

Ralph M. Perrey, Executive Director



**ORIGINATING AGENTS GUIDE  
REVISION 132**

March 14, 2018

**Remove and discard:**

**Replace with enclosed:**

Page 3 (Revised 02/17/18)..... Page 3 (Revised 03/14/18)

**EFFECT OF CHANGE**

THDA would like to announce that **effective Thursday, March 22, 2018**, the interest rate on the Great Choice Loan Program applications will be increased to 4.625%. Based on this rate, the Homeownership for the Brave Loan Program will increase to 4.125%

All loan applications **received by THDA on or after Thursday, March 22, 2018**, must be submitted at the higher rate. All applications received by THDA **prior to March 22, 2018**, and outstanding commitments at the lower rates of 4.50% for Great Choice and 4.00% for the Homeownership for the Brave will close at those respective rates.

## 1.4. CURRENT THDA LOAN PROGRAMS

### A. Great Choice Loan Program

This program is designed for low and moderate income borrowers. Great Choice offers a low interest rate loan secured by a first mortgage with the option of down payment and closing cost assistance to a maximum of 5% of the purchase price at a 0% interest rate, deferred payment, forgivable second loan secured by a second deed of trust. THDA allows the following loan types: FHA, USDA, and VA at the maximum loan limits based on insurer or guarantors guidelines. THDA also allows conventional uninsured loans with a maximum loan to value of 78%.

Maximum Household Income	Varies by county
Maximum Acquisition Cost (Including all incidentals)	Varies by county
Maximum LTV	Subject to FHA, VA, and USDA/RD Guidelines. Conventional Loans 78% LTV or less.
Interest Rate	4.625% fixed rate, subject to change
Loan Term	30 years
Loan Types	FHA, VA, USDA/RD, Conventional
Mortgage Insurance or Guarantee	As required by loan type
Buydowns	Not allowed
Assumable	Subject to qualifying
Pre-Payment Penalty	No penalty
Subject to Recapture	Yes
Required Reserve	As required by loan type
Minimum Investment	As required by loan type
Closing Costs	May come from borrower, seller, a gift, or as required by loan type
Down Payment	As required by loan type
First Time Homebuyer Rule	Borrower must not have an interest in their primary residence within 36 months of application <b>unless</b> the property to be financed with the loan is in a targeted area or the borrower meets the Veteran's exemption. (See THDA website for targeted areas.)
Homebuyer Education	Not required
Origination Fee	Up to 2% maximum