

THDA LENDER NOTICE: #2022-12

April 1, 2022

SUBJECT: Program Changes-Rate Lock Period and Down Payment Assistance Term-30 day notice

As outlined in Lender Notice 2022-6, THDA is implementing program changes effective with rate locks starting on Thursday, April 28, 2022. These program changes will affect Rate Lock Periods for Mortgage Revenue Bond (MRB) Loans and the term for the Down Payment Assistance amortizing payment second mortgage loans for all programs. THDA will also transition the program name of our Freddie Mac GC 97 program to utilize Freddie Mac's program name of HFA Advantage.

Rate Lock Period Change

The rate lock period for the mortgage revenue bond (MRB) program will change. Existing construction will have a 60 day lock period and new construction will have a 120 day lock period. Loans must be delivered to THDA in purchasable condition prior to the rate lock expiration date for all loans locked on and after April 28, 2022.

THDA only allows one-30 day extension, extensions can be completed in THDA's Electronic Loan Management Application (THELMA). If an extension is requested, loans must be delivered to THDA in purchasable condition prior to the rate lock extension expiration date. At this time an extension fee under the MRB program does not have a fee, however this is subject to change.

- **OA Guide pages affected:**
25, 36

Down Payment Assistance Change-Great Choice Plus Payment and GC97 Plus-Payment

The Down Payment Assistance Term for the Great Choice Plus Payment and GC97 Plus-Payment will change to a 30 year amortizing term. As a reminder, the Great Choice-Payment and GC97 Plus-Payments are a second mortgage loan in the amount of 6% of the sales price (or appraised value, the lessor of the two), interest rate is the same as the first mortgage.

- **OA Guide pages affected**
4, 6, 8, 24, 54, 58

THDA continues to offer the Down Payment Assistance option of \$6,000 ("Plus-No Payment"), with no monthly payment, for a term of 30 years with repayment due at sale or refinance.

GC97 Program Name Change

To align with Freddie Mac and to create ease to our lending partners, THDA is changing the name of the GC97 programs to HFA Advantage. HFA Advantage is the program identifier in Freddie Mac's Loan Product Advisor system. All guidelines and requirements will be the same. The name change will be effective with rate locks as of April 28, 2022.

- **OA Guide pages affected**
3, 7, 8, 22, 23, 24, 25, 40, 45, 53, 54, 55, 56, 58, 59, 60

Questions may be directed to sfask@thda.org or 615-815-2100.