

GREAT CHOICE

FREDDIE MAC HFA ADVANTAGE



Tennessee Housing
Development Agency

FIRST MORTGAGE PRODUCTS

NEW

FIRST MORTGAGE

Great Choice
HOME LOAN

30 Year Fixed Rate
FHA, VA, USDA, Portfolio 78% Conv

First Time Homebuyer*
Small/Large household MRB Income Limits
Score 640 MIN/45% MAX DTI*

SFR, Owner Occupied
Acquisition Cost Limit

Automated & Manual Underwriting

FIRST MORTGAGE

HOMEOWNERSHIP FOR HEROES

30 Year Fixed Rate
FHA, VA, USDA
50bps off Great Choice Rate

First Time Homebuyer*
Small/Large household MRB Income Limits
Score 640 MIN/45% MAX DTI*

SFR, Owner Occupied
Acquisition Cost Limit

Automated & Manual Underwriting

Firefighters, State and Local Law
Enforcement Officers, EMT & Paramedics
in addition to Veterans, active duty Military,
Reservists and members of
The National Guard

FIRST MORTGAGE

Freddie Mac HFA Advantage®

30 Year Fixed Rate
Up 97% Conventional
<80% AMI Charter Coverage

First Time Homebuyer is not required
Large MRB Income Limits
Score/DTI per Freddie Mac approval

SFR, Owner Occupied
Acquisition Cost Limit

Automated Underwriting
Loan Product Advisor

First Time Homebuyer

GREAT CHOICE



**HAS NOT
OWNED
AND
OCCUPIED**

**AS THEIR
PRIMARY
RESIDENCE**

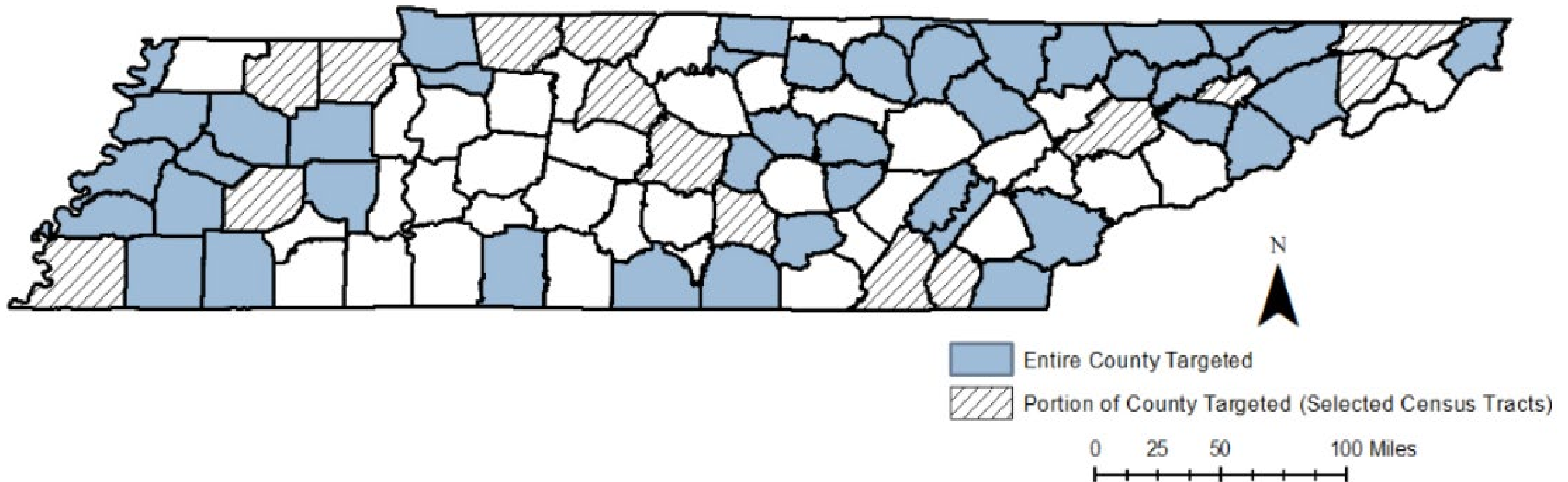
**FOR THE
PRIOR
THREE
YEARS
(36 MONTHS)**

*Targeted Areas GREAT CHOICE

**IRS
DETERMINED CHRONIC
ECONOMIC DISTRESSED
AREAS**

**ENTIRE COUNTIES
OR
CENSUS TRACT(S) WITHIN
COUNTIES**

**95 TN COUNTIES:
43 TARGETED
15 PARTIALLY TARGETED**



GREAT CHOICE & HFA ADVANTAGE DPA

Products

30-YR Term

**DPA-Payment
Option**

SECOND MORTGAGE

SECOND MORTGAGE

**GREAT CHOICE
PLUS DPA NO PAYMENT**

**GREAT CHOICE
PLUS DPA WITH PAYMENT**

**THDA PROVIDES
\$6,000
(DEFFERED – NO PAYMENT)
Towards Down Payment
and/or Closing Costs**

**THDA PROVIDES
6% of the Sales Price*
(PAYMENT TERMS)
Towards Down Payment
and/or Closing Costs**

*lesser of Sales price or Appraised Value

ALL ELIGIBLE APPLICANTS

ALL ELIGIBLE APPLICANTS

**DPA cannot be used
to pay off debt at
Closing**

“MRB” Income Limits GREAT CHOICE



All Income of Borrower(s) listed
on the URLA

Any person who is expected
to live in the residence and be
liable on the
mortgage note ONLY

Calculating MRB Income

May differ from Qualifying Income

Income of the mortgagor (or mortgagors) and any other person who is expected ***both*** to live in the residence being financed and to be secondarily liable on the mortgage.

The Applicant cannot have, at the time of application or at closing, an MRB Income greater than the applicable MRB Income Limit.

Income reasonably expected over the next 12 months based on past income should be considered.

MRB Income is the total annual gross income, earned and unearned, from all sources, before taxes or other deductions, received by the Applicant(s).

All income that the borrower(s) receive must be counted, including Child Support, Alimony, SSI, etc. regardless if it is used for Qualifying Income

Please provide your Income Calculation Worksheets with loan submission.

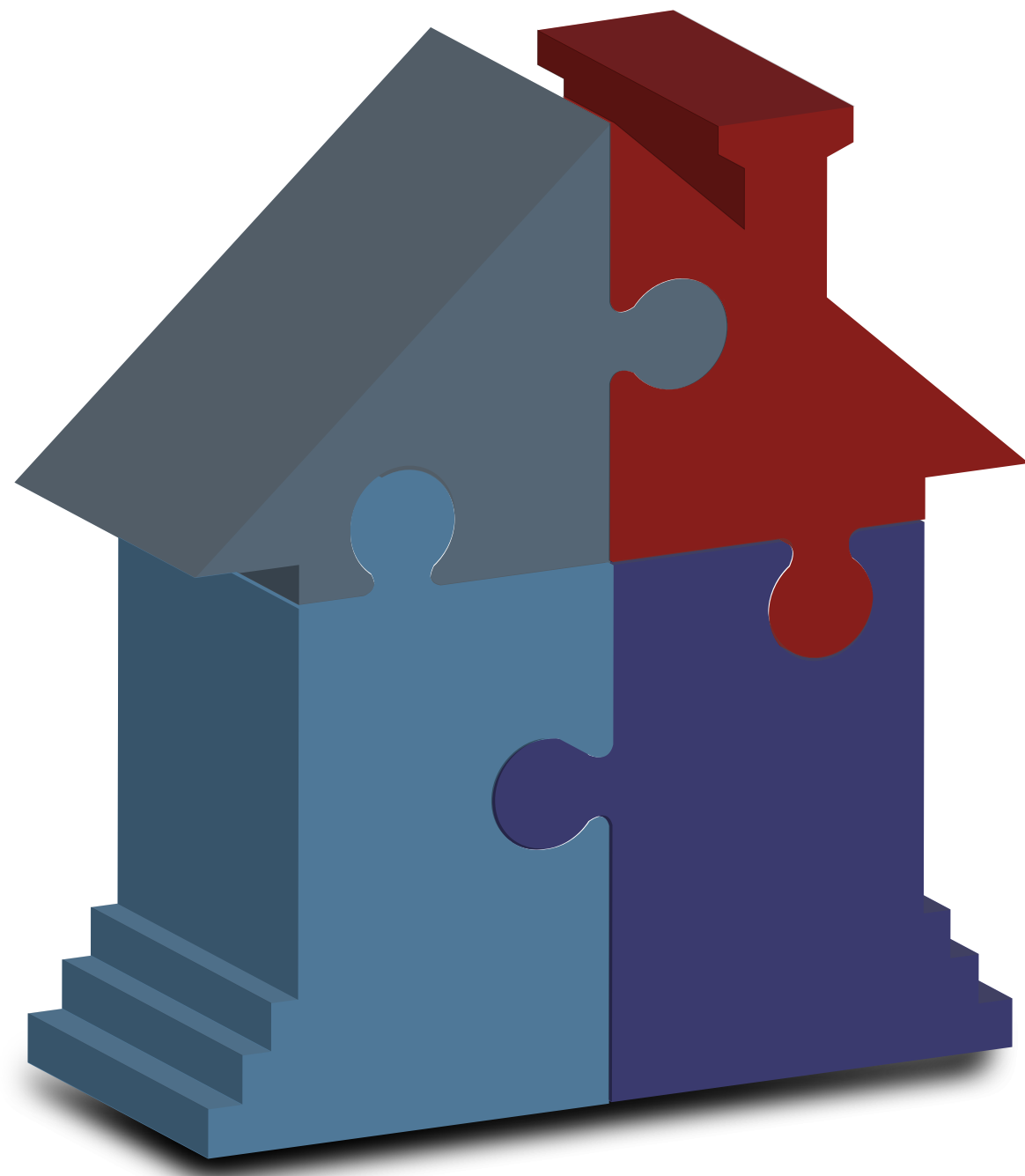
“MRB” Income Limits

HFA ADVANTAGE

Qualifying Income for All
Income of Borrower(s) listed
on the URLA

Charter Mortgage Insurance
Reduced Coverage for 80% AMI or Less

Standard Mortgage Insurance
Over 80% AMI



Single Family Residence

GREAT CHOICE

Manufactured Homes

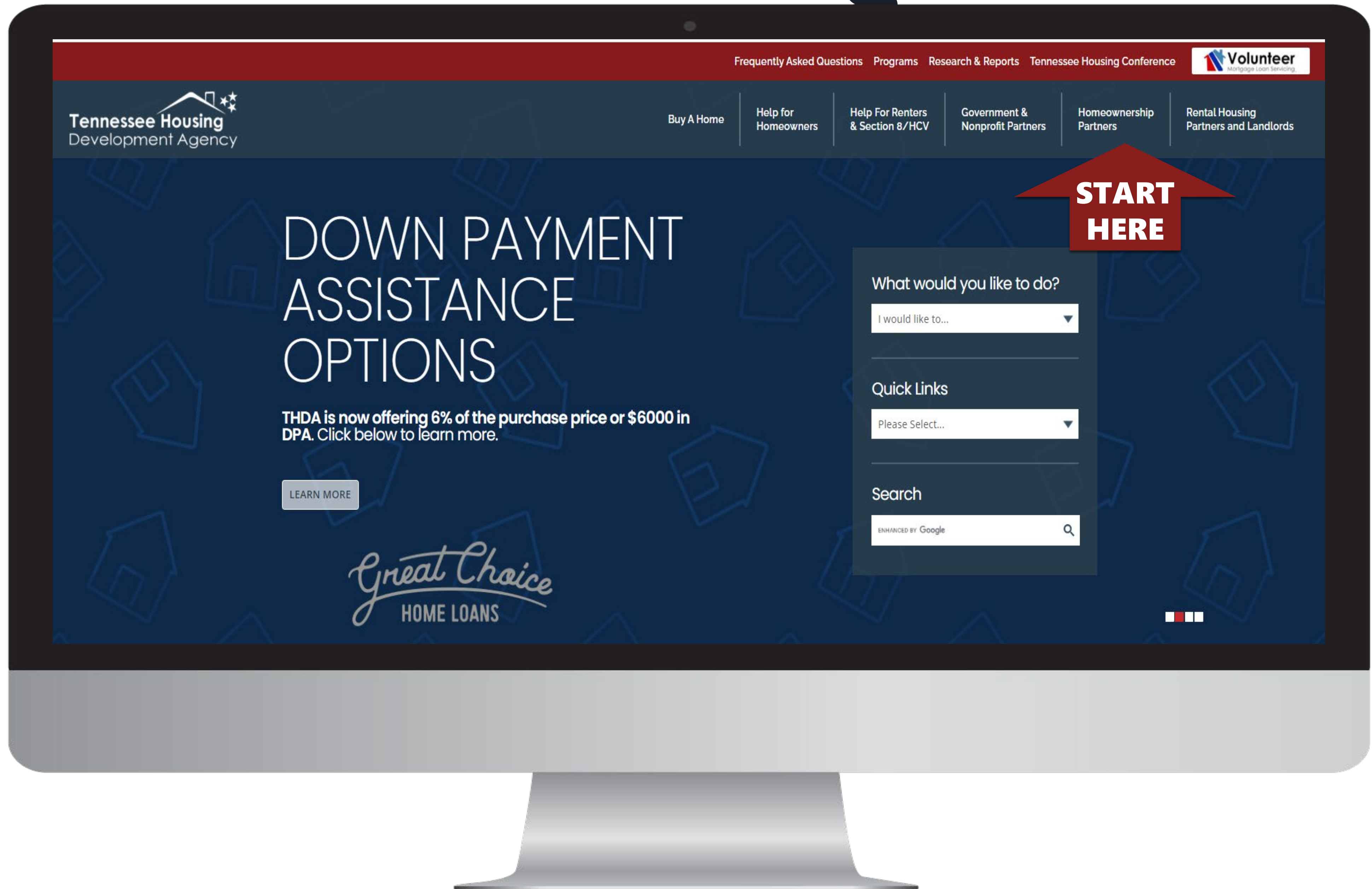
BENEFITS

Affordability
Low Interest Rate
De-Titling by THDA

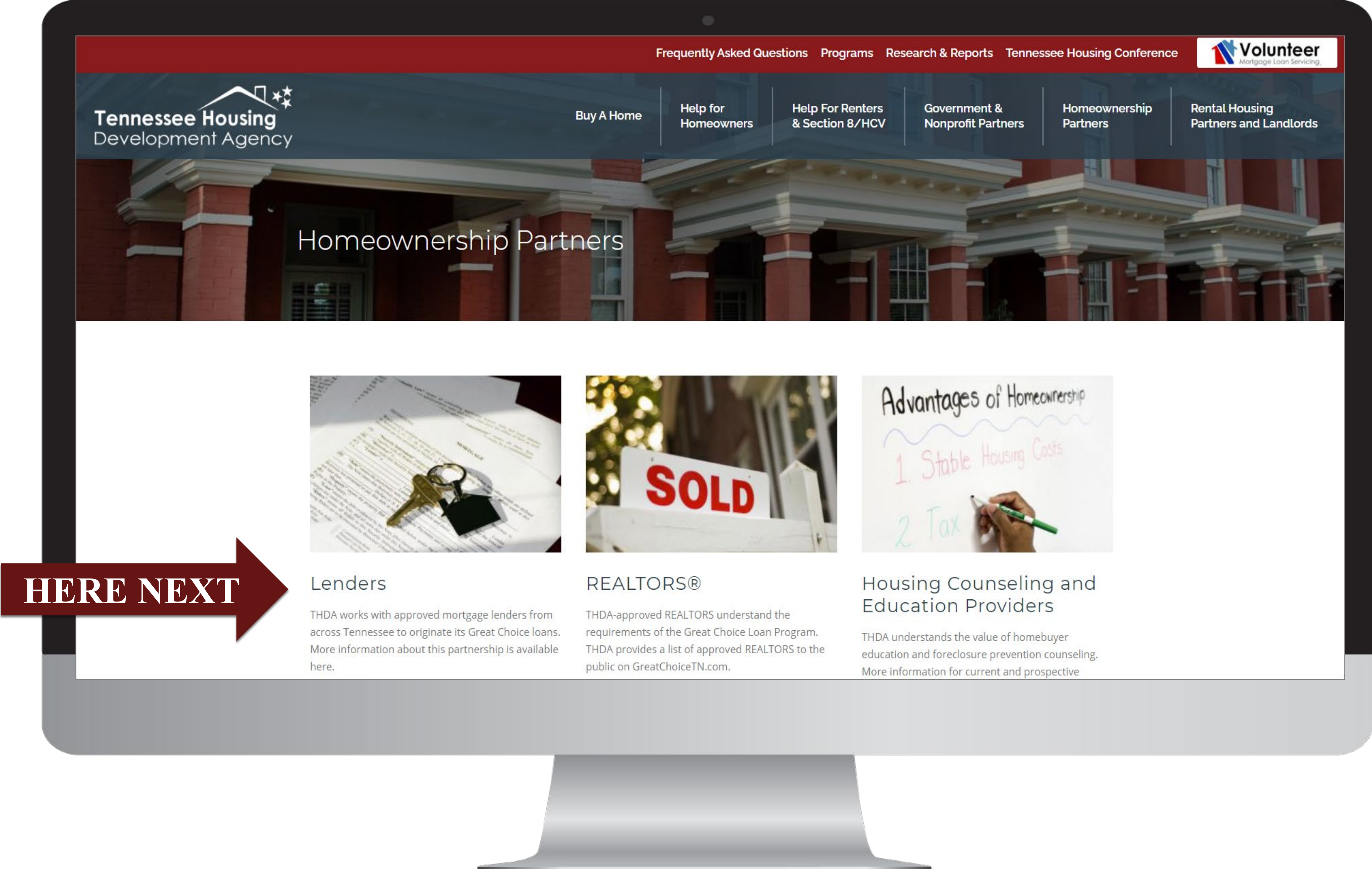
REQUIREMENTS

HUD Approved Multi-wide
Permanent Foundation
Economic Life: 30 Years

THDA.org



THDA.org



HERE NEXT



Lenders

THDA works with approved mortgage lenders from across Tennessee to originate its Great Choice loans. More information about this partnership is available here.



REALTORS®

THDA-approved REALTORS understand the requirements of the Great Choice Loan Program. THDA provides a list of approved REALTORS to the public on GreatChoiceTN.com.



Housing Counseling and Education Providers

THDA understands the value of homebuyer education and foreclosure prevention counseling. More information for current and prospective

THDA.org

FIND

INTEREST
RATES

FORMS

PROGRAM
GUIDE

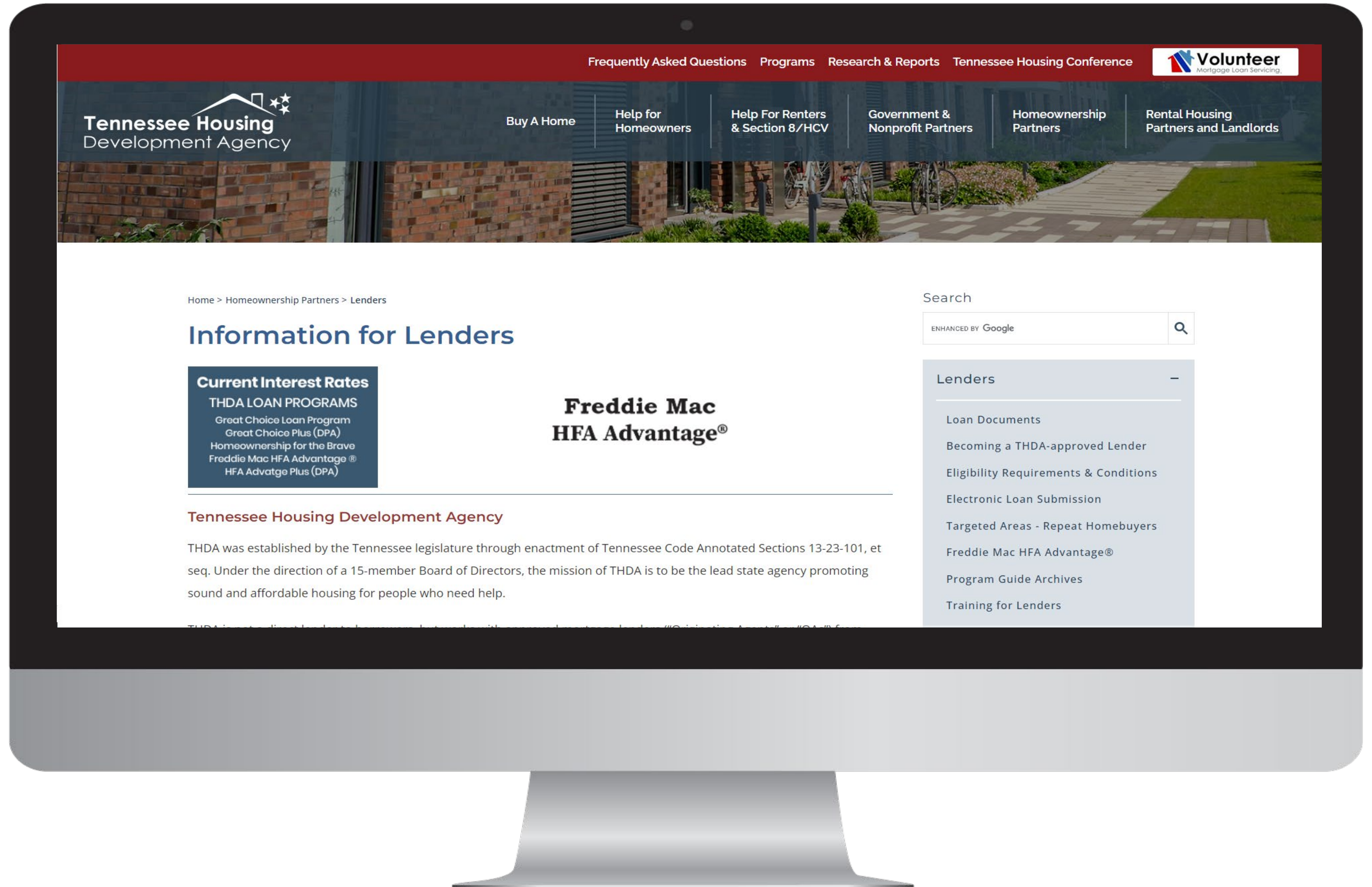
INCOME
LIMITS

ACQ LIMITS

HBEI

MEMOS

...and MORE



THDA.org

Home > Homeownership Partners > Lenders

Information for Lenders

Current Interest Rates

THDA LOAN PROGRAMS

Great Choice Loan Program
Great Choice Plus (DPA)
Homeownership for the Brave
Freddie Mac HFA Advantage®
HFA Advatge Plus (DPA)

Freddie Mac HFA Advantage®

Tennessee Housing Development Agency

THDA was established by the Tennessee legislature through enactment of Tennessee Code Annotated Sections 13-23-101, et seq. Under the direction of a 15-member Board of Directors, the mission of THDA is to be the lead state agency promoting sound and affordable housing for people who need help.

THDA is not a direct lender to borrowers, but works with approved mortgage lenders ("Originating Agents" or "OAs") from across Tennessee to originate its loans. THDA underwrites loan applications submitted by OAs, and then commits to purchase pre-approved loans after they are closed and documented, or in some cases, table funds loans. All THDA loans are serviced by THDA's servicing department known as Volunteer Mortgage Loan Servicing (VMLS).

Originating Agents Guide

- [Originating Agents Guide](#)

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Lenders

Loan Documents
Becoming a THDA-approved Lender
Eligibility Requirements & Conditions
Electronic Loan Submission
Targeted Areas - Repeat Homebuyers
Freddie Mac HFA Advantage®
Program Guide Archives
Training for Lenders

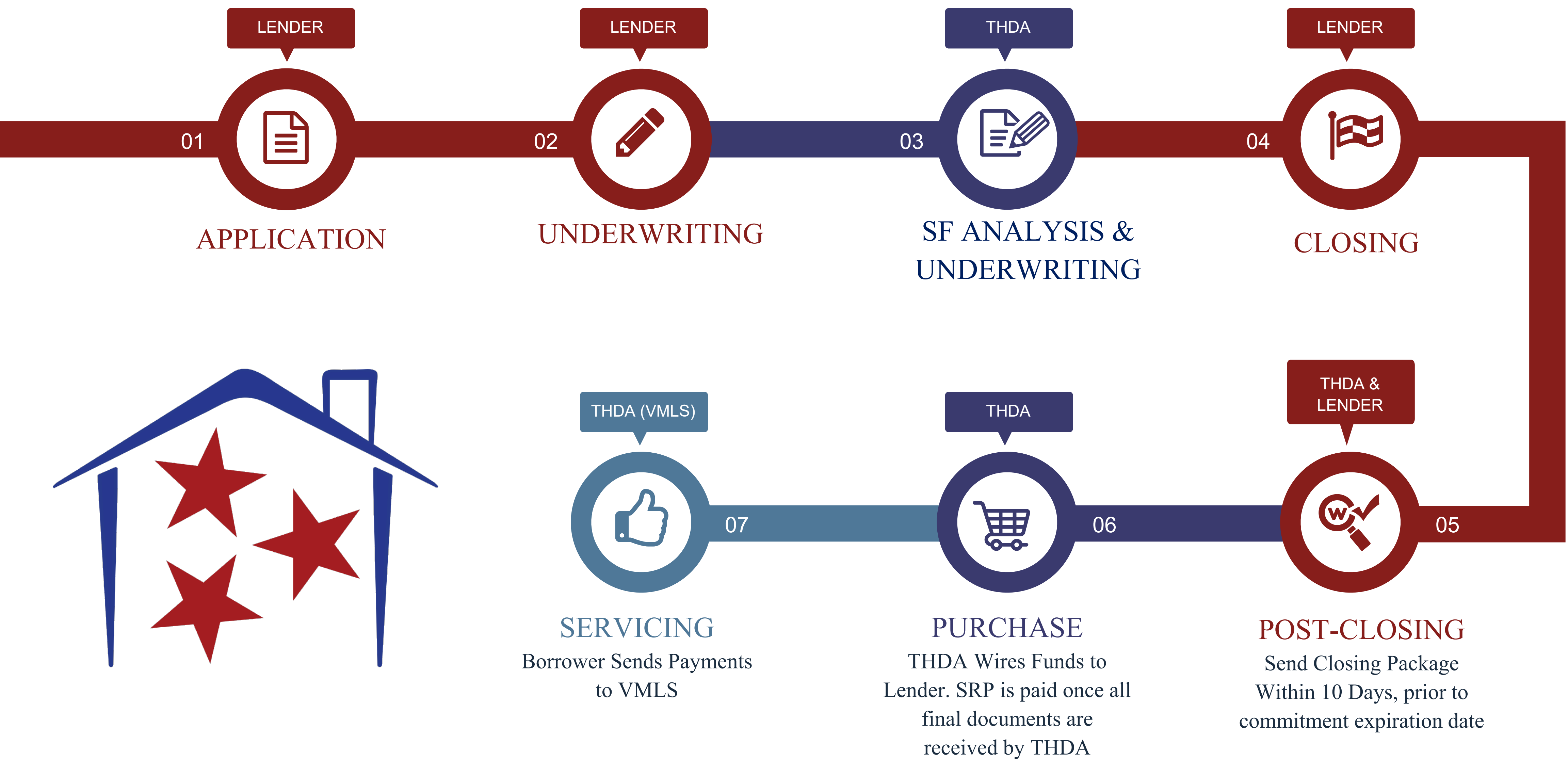
REALTORS®

Housing Counseling and
Education Providers

New Start Loan Program

ELECTRONIC ONLINE OA GUIDE

THDA PROGRAM PROCESS



Loan Submission – Rate Lock Extension

**T
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M
A**

- 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.

Recapture Tax

OPTIONAL CHOICE




**Sell home
the first 9
years**

**Re
gain**

**Income
exceeds
threshold**



UPDATES

- Comergence powered by BlackKnight
- Accessory Units
- HFA1 Affordable Homeownership Toolkit
- Third Party Origination
- Lender Compensation Change
- Early Payment Default
- Divorced applicant w/o homeownership
- Ginnie Mae
- Income limits  Coming Soon
- Acquisition limits  Coming Soon
- Fannie Mae  Coming Soon

Underwriting Questions

Income Questions

Sfask@thda.org

Got questions?

THANK YOU

QUESTIONS?