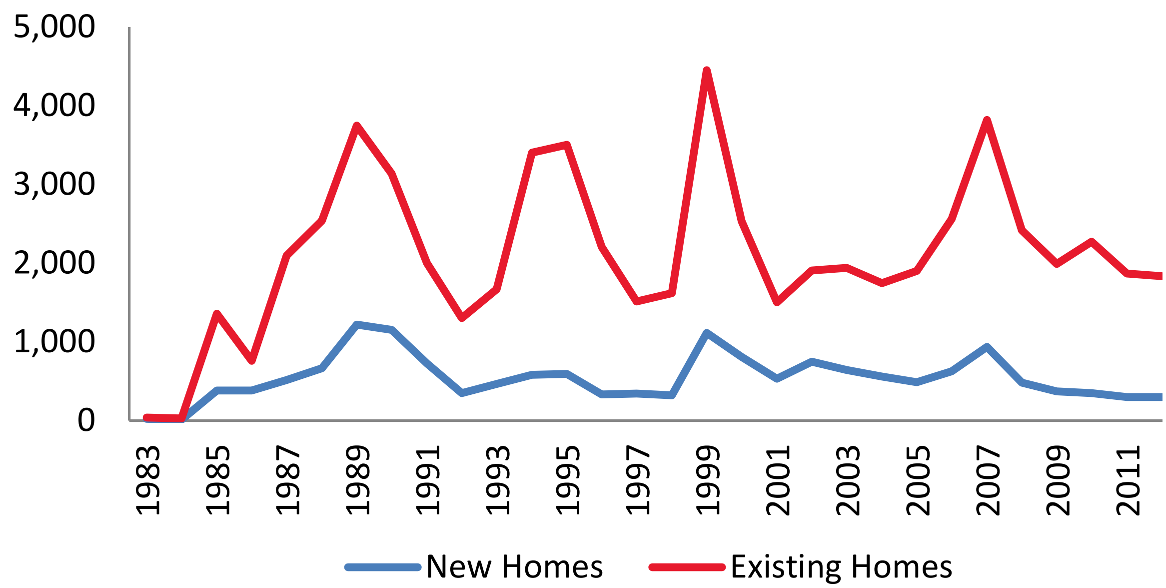


Cumberland, Fayette, Smith, Sequatchie and Williamson Counties are examples of the counties where THDA's presence improved from 1990 to 2010, as is portrayed by the service index. Benton, Bledsoe, Decatur, Fentress, Hancock, Haywood, Johnson, Lauderdale, Lewis, Meigs, Moore, Perry, Pickett, Warren and Wayne Counties are among the counties where THDA can help more Tennesseans achieve homeownership by attracting more eligible borrowers. In 1990, Madison County had the highest service index value, and 47 counties were moderately or well-served. In 2010, Sequatchie had the highest index value, 30 counties were moderately or well served. THDA did not make any loans in 16 counties. After the financial crisis in 2010, housing markets across the state were still in recovery, which also affected THDA's loan production.

Property Characteristics

THDA borrowers can use THDA loans to purchase either new homes or existing homes. Over the years, the majority of THDA borrowers purchased existing homes. The data after 1985[16] show that the new home purchases usually make 20 percent or less of total THDA loans originated in any given year.

Figure 14: Number of New and Existing Homes Purchased, 1983-2012



On average, new homes were more expensive than existing homes in any given year. Until April 2004, new home purchases were allowed higher purchase price limits than existing home purchases. Between 1985 and 2002, on average, the new homes were approximately 30 percent more expensive than existing homes. The purchase price difference declined in the last decade of THDA history, as borrowers became subject to the same purchase price limit regardless of whether they purchase a new home or an existing home. The average purchase price, in 2012 dollar values, increased from $81,000 in the period between 1983 and 1992 to approximately $118,000 in the last 10 years of THDA's history.

The average size of the homes THDA borrowers purchased increased from 936 square feet in 1993 to 1,506 square feet in 2012. An average home purchased by a THDA borrower was 47 years old in 1994. In 2012, the average home purchased by a THDA borrower was 24. So over the years, THDA borrowers started purchasing larger and newer homes.

16 - It is not possible to make any meaningful comparison about the new homes versus existing homes purchases before 1985 because of the data recording problems.

Conclusion

Established in 1973 to stimulate the homebuilding industry and provide affordable housing opportunities, Tennessee Housing Development Agency (THDA) served more than 107,000 Tennesseans in 40 years with the mortgage loans funded. In the process the homeownership spending supported with THDA's mortgage loans generated a total of $5.22 billion additional business revenue for the local economy. Every dollar of THDA's homeownership program spending generated an additional $0.76 in business revenue.

THDA continues to support programs and initiatives to accomplish the mission of leading Tennessee home by creating safe, sound, affordable housing opportunities. For example, the Homeownership for the Brave Program allows veterans to take advantage of interest rate discounts when using one of THDA's current loan programs.

Tennessee Housing Development Agency

Leading Tennessee Home

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