



MAKING AN IMPACT

YOU make a difference with Great Choice Home Loans



THDA's Great Choice Mortgage Loan Basics 101

Agenda

Josh McKinney
East TN Real Estate Industry Advisor
jmckinney@thda.org
865-394-8960

**What is
THDA?**

Darrell Robertson
Assistant Director of Industry and
Governmental Affairs
drobertson@thda.org
615-815-2077

**Who can
THDA
help?**

**How does
THDA
work?**

MAKING AN IMPACT

YOU make a difference with Great Choice Home Loans



DID YOU KNOW?

THDA mortgage loans give back to Tennesseans through our TN Housing Trust Fund grant program!



These grants are used by nonprofits statewide to help meet the housing needs of elderly, disabled, homeless, and other at-risk Tennesseans.

Funding for these grants comes directly from profits made on our Great Choice and GC97 loans.

THDA.ORG

MAKING AN IMPACT

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THDA PROGRAMS ASSISTED BY TENNESSEE HOUSING TRUST FUND

EMERGENCY REPAIR PROGRAM

Helping correct structural problems in low income homes for the elderly or disabled.

APPRAISAL GAP PROGRAM

Helps build or rehab homes in distressed communities where property values are still recovering.



Tennessee Housing
Development Agency

TENNESSEE REPAIR LOAN PROGRAM

Funds home repairs/improvements to low income vets, seniors, & special needs residents.

HOME MODIFICATIONS AND RAMP PROGRAM

Funds ramps and other home modifications for disabled residents.

REBUILD AND RECOVER PROGRAM

Funds recovery from weather related incidents not covered by FEMA or TEMA.





**Just missing the
down payment?**



**Or missing the
closing costs?**

**Who
can
THDA
help?**



First-Time Home Buyers
Veterans/Military
Borrowers Buying in “Targeted” Areas
1st Time Home Buyers Without A Credit Score
Millennials



Tennessee Housing Development Agency



**AFFORDABLE
MORTGAGE
FINANCING**

**AVAILABLE
THROUGH
APPROVED
LENDERS**

**MORTGAGE
REVENUE
BOND
PROGRAM**

**NO TAX
DOLLARS USED**

First
Mortgage

GREAT CHOICE MORTGAGE
LOAN PROGRAMS

Great Choice
HOME LOANS

Available for all
eligible applicants

Homeownership for the Brave

Available for eligible
veterans/military

Rate reduction: .50%

**Second
Mortgage
(DPA)**

**GREAT CHOICE MORTGAGE
LOAN PROGRAMS**

Great Choice
PLUS + LOAN

Available across
Tennessee

Great Choice

PLUS LOAN

2nd Mortgage: 30-Year Term

**Interest rate is
equal to the first**

**DPA= 6% of
the sales price**

**Monthly payment
considered in debt ratio**

DEFERRED

Great Choice

PLUS + LOAN

2nd Mortgage: 30-Year Term

0% Interest rate

**\$6,000 Down
Payment Assistance**

**Due on sale
or refinance**



LOAN TYPES AND DOWN PAYMENT REQUIREMENT

- VA: 0%
- USDA: 0%
- FHA Loans: 3.5%
- Conventional Loans: Up to 22%



FHA loans
require
3.5%

THDA can
cover this and
have 2.5% left
over

Any remaining may be used towards closing costs



VA &
USDA =
\$0 down
payment

Use THDA
for
closing
costs

Conventional + THDA = Requires 22% down = Uninsured

Eligibility Criteria

- F** First-time Homebuyer*
- M** RB Income Limit
- A** Acquisition Cost Limits
- S** Single Family Residence
- O** Owner-Occupied
- S** Score: 640 Min. / 45% Max DTI*



**+ have not
owned**

**+ and
occupied**

**+ as a
primary
residence**

**+ in prior 3
years**

**Non
Borrowing
Spouse**

First-time
homebuyer?

Marital
interest in
prior 3 years?

Benefited
from marital
property even
if not on
mortgage in
prior 3 years?

**Both
spouses
must be
first-time
homebuyers**

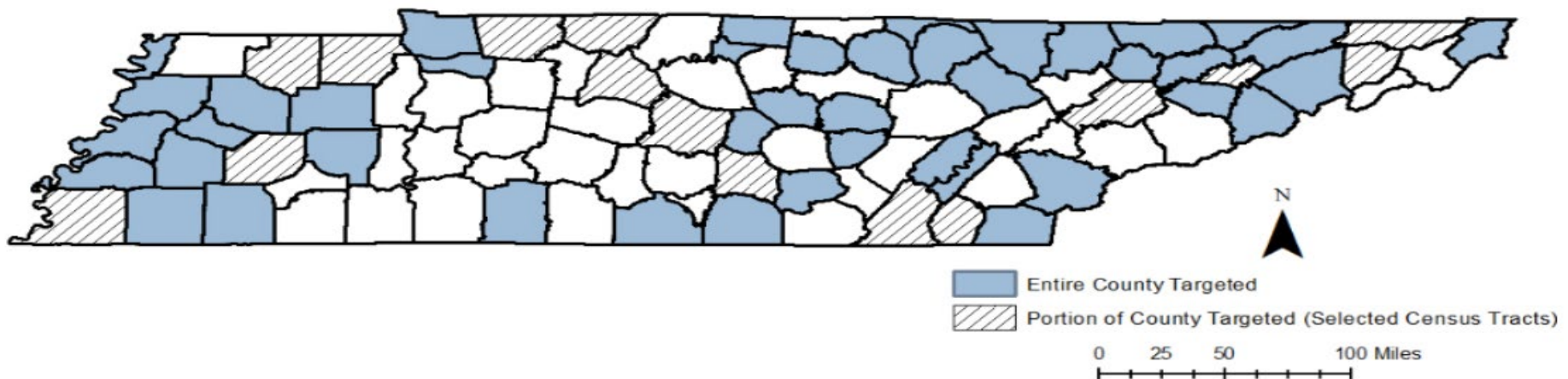
Repeat
buyers
allowed!

Targeted Areas


IRS determined
chronic economic
distressed areas

Entire counties
or
Census tract(s)
within counties

95 TN counties
43 counties targeted
15 partially targeted



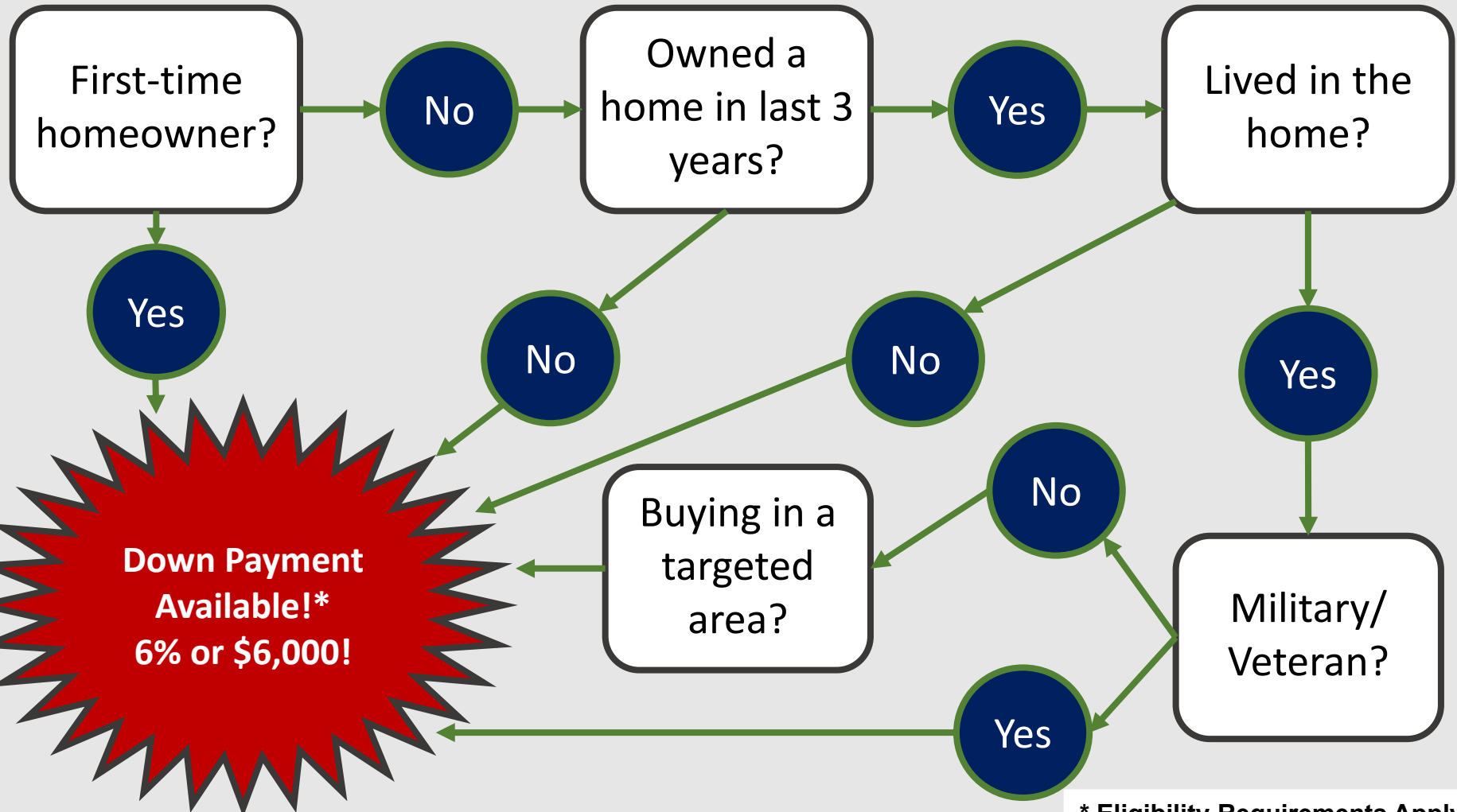
Repeat
buyers
allowed!

A photograph of a smiling man in a U.S. Army camouflage uniform and cap, holding a young girl with curly blonde hair in a red and white striped dress. A woman with short brown hair, wearing a white top and a pearl necklace, stands to the right, smiling. They are outdoors in front of a light-colored building.

Military & Veterans

I am in the U.S. military or a
veteran (or spouse)

Are you a first-time homeowner?



* Eligibility Requirements Apply

MRB Income Limits

Only includes the income of the mortgagor.

That's it!

No joke!

We no longer consider "household" income!

GREAT CHOICE MORTGAGE LOAN PROGRAM

Current Acquisition Cost & Income Limits by County

		Acquisition Cost Limits	Income Limits				Acquisition Cost Limits	Income Limits	
Counties			1-2 Persons	3+ Persons	Counties			1-2 Persons	3+ Persons
Anderson		\$300,000	\$73,900	\$84,985	Lewis		\$300,000	\$68,600	\$78,960
Bedford		\$300,000	\$68,600	\$78,960	Lincoln	T	\$350,000	\$82,320	\$96,040
Benton		\$300,000	\$68,600	\$78,960	Loudon		\$300,000	\$73,900	\$84,985
Bledsoe		\$300,000	\$68,600	\$78,960	Macon	T	\$375,000	\$82,320	\$96,040
Blount		\$300,000	\$73,900	\$84,985	Madison	*	\$300,000	\$70,949	\$81,591
Bradley	*	\$300,000	\$70,080	\$81,760	Marion		\$300,000	\$72,600	\$83,490
Campbell	T	\$350,000	\$82,320	\$96,040	Marshall		\$300,000	\$70,920	\$82,373
Cannon	T	\$375,000	\$101,160	\$118,020	Mary		\$375,000	\$83,760	\$97,720
Carroll	T	\$350,000	\$82,320	\$96,040	McMinn		\$300,000	\$68,600	\$78,960
Carter		\$300,000	\$71,389	\$82,097	McNairy		\$300,000	\$68,600	\$78,960
Cheatham		\$375,000	\$101,160	\$118,020	Meigs	T	\$350,000	\$82,320	\$96,040
Chester		\$300,000	\$70,949	\$81,591	Monroe	T	\$350,000	\$82,320	\$96,040
Cherokee	T	\$350,000	\$82,320	\$96,040	Montgomery	*	\$300,000	\$70,769	\$81,384
Clay		\$300,000	\$68,600	\$78,960	Moores		\$300,000	\$69,949	\$80,441
Coke	T	\$350,000	\$82,320	\$96,040	Morgan	T	\$350,000	\$82,320	\$96,040
Coffee	*	\$300,000	\$71,049	\$81,706	Obion		\$300,000	\$68,600	\$78,960
Crockett	T	\$350,000	\$82,320	\$96,040	Overton	T	\$350,000	\$82,320	\$96,040
Cumberland		\$300,000	\$68,600	\$78,960	Perry		\$300,000	\$68,600	\$78,960
Davidson	*	\$375,000	\$101,160	\$118,020	Pickett	T	\$350,000	\$82,320	\$96,040
Decatur		\$300,000	\$68,600	\$78,960	Polk	T	\$350,000	\$82,320	\$96,040
DeKalb	T	\$350,000	\$82,320	\$96,040	Putnam		\$300,000	\$71,160	\$82,327
Dickson		\$375,000	\$101,160	\$118,020	Rhea	T	\$350,000	\$82,320	\$96,040
Dyer	T	\$350,000	\$82,320	\$96,040	Roane		\$300,000	\$70,169	\$80,694
Fayette	T	\$350,000	\$82,440	\$96,180	Robertson	*	\$375,000	\$101,160	\$118,020
Fentress	T	\$350,000	\$82,320	\$96,040	Rutherford	*	\$375,000	\$101,160	\$118,020
Franklin	T	\$350,000	\$82,320	\$96,040	Scott	T	\$350,000	\$82,320	\$96,040
Gibson	T	\$350,000	\$82,320	\$96,040	Sequatchie		\$300,000	\$72,600	\$83,490
Giles		\$300,000	\$71,429	\$82,143	Sevier		\$300,000	\$69,840	\$80,899
Grainger	T	\$350,000	\$82,320	\$96,040	Shelby	*	\$300,000	\$69,709	\$80,165
Greene	T	\$350,000	\$82,320	\$96,040	Smith		\$375,000	\$70,560	\$82,320
Grundy	T	\$350,000	\$82,320	\$96,040	Stewart	T	\$350,000	\$82,320	\$96,040
Hamblen	*	\$300,000	\$69,720	\$81,340	Sullivan	*	\$300,000	\$71,520	\$82,258
Hamilton	*	\$300,000	\$72,600	\$83,490	Sumner		\$375,000	\$101,160	\$118,020
Hancock	T	\$350,000	\$82,320	\$96,040	Tipton	T	\$350,000	\$82,440	\$96,180
Hardeman	T	\$350,000	\$82,320	\$96,040	Trousdale	T	\$375,000	\$101,160	\$118,020
Hardin		\$300,000	\$68,600	\$78,960	Union		\$300,000	\$71,389	\$82,097
Hawkins	T	\$350,000	\$82,320	\$96,040	Union	T	\$350,000	\$88,680	\$103,460
Haywood	T	\$350,000	\$82,320	\$96,040	Van Buren	T	\$350,000	\$82,320	\$96,040
Henderson	T	\$350,000	\$82,320	\$96,040	Warren		\$300,000	\$68,600	\$78,960
Henry	*	\$300,000	\$68,600	\$78,960	Washington	*	\$300,000	\$71,389	\$82,097
Hickman		\$300,000	\$68,600	\$78,960	Wayne		\$300,000	\$68,600	\$78,960
Houston	T	\$350,000	\$82,320	\$96,040	Weakley	*	\$300,000	\$68,600	\$78,960
Humphreys		\$300,000	\$68,600	\$78,960	White	T	\$350,000	\$82,320	\$96,040
Jackson	T	\$350,000	\$82,320	\$96,040	Williamson		\$375,000	\$101,160	\$118,020
Jefferson	T	\$350,000	\$82,320	\$96,040	Wilson		\$375,000	\$101,160	\$118,020
Johnson	T	\$350,000	\$82,320	\$96,040	T Denotes a targeted county. The first-time homebuyer requirement is waived.				
Knox	*	\$300,000	\$73,900	\$84,985	* Denotes that some census tracts in the county are targeted, and in these census tracts, the first-time homebuyer requirement is waived.				
Lake	T	\$350,000	\$82,320	\$96,040					
Lauderdale	T	\$300,000	\$82,320	\$96,040					
Lawrence	T	\$300,000	\$82,320	\$96,040					

Download this form at
<https://thda.org/homeownership-partners/realtors>

Acquisition Cost Limits

- Existing Construction - Free 60-day rate lock
- New Construction - Free 120-day rate lock

HUD

**Definition:
Up to 4 units
with 1 being
owner
occupied**

Building Types Allowed:

- Detached
- Semi-Detached
- Condos
- Townhomes
- Row-Houses
- Manufactured Homes
- HUD Owned

Restrictions	Maximum
Land	5 acres
Appraised Value over Acquisition Cost	20%
Land Value of Appraised Value	40%

OWNER- OCCUPIED RESIDENCE

Primary
residence

Applicant(s)
occupied

Occupied
within 60 days

**BUSINESS USE
PROHIBITED**

640 Minimum Score

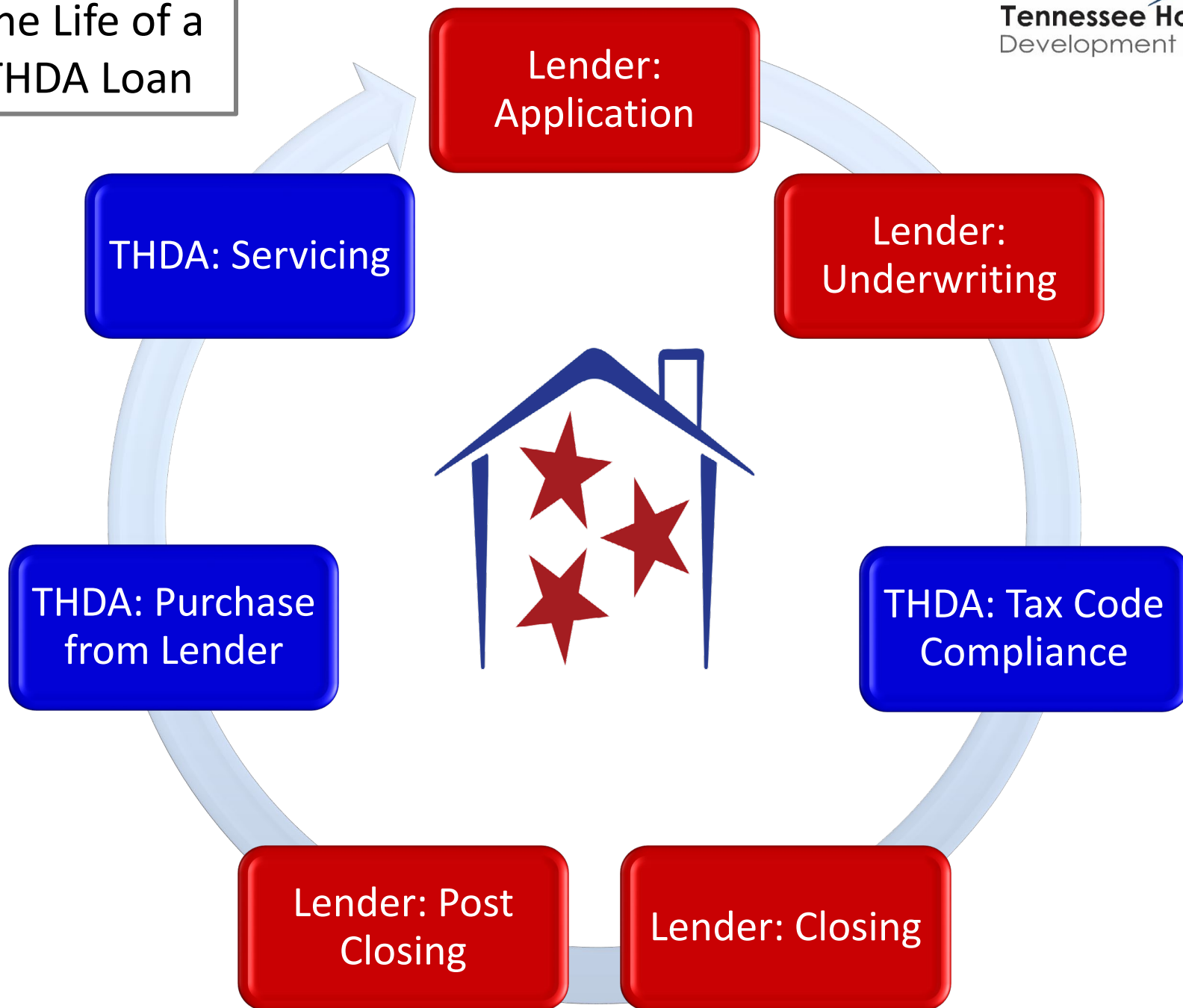
45% Maximum DTI

“No Score” Borrowers

- 36% max. DTI
- 2 Months PITI Reserves (may not be gift)
- 3 non-traditional trade lines



The Life of a THDA Loan





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[Help For Renters
& Section 8/HCV](#)

[Government &
Nonprofit Partners](#)

[Home
Partners](#)

Buy A Home

GreatChoiceTN.com



Homebuyer Education



In-Person Course:

Up to \$99 per Household



On-Line Course:

\$99 per Household



Certificate good for 12 months
All borrowers/co-borrowers must take course

42% Fewer
Odds of
Foreclosure

55% Fewer
Odds of First
Default
Leading to
Foreclosure

Better than
“skin in the
game”!

Homebuyer Education



GreatChoiceMarketing.com



Lender Password:
mortgage



Realtor Password:
downpayment

What's the difference?



**QUALIFYING
INCOME**



**HOUSEHOLD
INCOME**

What's the difference?



TENNESSEE



**TARGETED
AREAS**

What's the difference?



**GREAT
CHOICE**



**GREAT
CHOICE PLUS**



MAKING AN IMPACT

YOU make a difference with Great Choice Home Loans



Advantages of THDA's Great Choice Mortgage Loan Programs