

Ralph M. Perrey, Executive Director



MEMORANDUM

DATE: March 3, 2017

TO: All Originating Agents

FROM: Rhonda Ronnow, Director of Loan Operations

SUBJECT: **Principal Reduction**

Borrowers receiving down payment assistance from THDA cannot receive any funds at closing from this assistance that exceed the amounts that they paid in advance. To prevent any delays at the closing table that arise from excessive cash back to the borrower, THDA will allow a Principal Reduction to be listed on the Closing Disclosure.

Please feel free to contact THDA directly at 615-815-2100 or by email to SFask@thda.org with any questions. Thank you for your continued participation in THDA's mortgage programs.



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