

## THDA LENDER NOTICE: #2022-29

August 12, 2022

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### **SUBJECT: Several Originating Agent Guide Updates-Submission Checklists; HFA Advantage Update; Early Payment Defaults; Rate Lock Extension Fee MRB Loans, Original Final Documents; Update to Maintaining Lender Approval Status**

#### **Submission Checklists-Effective immediately**

THDA is eliminating form #0542 HFA Advantage Closed Loan Checklist and form #0550 HFA Advantage Underwriting Submission Checklist. Form #0541 Closed Loan Checklist and form #0549 Underwriting Submission Checklist has been updated to combine both Great Choice and HFA Advantage Mortgage Loan Programs.

#### **Freddie Mac HFA Advantage Update-Effective immediately**

THDA is amending the following requirements in our Guide for the Freddie Mac HFA Advantage Mortgage Loan Program:

- Credit Score-removed
- Debt Ratio-removed
- Acreage-removed
- Adopting Freddie Mac guideline changes for Manufactured Homes and 2-4 unit properties
  - 2-4 unit LTV/CLTV 95%/105%
  - MFH LTV/CLTV 95%/95%

**All loans must continue to receive LPA “Accept”** and files documented according to Freddie Mac’s HFA Advantage guidelines. THDA **does not** allow manually underwritten files for this program.

#### **Early Payment Defaults-Effective immediately**

THDA considers Early Payment Defaults (EPD) as any mortgage that becomes delinquent within the first year. THDA requires Originating Agents review all EPD on a monthly basis. In addition to first payment defaults, THDA will require all EPD that are 60 days delinquent in the first 6 months or 90 days delinquent in the first 12 months, to be repurchased.

#### **Rate Lock Extension Fee-Mortgage Revenue Bond Program-Effective 9/1/22**

Effective with rate locks starting on 9/1/22, THDA will implement the same rate lock extension fee as the Freddie Mac HFA Advantage mortgage loan program of 25 basis points for 30 days. THDA will continue to offer only 1 rate lock extension. All closed loans must be delivered to THDA in purchasable condition by the rate lock expiration date. Loans not purchased by day 100 for existing construction and 150 for new construction are subject to cancellation or repricing.

#### **Original Final Documents-Effective 9/1/22**

For all mortgage loans closing on and after 9/1/22, the following original final documents must be delivered to THDA for all first mortgage loan files: First Mortgage recorded Deed of Trust, including all riders and Original Title Policy. Loans will not be completed without the receipt of these documents.

#### **Update to Maintaining Lender Approval Status-Effective immediately**

The guide has been updated to add employees of the lender to the Lender Performance section, including guidelines around suspension, debarment and appeals.

Questions may be directed to [sfask@thda.org](mailto:sfask@thda.org) or 615-815-2100.