

THDA LENDER NOTICE: #2021-05

March 30, 2021

SUBJECT: Second Mortgage Compliance Reminder and VVOE Overlay Rescinded

Clarification regarding Second Mortgages and CFPB Compliance

As stated in the Second Mortgage Program Change memos, provided in June 2020, THDA's second mortgages no longer qualifies for the TILA-RESPA Integrated Disclosures (TRID) exception as outlined in 12 CFR §1026.3(h). All Originating Agents are expected to adhere to all timing guidelines as outline in 12 CFR § 1026.19(e)(1)(iii)(A) for the Loan Estimate as well as all timing guidelines as outlined in 12 CFR § 1026.19(f)(1)(ii) for Closing Disclosures.

- OA Guide pages affected:
24, 33,43, 49,61

COVID VVOE Overlay Rescinded

Effective immediately, THDA is rescinding the VVOE overlay requiring the VVOE to be dated within 3 days of closing. We will now require the agency or loan product guidelines for VVOEs moving forward.

Questions may be directed to sfask@thda.org or 615-815-2100. Thank you for your continued support and participation in the THDA mortgage loan programs.