



## **Tax Credit Access Loan (TCAL) - funds available**

"Helping Homebuyers Take Advantage of the Federal Tax Credit Program"

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**Dates Funds are Available:** April 13, 2009 - November 30, 2009

### **Assistance for Davidson County:**

- Maximum loan of \$7,000
- Interest Rate: 8%; if repaid by July 31, 2010, the interest will be waived

### **Eligibility:**

- Maximum household income of \$75,000 regardless of family size
- Buyer must be a first-time homebuyer
- House must be in Davidson County

### **Payments prior to July 31, 2010:**

- Required monthly payments of \$50 (*will go towards principal only*)
- **Loan is to be repaid with proceeds from the tax credit refund check (you will receive this check from the IRS with your tax return)**
- If loan is repaid in full by July 31, 2010, all interest will be waived

### **Payments after July 31, 2010:**

- Required monthly payments increase to \$100 for principal and interest
- Interest will be assessed from the original funding date of the loan.

### Requirements:

- Complete THDA [homebuyer education](#) class (prior to purchase)
- THF underwriting criteria must be met (see underwriting guidelines below)
- Borrowers must contribute at least 1% of the sales price from their own funds to the home purchase
- Loan will include a variable recording fee and a processing fee of \$500.00
- Payments must be made through ACH (automated clearing house)
- May be combined with other THF programs up to \$15,500 provided borrower meets the specific requirements for each program (see income tiers for each program).

### Enrollment:

- Interested borrowers should call THF at (615) 780-7000 to enroll in homebuyer education classes and for additional information
- Borrower must complete a THF Borrower Application.
- Lenders should fill out the [Request for Loan Approval Form](#) and the [Underwriting Guidelines](#); send the form to THF along with the backup documentation requested; and tell the client to call THF to begin the homebuyer education classes and to set a time to fill out the THF Borrower Application.
- **The Housing Fund cannot begin underwriting until we have received both a completed Borrower Application and Lender Loan package.**
- THF will work with the borrower's closing attorney to fund the loan. Funds will be wired at the time of closing.

To apply for Federal First-time Homebuyer Tax Credit, the borrower must fill out **I.R.S. form 5405** ([www.irs.gov/pub/irs-pdf/f5405.pdf](http://www.irs.gov/pub/irs-pdf/f5405.pdf)) . Free help with this and any other tax question can be found by calling 2-1-1 and asking for a Volunteer Income Tax Assistance (VITA) location near you.

# THE HOUSING FUND, INC.

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## NOW Loans - [funds available](#)

A Home Ownership NOW loan (NOW) offers low to moderate-income homebuyers in Middle Tennessee three Tiers of financial assistance depending upon the total household income. This is a second mortgage loan, available at very low interest rates and a low monthly payment of \$50. With one phone call and a few simple forms, you will be on your way to home ownership.

### Eligibility:

*First mortgage lenders must be approved by FHA in Tennessee.*

- **Davidson County** - The first mortgage loan must be an FHA, THDA, VA or conforming conventional loan offered by a FHA TN-approved lender.
- For **all other Nashville MSA counties** the first mortgage must be a [conforming conventional](#) loan offered by a FHA TN-approved lender.
- The home must be located in: *Cheatham, Davidson, Dickson, Robertson, Rutherford, Sumner, Williamson or Wilson counties.*
- The home must be the buyer's primary residence.

### Requirements:

- All NOW loans are secured by a Promissory Note and a Second Deed of Trust, subordinated only to a first mortgage
- All borrowers are required to complete [homebuyer education](#) classes

before closing. These classes are offered by THDA approved counseling agencies. THF will assist the client in locating the most appropriate and convenient agency

- Borrower must contribute at least 1% of the sales price from their own funds to the purchase
- All borrowers must be at or below the area median income (AMI)

**Income Criteria:**

(Effective 03/19/2009)

**Tier 1 (60% of area media income)**Your household gross (before take-out) income is at or below:

1 person:.....	\$27,200
2 people:.....	\$31,100
3 people:.....	\$35,000
4 people:.....	\$38,900
5 people:.....	\$42,000
6 people:.....	\$45,100
7 people:.....	\$48,200
8 people:.....	\$51,300

- Clients can borrow up to \$8500 for Closing Costs, Prepaids and Down Payment Assistance
- The interest rate is 5%
- Loan will include a variable recording fee and a processing fee of \$350

**Tier 2 (80% of area median income)**

Your household gross (before take-out) income is at or below:

1 person:.....	\$36,350
2 people:.....	\$41,500
3 people:.....	\$46,700
4 people:.....	\$51,900
5 people:.....	\$56,050
6 people:.....	\$60,200
7 people:.....	\$64,350
8 people:.....	\$68,500

- Clients can borrow up to \$7000 for Closing Costs, Prepaids, and Down Payment Assistance
- The interest rate is 7%
- Loan will include a variable recording fee and a processing fee of \$350.00

**Tier 3 (100% of area median income)**

Your household gross (before take-out) income is at or below:

1 person:.....	\$45,400
2 people:.....	\$51,900
3 people:.....	\$58,400
4 people:.....	\$64,900
5 people:.....	\$70,100
6 people:.....	\$75,300
7 people:.....	\$80,500
8 people:.....	\$85,700

Clients can borrow up to \$5000 for Closing Costs, Prepays, and Down Payment Assistance

- The interest rate is 8%
- Loan will include a variable recording fee and a processing fee of \$350

**Enrollment:**

- Interested borrowers should call THF at (615) 780-7000 to enroll in homebuyer education classes and for additional information
- Borrower must complete a THF Borrower Application. This can be completed at THF or at the Homebuyer Education Agency.
- Lenders should fill out the [Request for Loan Approval Form](#) and the [Underwriting Guidelines](#); send the forms to THF along with the backup documentation requested; and tell the client to call THF to begin the homebuyer education
- **The Housing Fund cannot begin underwriting until we have received both a completed Borrower Application and Lender Loan package.**
- THF will work with the client's closing attorney to fund the loan and funds will be wired at the time of closing

**For further information please call (615) 780-7000 or email [mail@thehousingfund.org](mailto:mail@thehousingfund.org).**

## *Different name - Same program*

### **HOME Downpayment Assistance (HDA)**

(formerly called American Dream Downpayment Initiative or ADDI)

**NOTE:** [Funds now available](#)

**This does not represent all information. Other restrictions may apply. THF lending policies apply for Davidson County.**

#### **Assistance for Davidson County:**

- A maximum of **\$7,000**, no interest, due-on-sale or refinance, no monthly payment, 2<sup>nd</sup> mortgage loan for downpayment, closing and prepaid costs
- HDA may be used with THF [Home Ownership NOW](#) (NOW) and [Tax Credit Access Loans \(TCAL\)](#)

#### **Eligibility:**

- Household income is at or below [80% Area Median Income \(Tier 2\)](#)
- Buyer is a first-time homebuyer
- House is the primary residence
- House must have a Housing Quality Standards inspection
- If house was built prior to 1978, a lead paint assessment is required
- First mortgage must be a FHA, THDA, VA or [conforming conventional](#) offered by a FHA TN-approved lender
- Buyer must also meet [Underwriting Guidelines](#)

#### **Requirements:**

- Completed THDA [homebuyer education](#) class (prior to purchase)
- This is a loan that must be repaid upon sale, refinance, or other transfer of title. It is not a grant or gift.
- Borrowers must contribute at least 1% of the sales price from their own funds to the purchase
- Loan includes a variable recording fee

#### **Enrollment:**

- Interested borrowers should call THF at (615) 780-7000 to enroll in homebuyer education classes and for additional information
- Borrower must complete a THF Borrower Application. This can be completed at THF or at the Homebuyer Education Agency.
- Lenders should fill out the [Request for Loan Approval Form](#) and the [Underwriting Guidelines](#); send the form to THF along with the backup documentation requested; and tell the client to call THF to begin the homebuyer education
- **The Housing Fund cannot begin underwriting until we have received both a completed Borrower Application and Lender Loan package.**
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