

Ralph M. Perrey, Executive Director



**ORIGINATING AGENTS GUIDE
REVISION 164**

November 20, 2020

Remove and discard:

Page 41 (Revised 07/01/20)
Page 50 (Revised 07/01/20)
Page 52 (Revised 07/01/20)

Replace with enclosed:

Page 41 (Revised 11/20/20)
Page 50 (Revised 11/20/20)
Page 23 (Revised 11/20/20)

Affidavit of Affixation for Manufactured Home

HO-0453 (12.06) RV-F1322101 (Rev. 9-20)

EFFECT OF CHANGE

Effective immediately the Affidavit of Affixation HO-0453 is replaced with the State of Tennessee form RV-F1322101. THDA will utilize the State of Tennessee form moving forward.

B. Qualifying Spouse

Applications involving married applicants require that both spouses meet the first-time homebuyer eligibility, except in Targeted Areas or if eligible for a veteran's exemption.

A non-qualifying spouse must sign the Deed of Trust.

C. Rescission

THDA cannot fund or purchase a loan that is closed with a Three-day Right of Rescission.

D. Net Funds "To Borrower"

A borrower cannot receive any funds from the closing that exceed amounts that they paid in advance from their personal funds for earnest money, appraisal fees, credit report fees, and homebuyer education counseling. If a grant from an entity other than THDA is included in the transaction, coordinate this subject with the grant provider. Borrowers using Great Choice Plus assistance cannot receive any funds at closing from the assistance provided.

There are circumstances that arise at the closing table that cause excessive cash back to the borrower. In these situations, THDA will allow a principal reduction to cure the issue.

E. Original Certificate of Title or Original Manufactured Certificate (MCO) of Origin (Manufactured Home)

If the seller of the subject property has a mortgage on the property and the lien holder is in possession of the original title or MCO and will not release it until their loan is paid off, the original Certificate of Title with any lien noted thereon having been marked released, or Manufactured Certificate of Origin ("MCO"), in the name of the seller of the subject property or having been endorsed to the seller **MUST** be provided to THDA with the closing documents. If the Manufactured Home consists of more than one (1) unit, you will need to provide the title or "MCO" for each unit. THDA will not purchase the loan until we receive the original certificate of Title or original MCO.

F. Affidavit of Affixation (Manufactured Home)

An Affidavit of Affixation is required on all manufactured home loans. It is sent to the State of Tennessee and utilized when de-titling manufactured homes, therefore, the owner of record must sign the Affidavit. If de-titling is taking place prior to closing, the seller would execute the document. If de-titling is taking place after closing, being handled on behalf of the new borrower, it must be executed by the buyer and must be recorded as a separate document. It cannot be recorded with or attached to the Deed of Trust. State of Tennessee's Affidavit of Affixation (RV-F1322101) is to be used unless the Settlement Agent uses an Affidavit of Affixation that meets the statutory requirement of TCA Section 55-3-138.

G. Warranty Deed

A copy of the Warranty Deed (certified copy of recorded Warranty Deed if Manufactured Home) to the subject residence must be provided to THDA in the Closed Loan Submission package.

7.6 CLOSING COSTS

Closing Costs and Fees a THDA Borrower May Pay

1. The borrower may pay any and all reasonable and customary fees and costs normally charged in the market place. However, Section A., Page 2 of the Loan Estimate/Closing Disclosure cannot exceed \$1,400 for all Origination Charges. If THDA, in its sole discretion, determines that the borrower has been charged a fee that is exorbitant or not customarily charged in the market place, the Originating Agent will be required to refund these fees to the borrower.

SECTION 9: THDA FORMS AND INSTRUCTIONS

As a result of Tax Code requirements, THDA must require certain forms. Application files or closed loan packages that do not contain fully executed THDA forms, as required, will not be accepted by THDA. These forms must be included in THDA application files and in THDA closed loan packages as indicated in this Guide. THDA forms are in addition to the typical forms utilized in the mortgage industry. These forms are to be considered part of this Guide.

THDA forms may not be altered.

THDA forms may not be distributed to a lender who is not an Originating Agent or to any other unauthorized individual or entity.

Detailed instructions for completion of each THDA form follows in the order that they are typically encountered in the lending process:

- Application Affidavit HO-0450 (03/11)
- Veteran Exemption Application Affidavit HO-0460 (02/07)
- Notice to Applicants Federal Recapture Requirements HO-0448 (07/17)
- Seller Affidavit HO-0451 (09/99)
- Buyer Profile HO-0439 (02/15)
- Underwriting Submission Checklist HO-0549 (11/17)
- Affidavit of Affixation RV-F1322101
- Legally Enforceable Obligation Letter HO-0476
- Closed Loan Submission Checklist HO-0541 (07/19)
- THDA Rider HO-0440 (08/03)
- Request for Loan Purchase with Acknowledgement and Certification HO-0444 (02/18)

APPLICATION AFFIDAVIT HO-0450 (03/11)

VETERAN EXEMPTION APPLICATION AFFIDAVIT HO-0460 (02/07) (If Applicable)

The Application Affidavit or Veteran Exemption Application Affidavit (if applicable Application Affidavit) must be executed by each applicant and non-qualifying spouse. The household income figure to be provided in item #4 is the maximum allowable income for the size of the applicant's household and location of property. The acquisition cost figure for Great Choice is to be provided in item #5 is the maximum THDA acquisition cost for the county in which the property is located. The original Application Affidavit or Veteran Exemption Application Affidavit is required by THDA. All changes or whiteouts must be initialed by the Applicant(s).

Each Application Affidavit or Veteran Exemption Application Affidavit, must be executed and notarized within the State of Tennessee; however, in rare circumstances, an Application Affidavit or Veteran Exemption Application Affidavit may be executed and notarized outside the State of Tennessee, such as when a person is a member of the armed forces, is stationed outside the state and is unable to be present while the application is being processed.

provided if the residence is a 2, 3 or 4 family home, or is a PUD, townhouse, zero lot line, modular or manufactured home.

THDA Program Eligibility/Credit Package

A check mark, an “X” or “N/A” must be indicated for each document listed on the form. Refer to Section 6.2 for additional information.

An Originating Agent staff member’s signature, printed or typed name and telephone number must appear at the bottom of the checklist. Without this information, the file is considered incomplete. In addition, if this information is omitted, THDA does not know who to call if questions arise.

AFFIDAVIT OF AFFIXATION RV-F1322101

An original Affidavit of Affixation is required on all manufactured home loans and must be recorded as a separate document. It cannot be recorded with or attached to the Deed of Trust for recordation.

LEGALLY ENFORCEABLE OBLIGATION LETTER HO-0476

For any Great Choice loans insured by FHA/HUD the Originating Agent will receive a Legally Enforceable Obligation Letter (LEOL) attached to the THDA Loan Commitment. HUD/FHA requires that THDA provide a Legally Enforceable Obligation Letter when THDA has agreed to provide DPA funds in the form of the Great Choice Plus loan. The Borrower(s) is to sign the LEOL at closing and a copy of the executed LEOL must be sent back to THDA with the initial closing submission package in order for THDA to purchase the Great choice Plus loan.

The Originating Agent is to retain the original LEOL in their loan file to accompany the FHA insurance application associated with the first mortgage.

CLOSED LOAN SUBMISSION CHECKLIST HO-0541 (07.19)

Use this form when submitting all closed loan files to THDA, regardless of the source of funding. This form can also be used as a checklist for submission of follow-up documentation. Complete all items on this form. Do not change the size of this form.

THDA RIDER HO-0440 (08/03)

The THDA Rider must be completed, executed, attached to and recorded with the deed of trust for all THDA first mortgage loans, regardless of loan type. The THDA Rider must be signed by all Borrowers who are required to sign the first deed of trust and recorded with the deed of trust. THDA Rider is not applicable for any THDA second mortgage loans or GC97 mortgage loans.

REQUEST FOR LOAN PURCHASE WITH ACKNOWLEDGEMENT AND CERTIFICATION HO-0444 (02/18)

All loans closed by the Purchase Method must be accompanied by an executed Request For Loan Purchase with Acknowledgement and Certification when delivered to THDA. The most recent version of the HO-0444 form must be utilized. By submitting a loan file for purchase by THDA, each Originating Agent is deemed to affirm the Acknowledgement and Certification appearing on the master form of the Request For Loan Purchase with Acknowledgement and Certification with respect to each loan file submitted regardless of whether the Acknowledgement and Certification is included with the form submitted with a particular loan file.