



STATE PROGRAMS

Homeownership

Great Choice Home Loans

This is a 30-year, fixed interest rate home loan available through private banks and lenders. These loans focus on first-time homebuyers, U.S. veterans, and homebuyers in targeted areas.

Great Choice Plus (Down Payment Assistance)

This secondary loan helps cover the down payment and closing costs on a Great Choice Home Loan. The loan does not accrue interest and there are no payments until the homeowner moves/sells.

Enhanced Down Payment Assistance

In targeted ZIP Codes, homebuyers who qualify for the Great Choice Plus program may instead choose a flat \$15,000 secondary loan that is forgivable over 10 years.

Homeownership for the Brave (Military Home Loans)

Qualifying veterans and active duty military receive a reduced interest rate on Great Choice Home Loans.

New Start Home Loans

THDA offers 0% interest rate home loans for individuals and families selected by Habitat for Humanity and similar non-profit organizations to move into newly constructed homes.

Homebuyer Education

THDA certifies counselors and approves the curriculum for Homebuyer Education classes, which cover the home-buying process and financial responsibilities of homeownership.

Take Credit MCC (Mortgage Credit Certificates)

Homebuyers with a Mortgage Credit Certificate can claim an IRS tax credit equal to 50% of their annual home loan interest (up to \$2,000 per year) and still claim a tax deduction on the rest.

Who Is THDA?

The Tennessee Housing Development Agency was created by the state legislature in 1973 to help ensure housing is available and affordable to people in every county at every income level. In pursuit of this goal, every year THDA:

- Provides home loans to thousands of homebuyers
- Allocates millions of dollars in funding to local nonprofits and municipal agencies
- Administers numerous federal housing programs at the state level

THDA is self-funded and does not receive state tax dollars. Instead, revenue from THDA's home loan program and federal contracts cover its complete operating budget as well as the state programs and grants managed by THDA. Federal housing programs are funded by Congress.



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THDA at a Glance



A brief overview of Tennessee Housing Development Agency Programs



Tennessee Housing Trust Fund

Every year, THDA directs more than \$8 million in home loan revenue into the Tennessee Housing Trust Fund to cover the costs of numerous state housing programs.

Competitive Grants

Nonprofits and municipal agencies with proven experience in housing assistance programs can compete for grants up to \$500,000 each.

Emergency Repair Program

Approved agencies receive grant funding to correct, repair, or replace an essential system and/or structural problem for low income homeowners who are elderly or have a disability.

Habitat for Humanity

THDA issues an annual grant to Habitat for Humanity of Tennessee, which distributes funding to local affiliates for home construction projects.

Housing Modification & Ramp Program

United Cerebral Palsy of Middle Tennessee receives an annual grant to build ramps and make other home modifications for persons with disabilities throughout the state.

Rebuild & Recover

THDA provides grants to local governments to help homeowners rebuild after natural disasters in areas not covered by a federal or state disaster proclamation.

Appalachian Renovation Loan Program

THDA, along with local nonprofits, will help the homeowners in the Appalachian Regional Commission's "distressed" and "at-risk" counties through loans for repairs or modifications to their homes.

Special Programs

Blight Elimination Program (BEP)

With funding from U.S. Treasury's Hardest Hit Fund, this program provides forgivable loans to nonprofits and land banks to demolish blighted residential properties and transform the site for approved use.

Attorney General's Legal Assistance Program

THDA, through funding provided by the Tennessee Attorney General's Office, provides access to free legal assistance to eligible homeowners for matters related to foreclosure prevention and predatory lending.

Attorney General's Foreclosure Prevention Counseling Program

THDA, through funding provided by the Tennessee Attorney General's Office, maintains a network of approved nonprofit agencies to conduct free and confidential counseling to help homeowners avoid foreclosure.

Additional Programs

Reentry Housing Program

In partnership with the Tennessee Department of Correction, THDA administers payments to nonprofits that provide transitional housing for ex-offenders through the Passport to Success Re-Entry Housing Program (RHP).

TNHousingSearch.org

This is a THDA-sponsored, free online resource for advertising and locating available rental property and other resources for renters.

FEDERAL PROGRAMS

Community Programs

HOME Program

Nonprofit organizations, local governments, and Community Housing Development Organizations can compete for grants to implement home repair or homeownership programs for low-income households.

Emergency Solutions Grant (ESG)

Nonprofits and local governments are eligible to compete annually for grants to provide housing assistance and services for individuals who are homeless or threatened with homelessness.

Low Income Home Energy Assistance Program (LIHEAP)

Approved regional agencies receive federal funds to help cover a percentage of the monthly utility costs of qualified households earning up to 150% of federal poverty standards.

Weatherization Assistance Program (WAP)

Approved regional agencies receive federal funds to improve the energy efficiency of housing for qualified households earning up to 200% of federal poverty standards.

Community Investment Tax Credit (CITC)

Financial institutions can receive a tax credit toward franchise and excise taxes for making loans, investments, and/or grants to nonprofits and other entities for eligible housing and capacity building activities.



Multifamily Development

Low Income Housing Tax Credit (LIHTC)

This program helps finance the private development (or preservation) of affordable rental housing by awarding federal tax credits to offset construction costs.

Tax-Exempt Bond Authority

Private developers can finance the construction (or preservation) of affordable rental housing through the sale of tax-exempt bonds.

National Housing Trust Fund

Launching in 2017, this new federal program allows THDA to award grants to renovate rental housing for households of extremely low income (less than 30% of median area income).

Rental Assistance

Housing Choice Voucher (HCV)

This tenant-based Section 8 program pays a percentage of a household's rent, based on monthly income, to a private landlord. Participants are able to find their own housing, including single-family homes, townhouses, and apartments.

Family Self-Sufficiency (FSS)

FSS Specialists help households with Section 8 Housing Choice Vouchers create and follow a five-year plan (Individualized Training and Service Plan) to reduce their need for public assistance.

Homeownership Voucher

HCV program participants who qualify for the Homeownership option of the Voucher program may buy a home. The participant's rental subsidy becomes a home loan subsidy on their monthly housing costs.

