

Ralph M. Perrey, Executive Director



**ORIGINATING AGENTS GUIDE
REVISION 160**

August 19, 2020

Remove and discard:

Page 4 (Revised 07/01/20)
Page 32 (Revised 08/28/19)
Page 46 (Revised 07/01/20)

Replace with enclosed:

Page 4 (Revised 08/19/20)
Page 32 (Revised 08/19/20)
Page 46 (Revised 08/19/20)

Request for Loan Purchase

HO-0444 (12.19) HO-0444 (08.20)

GC97 Underwriting Submission Checklist

GC97-0550 (07.20) GC97-0550 (08.20)

GC97 Closed Loan Submission Checklist

GC97-0542 (07.20) GC97-0542 (08.20)

EFFECT OF CHANGE

Effective immediately, in addition to the recording fees and odd days interest, mortgage tax fee may also be listed on the Loan Estimate (LE) and the Closing Disclosure (CD).

Included with this Revision are the above listed forms, containing updated language for clarity only.

B. Great Choice Plus: Down Payment/Closing Cost Assistance Loan

This loan offers down payment and closing cost assistance to first-time homebuyers at a low interest rate but secured by a second deed of trust. This loan is available only with the THDA Great Choice first mortgage loan. The Great Choice Plus loan is at an interest rate the same as the first mortgage, monthly payments amortized over a 15 year term, and a second lien.

Eligible Borrower	Homebuyer obtaining THDA Great Choice Loan
Maximum Household Income	THDA Great Choice Program Limits apply
Maximum Loan Amount	Sales price less than \$150,000, second mortgage loan amount equals \$6,000 Sales price equal to or more than \$150,000, second mortgage loan amount equals \$7,500
Interest Rate	Same as first mortgage
Loan Term	15 years
Underwriting Criteria	Borrowers must have 640 minimum credit score. Must meet all other THDA Underwriting Guidelines. Manual underwriting allowed per THDA guide.
Pre-Payment	The Great Choice Plus loan is due in full upon 1 st mortgage payoff, assumption, or refinance. No assumption of Great Choice Plus allowed, with the exception of a VA assumption.
Allowable Fees	Recording fee, odd days interest, and mortgage tax fee
Closing Documents	FNMA/FHLMC Multi-state Note and Deed of Trust in the name of the Originating Agent
Homebuyer Education	Required prior to closing on THDA Great Choice Plus
Servicing	Volunteer Mortgage Loan Servicing

S. Sales Contract

Include a copy of the purchase agreement (fully executed by seller and Applicant) in the application file. Any changes to the purchase agreement must be initialed by seller and Applicant.

T. FHA Conditional Commitment

Enclose the HUD Form 92800.5B (FHA Conditional Commitment) and the Appraisal Analysis Sheet, both signed by the DE Underwriter.

U. Appraisal

Enclose an original Uniform Residential Appraisal Report (FMNA 1004) in the application file. The Uniform Residential Appraisal Report must reflect inspections of both the interior and exterior of the dwelling. If the original Appraisal must be submitted to the loan insurer or guarantor, a legible copy must be enclosed.

If the negotiated sales price for the property was modified after the Appraisal was provided, enclose a letter from the appraiser that indicates any changes in the appraiser's conclusions.

V. Flood Notification

If the property lies within a Special Flood Hazard Zone, the Originating Agent must make proper and timely disclosure to the Applicant in compliance with federal regulations. Provide a life of loan Flood Hazard certification with the initial underwriting submission package or closed loan documents.

W. Loan Estimate

The initial Loan Estimate (LE) must be included in the Underwriting Submission Package and any subsequent changes in the LE, if necessary, must be included in the Closed Loan Submission Package. The LE must be provided for all second mortgage loans. Recording fees and mortgage tax fee are the only allowable fees for second mortgage loans.

X. Title Commitment

Title commitment must be provided to determine if borrowers have any tax liens. Title searches must include public record information.

Y. Hazard Insurance

Hazard Insurance Declarations Page must be provided. See Section 7.4, item D. Hazard Insurance.

6.3 DOCUMENTING NEW CONSTRUCTION FOR CUSTOM BUILT HOMES

NOTE: This section does not apply to the purchase of a new or proposed residence located on a lot that is not owned by the Applicant prior to the date of the loan closing.

A. Documentation Required

1. Copy of Warranty Deed to lot.
2. Copy of construction contract.
3. Contractor's detailed cost estimate, if applicable.
4. Contractor's final itemized bill, if applicable.
5. Final inspection with photos, when complete.

B. Manufactured Housing

For manufactured housing, additional or substituted documentation must include a contract for the manufactured home and documentation for the cost of foundation, utilities, landscaping, driveways and all other necessary improvements.

I. Warranty Deed

Enclose a copy (before recording) of the fully executed Warranty Deed(s) that convey(s) the property to the Borrower. A copy of the recorded Warranty Deed(s) is/are required if a Manufactured Home.

J. Closing Disclosure

The Closed Loan Submission Package must include the Closing Disclosure (CD). The CD must be included for Great Choice Plus second mortgage loans.

Great Choice Loan Allowable Fees

I. Great Choice Loan:

THDA allows the Originating Agent to charge normal and customary fees, including without limitations, appropriate application fee. If the Originating Agent elects to charge an Application Fee, it must be included on the CD. However, section A, page 2 of the loan estimate/closing disclosure cannot exceed \$1,400 for all Origination Charges. THDA does not allow origination points to be charged to the buyer or seller.

II. Great Choice Plus Loan:

THDA only allows customary recording fees, odd days interest, and mortgage tax fee. THDA does not allow Lender title policy on the Great Choice Plus loan. THDA Great Choice Plus loans are exempt from state stamp taxes.

K. Hazard Insurance

THDA must receive a copy of the hazard insurance policy declarations page, or a copy of the Certificate of Insurance, signed by an authorized agent of the insurance company. The original policy or Certificate of Insurance must be sent to the THDA Servicer.

L. Termite Inspection/Treatment Certificate (when applicable)

See Section 7.4.C.

M. Flood Insurance (when applicable)

See Section 7.4.E.

N. Commitment Conditions

Enclose any documents to satisfy, at closing, conditions specified in the Commitment, if not otherwise satisfied with documents listed above.

Tennessee Housing Development Agency (THDA)
Request for Loan Purchase with Acknowledgement and Certification

Originating Agent Name: _____
 Contact Person: _____
 Phone Number: _____ Email: _____

Must be completed in full. Do not attach wiring information on a separate page.

Wire To:
 Receiving Bank Routing # _____ O.A. Account # _____
 Receiving Bank Name: _____ Special Instructions: _____
 Receiving Bank Address: _____

Great Choice (MRB Loan) GC97 (MBS-Freddie Mac Loan)

THDA Loan Number: _____ Loan Amount: \$ _____
 THDA 2nd Mortgage Loan Number: _____ Interest Rate: _____ %
 Primary Borrower: _____ 2nd Mortgage Loan Amount: \$ _____
 Property Address: _____ 2nd Mortgage Interest Rate: _____ %
 _____ Closing Date: _____
 Initial Escrow: \$ _____ 1st Payment Due: _____

We hereby request THDA to purchase the attached loan, which is:

Complete except for items indicated by “*” on the enclosed Closed Loan Submission Checklist, which items shall be delivered to THDA by the 120th day after the closing date for the referenced loan. If such items are not delivered, we agree to immediately repurchase this loan at the option of and upon notice from THDA, or, if loan has not been purchased by THDA, we acknowledge that the loan will not be eligible for purchase by THDA. These conditions also apply to a THDA second mortgage, if included with this transaction.

Originating Agent acknowledges receipt of the master form from THDA which is titled “Tennessee Housing Development Agency Request for Loan Purchase with Acknowledgement and Certification” on one side and titled “Acknowledgement and Certification” on the other side. By signing below, Originating Agent affirms all matters stated under the title “Acknowledgement and Certification” with respect to the mortgage loans for which this purchase request is being made, regardless of whether the items appearing under the title “Acknowledgement and Certification” on the master form appear on the reverse side of this request for loan purchase.

 Originating Agent Authorized Signature Date

 Print Name Title Phone Number

FOR THDA USE ONLY

\$ _____ Principal Loan Amount Settlement Date: _____
 \$ _____ (+) or (-) Interest from _____ to _____ Issue: _____
 \$ _____ Principal Loan Amount 2nd Mortgage Loan Type: _____
 \$ _____ (+) or (-) Interest from _____ to _____
 \$ _____ (-) Initial Escrow
 \$ _____ Lender Compensation
 \$ _____ Other: _____ = \$ _____ Net Wire

 Authorized By Date

Tennessee Housing Development Agency (THDA)

Request for Loan Purchase with Acknowledgement and Certification

A. THDA Acknowledgement

In connection with the mortgage loan identified by the THDA Loan Number on the Request for Loan Purchase (the "Mortgage Loan"), THDA acknowledges the following:

- (1) The Originating Agent identified on the reverse side of this form (the "O.A.") is to deliver an original promissory note and related documents evidencing the Mortgage Loan to THDA for THDA's consideration in purchasing the Mortgage Loan;
- (2) The promissory note and related documents evidencing the Mortgage Loan may be subject to a security interest pursuant to arrangements the O.A. may have made with other financial institutions;
- (3) If actually received, THDA will hold the promissory note and related documents evidencing the Mortgage Loan for the benefit of the O.A. until such time as THDA decides whether or not to purchase the Mortgage Loan. If THDA decides to purchase the Mortgage Loan, THDA will promptly wire funds to the O.A. or on behalf of the O.A. in accordance with information supplied by O.A. with each individual Request for Loan Purchase submitted to THDA. Thereafter, the Mortgage Loan will be the sole property of THDA not subject to claims of any other parties whatsoever. If THDA decides not to purchase the Mortgage Loan, THDA will promptly return the original promissory note and related documents evidencing the Mortgage Loan to the O.A. in accordance with the information supplied by O.A. with each individual Request for Loan Purchase submitted to THDA. Thereafter, THDA will have no further obligation with respect to the Mortgage Loan; and
- (4) THDA does not agree to and will not be bound by the terms and conditions contained in any other correspondence or documents from the O.A. or from any other entity on behalf of the O.A. with respect to the Mortgage Loan.

B. Originating Agent Mortgage Purchase Certification

Pursuant to T.C.A. Section 13-23-118 and the Originating Agents' Guide and with respect to each Mortgage Loan, O.A., by and through its duly authorized representative whose signature appears on each Request for Loan Purchase, hereby certifies as follows:

- (1) The unpaid principal balance of the promissory note evidencing the Mortgage Loan and the interest rate thereon have been accurately stated to THDA;
- (2) The amount of the unpaid principal balance of the Mortgage Loan is justly due and owing;
- (3) O.A. has no notice of the existence of any counterclaim, offset or defense asserted by the person to whom the Mortgage Loan was made or their respective successor in interest;
- (4) The Mortgage Loan is evidenced by a promissory note and a deed of trust which has been properly recorded with the appropriate public official;
- (5) The deed of trust given to secure the Mortgage Loan constitutes a valid first lien on the real property described in the deed of trust subject only to real property taxes not yet due, installments of assessments not yet due, and easements and restrictions of record which do not adversely affect, to a material degree, the use or value of the real property or improvements thereon;
- (6) The Mortgage Loan, when made, was lawful under state law and/or federal law, whichever governs the affairs of O.A. and would be lawful on the date of purchase by THDA if made by O.A. on that date in the amount of the then unpaid principal balance;
- (7) None of the persons to whom the Mortgage Loan was made are in default in the payment of any installment of principal or interest, escrow funds, real property taxes or otherwise in the performance of their obligations under the promissory note or deed of trust given to evidence and secure the Mortgage Loan and have not, to the knowledge of O.A., been in default in the performance of any such obligation for a period of longer than sixty (60) days during the life of the Mortgage Loan; and
- (8) Improvements to the real property described in the deed of trust securing the Mortgage Loan are covered by valid and subsisting policy of insurance issued by a company authorized to issue such policies in the state of Tennessee and providing fire and extended coverage to an amount not less than ninety percent (90%) of the insurable value of the improvements to the real property. *Follow GSE guidelines for GC97.
- (9) Once THDA wires funds in accordance with the instructions supplied by O.A. with each Request for Loan Purchase, the promissory note, deed of trust and related documents evidencing the Mortgage Loan will not be subject to any security interest granted to any other party whatsoever.

O.A. acknowledges that it shall be liable to THDA for any damages suffered by THDA by reason of the untruth of any representation or the breach of any warranty set forth above and, in the event that any representation shall prove to be untrue when made or in the event of any breach of warranty, O.A. shall, at the option of THDA, repurchase the Mortgage Loan for the original purchase price adjusted for amounts subsequently paid thereon, as THDA may determine.

**Tennessee Housing Development Agency (THDA)
GC 97 Closed Loan Submission Checklist
Freddie Mac HFA Advantage Mortgage**

OA Name: _____ THDA Loan #: _____

Contact Person: _____ Primary Borrower: _____

Phone: _____ Date Loan Closed: _____

Lock expiration date = mandatory delivery date: _____

Please upload package to: **THELMA.THDA.ORG**

In each space below, check items enclosed, or enter “**TF**” (to follow), or “**NA**” (not applicable). Assemble package in order listed. All items except those with an asterisk must be in package at initial delivery (**which must be within 10 calendar days of the date loan closed**). All items must be complete, fully executed, dated and notarized, if required, all as indicated in each document and the Originating Agents’ Guide.

- ___ **Final ULDD** (uniform loan delivery dataset, XML file) exported from lender’s LOS and uploaded to THELMA
- ___ Request for Loan Purchase with Acknowledgement and Certification
- ___ Power of Attorney, if applicable
- ___ Initial Escrow Account Disclosure
- ___ **Freddie Mac UCD** Findings Report reflecting “successful result”
- ___ **Executed Form SSA-89 with wet signature**
- ___ Original Note, endorsed to THDA (copy uploaded)-original received within 10 calendar days of closing
- ___ Original Second Mortgage Note, endorsed to THDA (copy uploaded) original received within 10 calendar days of closing
- ___ *Recorded Deed of Trust; copy of unrecorded with closing package
- ___ Recorded second mortgage deed of trust, if applicable; copy of unrecorded with closing package
- ___ *Recorded Assignment from OA to THDA (n/a if MERS documents submitted)
- ___ *Title Insurance Policy with THDA, ISAOA ATIMA named as insured
- ___ Executed Warranty Deed
- ___ Signed Closing Disclosure for first mortgage, evidence borrower received 3 business days prior to consummation
- ___ Signed Closing Disclosure for second mortgage
- ___ Final executed 1003 URLA
- ___ Private Mortgage Insurance certificate reflecting loan amount equal to amount on mortgage note
- ___ Hazard Insurance policy declarations page or Certificate of Insurance with THDA, ISAOA ATIMA as named insured
- ___ Life of Loan Flood Hazard Determination
- ___ Notice to Borrower in Special Flood Hazard Area, if applicable
- ___ Flood Insurance Application with THDA as named insured and copy of premium check (if applicable)
- ___ Address Certification (if applicable)
- ___ Name Affidavit
- ___ Copy of clear Termite Letter or soil treatment certificate (if applicable)
- ___ THDA Commitment conditions satisfied
- ___ IRS Form 4506-T
- ___ Final inspection, if applicable
- ___ Verbal Verification of Employment within 10 days of note date
- ___ Hello/Goodbye letter – Notice of Transfer of Servicing for both mortgages

***FINAL TRAILING DOCUMENTATION MANDATORY DELIVERY DATE:**

Closing date + 120 days = _____, ____.

**Tennessee Housing Development Agency (THDA)
GC97 Underwriting Submission Checklist
Freddie Mac HFA Advantage**

Lock Expiration Date: _____
 OA Name: _____
 OA Underwriter: _____
 Listing Agent: _____
 Selling Agent: _____
 Appraiser: _____

Closing Date: _____
 Primary Applicant: _____
 Applicant Email: _____
 Loan Originator Name: _____
 Loan Originator Email: _____
 Builder: _____

Program Type: LPA Recommendation
 GC97
 GC97 Plus Accept Required

Property Type
 Single Family
 Condo
 Other _____

PLEASE ASSEMBLE PACKAGE IN ORDER LISTED BELOW

- 1. Transmittal Summary (1008) signed by underwriter to include payment of subordinate lien (if applicable)
- 2. Evidence borrower's identity was verified, DL or Passport
- 3. LPA Findings reflecting "Accept" and program type "HFA Advantage"; Final LPA transferred to **THDA S/SN 210980**
- 4. Initial Loan Estimate for GC97 Loan ,first mortgage, If electronic signature, evidence of the borrower's consent
- 5. Initial Loan Estimate for GC97 Plus subordinate loan (if applicable),
- 6. Initial Interviewer's Signed Loan Application (URLA) 1003,, If electronic signature, evidence of the borrower's consent
- 7. Final Loan Application (Typed URLA) 1003
- 8. Private Mortgage Insurance Certificate of Commitment reflecting correct coverage and loan amount
- 9. Evidence the OFAC SND list (Office of Foreign Assets Control & Specially Designated Nationals and Blocked Persons) was searched for all Borrowers
- 10. Borrower signature authorization
- 11. Credit Report, explanation for recent credit inquiries and credit explanation letters (if applicable)
- 12. UCDP Submission Summary Report (SSR) Appraisal shared with **THDA ID# GVT276**

QUALIFYING INCOME ONLY

- 13. Signed and Dated Tax Returns with all schedules; 2 years if self employed
- 14. W-2s for the most recent tax year to match wages filed
- 15. Verifications of Employment (verbal is unacceptable)
- 16. Most Recent Pay Stub (within past 30 days)
- 17. Verifications of Prior Employment (telephone verification is acceptable)
- 18. Verification of SSI or Other Assistance (if applicable)
- 19. Final Divorce Decree/Marital Dissolution (if applicable)
- 20. Verification of Court Ordered Child Support/Parenting Plan (if applicable)
- 21. Deposit Verification, Source Funds to Close, Additional Assets, Verify assets to support LPA Feedback Certificate
- 22. Homebuyer Education Certification completed prior to closing
- 23. Sales Contract and Addendum (signed by all parties)
- 24. Title Commitment including legal description
- 25. Hazard Insurance Declarations Page
- 26. Flood Notification (if applicable, signed by Applicant or certified date mailed to Applicant)
- 27. Appraisal Report (URAR) LPA feedback certificate should contain Home Value Explore (HVE) results.
- 28. Final Inspection and Legible Photos of Subject Property (front, rear, street
- 29. Additional documentation as required per LPA findings

THDA RESERVES THE RIGHT TO REQUEST ADDITIONAL DOCUMENTATION TO EVALUATE THIS LOAN APPLICATION.

The undersigned, an authorized representative of the OA referenced above, hereby certifies and warrants as follows: (i) the information accompanying this submission has been verified and corroborated as required by THDA; (ii) all requirements of applicable federal and/or state law have been met, including, without limitation, all disclosures and requirements in the Federal Reserve Board "Rule", the Dodd-Frank Act ,RESPA,TILA, TRID and GLBA; (iii) the Applicant referenced above and the property proposed for purchase by the Applicant meet all applicable THDA mortgage loan eligibility and program guidelines; and (iv) to the extent this submission is electronic, all documents required to be originals or with original signature were obtained.

 Originating Agent Authorized Signature

 Print Name and Title

Phone No. (____) _____ Email address _____ Date _____