



CHART OF GOVERNMENT LOANS

Name of Loan:	FHA - HUD 203(k) - Rehabilitation
Description of Program:	The 203 (k) loan is the primary program for the rehabilitation and repair of single-family properties. Many lenders use 203 (k) in partnership with housing agencies and non-profit organizations. This mortgage allows the borrower to get one loan, at a long-term fixed (or adjustable) rate for the property and the rehabilitation of the property. The loan takes into account the cost of the repairs. The loan can be used to (1) Purchase a dwelling and the land on which the dwelling is located and rehabilitate it; (2) Purchase a dwelling on another site, move it onto a new foundation on the mortgaged property and rehabilitate it; (3) Refinance existing indebtedness and rehabilitate such a dwelling.
Loan Types:	Fixed and adjustable rate
Length and Terms:	30 year loan
Down Payment:	A minimum of 3% investment is required. Same as a 203(b) loan. Consult HUD's Web site for more details http://www.hud.gov/offices/hsg/sfh/203k/203kabou.cfm).
Eligible Properties:	The loan must be for the principal residence of the borrower. Single-family dwellings are qualified, as are individual units in condominium projects that have been approved by FHA, the Department of Veterans Affairs, or are acceptable to FNMA. Mortgage can be used for one-to-four unit structures. 203(b) restrictions apply.
Maximum Loan Amount:	The mortgage amount, when added to any other existing indebtedness against the property, cannot exceed the applicable loan-to-value ratio and maximum dollar amount limitations prescribed for similar properties under Section 203(b). The maximum mortgage amount calculation will depend upon whether the transaction is a purchase or a refinance, but in any case, will not exceed 110% of the "after improved value" or maximum mortgage for the area.
Mortgage Insurance:	Up-front mortgage insurance is not currently required; however, any loans closed on or after January 1, 2006 will require it. For more information please see Mortgagee Letter 2005-38 (http://www.hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=MLET&s1=05-\$[no]&op1=AND&SECT1=TXTHLB&SECT5=MLET&u=./hudclips.cgi&p=1&r=38&f=G).
Other:	A minimum of \$5,000 of the mortgage must be used for rehabilitation. Consult HUD's Web site for more details about the type of repairs and exclusions (http://www.hud.gov/offices/hsg/sfh/203k/203kabou.cfm).
Web site about loan:	http://www.hud.gov/offices/hsg/sfh/203k/203kabou.cfm
Web site with list of lenders:	http://www.hud.gov/ll/code/llscrit.html

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Name of Loan:	FHA 203(b) Single Family
Description of Program:	The 203 (b) mortgage insurance is for individuals purchasing or refinancing a principal residence The mortgage loan is funded by a lending institution and insured by HUD.
Length and Terms:	Up to 30 year loan
Down Payment:	Minimum investment by the borrower of at least 3% of the sales price
Gift Funds:	Gift Funds that meet FHA guidelines are acceptable.
Eligible Properties:	Mortgage can be used for one-to-four unit structures, as long as the borrower is living in one of the units.
Maximum Loan Amount:	The borrower is eligible for approximately 97% financing. In the Memphis area, the mortgage limit for one unit is \$172,632. To look at limits for other areas, consult the HUD Web site (https://entp.hud.gov/idapp/html/hicostlook.cfm).
Borrower Income Requirements:	None.
Underwriting Ratios:	Underwriting Ratios are 31/43 (33/45 new construction) Please see Mortgagee Letter 2005-16 (http://www.hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=MLET&s1=05-\$[no]&op1=AND&SECT1=TXTHLB&SECT5=MLET&u=./hudclips.cgi&p=1&r=29&f=G).
Buydowns:	Buydowns are allowed if they meet FHA buydown agreement criteria.
Mortgage Insurance:	Borrower may finance the upfront mortgage insurance premium into the mortgage, and is responsible for annual premium.
Seller Contributions:	The seller can pay up to 6% of the borrower's closing costs, including prepaids.
Credit History:	The borrower must meet standard FHA credit qualifications.
Payment Reserves:	Required on 3- and 4-unit properties.
Web site about loan:	http://www.hud.gov/offices/hsg/sfh/ins/sfh203b.cfm
Web site with list of lenders:	http://www.hud.gov/ll/code/llscrit.html

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Name of Loan:	FHA 234(c) Condominium
Description of Program:	The 203(c) loan can be used to buy or refinance a loan on a condominium.
Length and Terms:	Same as the 203(b).
Down Payment:	Downpayment is 3% minimum investment requirement. Same as 203(b).
Closing Cost:	Closing costs can be included in the 3% investment required if paid for by the borrower.
Maximum Loan Amount:	The borrower is eligible for approximately 97% financing. In the Memphis area, the mortgage limit for one unit is \$172,632. To look at limits for other areas, consult the HUD Web site (https://entp.hud.gov/idapp/html/hicostlook.cfm).
Mortgage Insurance:	Up-front mortgage insurance is not currently required; however, any loans closed on or after January 1, 2006 will require a UFMIP of 1.5%. Annual payment are for the life of the loan. For more information please see Mortgagee Letter 2005-38 (http://www.hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=MLET&s1=05-\$\$[no]&

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Name of Loan:	FHA Energy Efficient Mortgages (EEM)
Description of Program:	The Energy Efficient Loan can be used to buy or refinance a principal residence and incorporate the cost of energy improvements into the mortgage. Cost of improvements that may be eligible is the greater of 5% of the property's value (not to exceed \$8,000) or \$4,000.
Loan Types:	FHA
Length and Terms:	Up to 30 year loan
Down Payment:	The borrower must make a 3-percent cash investment in the property. This 3% cash investment is based on the sales price.
Closing Cost:	Closing costs are not included in the 3% calculation but may be used to satisfy the requirement. Any upfront mortgage insurance premium can be financed as part of the mortgage.
Gift Funds:	
Eligible Properties:	Mortgage can be used for one-to-four unit structures, as long as the borrower is living in one of the units.
Maximum Loan Amount:	The borrower is eligible for approximately 97% financing. In the Memphis area, the mortgage limit for one unit is \$172,632. To look at limits for other areas, consult the HUD Web site (https://entp.hud.gov/idapp/html/hicostlook.cfm).
Mortgage Insurance:	Required.
Web site about loan:	http://www.hud.gov/offices/hsg/sfh/eem/energy-r.cfm



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Name of Loan:	THDA Great Rate
Description of Program:	This loan is designed for Tennessee's low- and moderate-income borrowers. It offers a lower mortgage interest rate. Not every borrower is eligible for a THDA mortgage. Borrowers must have satisfactory credit and the home must meet certain conditions. The loan is intended for first-time homebuyers. This is waived in targeted counties and census tracts.
Loan Types:	FHA, VA, USDA/RD, Certain Conventional
Length and Terms:	30 years (first mortgage), consult THDA for current rate (www.tennessee.gov/thda)
Down Payment:	As required by loan type.
Closing Cost:	Closing costs may come from the borrower, seller, a gift, or as required by loan type
Gift Funds:	Gift funds may contribute to closing costs.
Eligible Properties:	Properties must be the principal residence of the person applying for the loan. The property can be up for 4-units, providing that the borrower is using one of the units as his or her principal residence.
Maximum Loan Amount:	Mortgages are intended for modest homes. Loans must follow the acquisition cost limits, which vary by county. Shelby County - \$172,632; Fayette County - \$172,632; Tipton County - \$172,632; McNairy County - \$172,632. For other areas, consult THDA. Also, conventional loans are limited to no more than 97% of the lesser of the contract sales price or appraised value. For FHA, VA or USDA/RD loans, base loan cannot exceed appraised value.
Borrower Income Requirements:	Income limits vary by county. Shelby County - \$57,300 (1-2 person), \$65,895 (3+ person); Tipton County - \$57,300 (1-2 person), \$65,895 (3+ person); Fayette County - \$57,300 (1-2 person), \$65,895 (3+ person); McNairy County - \$50,300 (1-2 person), \$57,800 (3+ person); Hardin County - \$50,300 (1-2 person), \$57,800 (3+ person); Hardeman County \$50,300; (1-2 person), \$57,800 (3+ person). For other counties, consult THDA.
Buydowns:	Not allowed
Assumable:	Subject to qualifying
Prepayment Penalty:	No penalty
Subject to Recapture:	Yes, if sold within 9 years.
Homebuyer Education:	Homebuyer education is encouraged, but not required.
Mortgage Insurance:	Must be insured by VA, FHA, RD, or Private Mortgage Insurance. Lender will provide list of approved private mortgage insurance companies.
Geographic Restrictions:	The first time homebuyer restriction is waived in the following counties - Fayette, Tipton, McNairy, Hardin and Hardeman. Shelby County has some census tracts in which the requirement is waived.

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Web site about loan:	http://www.tennessee.gov/thda/Programs/Mortgage/hmownshp.html
Web site with list of lenders:	http://www.tennessee.gov/thda/Programs/Mortgage/Indrlist.html

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Name of Loan:	THDA Great Start
Description of Program:	This loan offers down payment and closing cost assistance on FHA and VA loans at a slightly higher interest rate. Not every borrower is eligible for a THDA mortgage. Borrowers must have satisfactory credit and the home must meet certain conditions. The loan is intended for first-time homebuyers. This is waived in targeted counties and census tracts.
Loan Types:	FHA, VA Only (Not available on FHA, VA properties)
Length and Terms:	30 years (first mortgage), consult THDA for current rate (www.tennessee.gov/thda)
Down Payment:	The borrower can use 4% of the loan amount as assistance with the down payment, closing costs and other Paid Outside of Closing (POC) costs (earnest cost, appraisal and credit report fees). Closing costs, prepaids and POC's must be equal to at least 4% of the loan amount that is provided by the Great Start Assistance 4% grant. The borrower has to be able to use the entire 4% for those purposes. None of the 4% can be refunded to THDA and no cash can be given to the borrower at closing over and above the amounts he has already POC.
Closing Cost:	4% of loan amount is available to borrower as assistance with down payment and closing costs.
Eligible Properties:	Properties must be the principal residence of the person applying for the loan. The property can be up for 4-units, providing that the borrower is using one of the units as his or her principal residence.
Maximum Loan Amount:	Mortgages are intended for modest homes. Loans must follow the acquisition cost limits, which vary by county. Shelby County - \$172,632; Fayette County - \$172,632; Tipton County - \$172,632; McNairy County - \$172,632. For other areas, consult THDA. Also, conventional loans are limited to no ore than 97% of the lesser of the contract sales price of appraised value. For FHA, VA or USDA/RD loans, base loan cannot exceed appraised value.
Borrower Income Requirements:	Income limits vary by county. Shelby County - \$57,300 (1-2 person), \$65,895 (3+ person); Tipton County - \$57,300 (1-2 person), \$65,895 (3+ person); Fayette County - \$57,300 (1-2 person), \$65,895 (3+ person); McNairy County - \$50,300 (1-2 person), \$57,800 (3+ person); Hardin County - \$50,300 (1-2 person), \$57,800 (3+ person); Hardeman County \$50,300; (1-2 person), \$57,800 (3+ person). For other counties, consult THDA.
Buydowns:	Not allowed
Assumable:	Subject to qualifying
Prepayment Penalty:	No penalty
Subject to Recapture:	Yes, if sold within 9 years.

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Homebuyer Education:	Certificate of completion of an acceptable Homebuyer Education Program is required. Trainer' name and ID# must be listed on Buyer Profile Form. List of approved trainers at www.tennessee.gov/thda .
Mortgage Insurance:	Must be insured by VA or FHA.
Geographic Restrictions:	The first time homebuyer restriction is waived in the following counties - Fayette, Tipton, McNairy, Hardin and Hardeman. Shelby County has some census tracts in which the requirement is waived.
Web site about loan:	http://www.tennessee.gov/thda/Programs/Mortgage/hmownshp.html
Web site with list of lenders:	http://www.tennessee.gov/thda/Programs/Mortgage/Indrlist.html

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Name of Loan:	THDA Homeownership Voucher Programs
Description of Program:	This program is a component of THDA's Housing Choice Voucher Program, which assists families with their rent payments. The homeownership option, THDA assists qualifying families for purchase, rather than renting. Individual must already have a housing voucher and be a first-time homebuyer. Individuals must contact THDA Section 8 Homeownership Specialist to request a pre-qualifying application. THDA discourages individuals from working with a lender or a REALTOR [®] until they have completed homebuyer education and are determined mortgage ready.
Loan Types:	Individuals have two options with this program. The two-mortgage model allows the borrower to work with a Neighborworks [®] Organization. The borrower applies for a mortgage with a lender, and a second mortgage comes from the NOW. The second mortgage provides the difference between the first mortgage and the sales price of the home. The Section 8 Voucher will be paid to the NWO to retire the second mortgage. The one-mortgage model is for borrowers who work with THDA-approved counseling partner that does not offer second mortgage financing. The lender must be willing to service two monthly separate mortgage payments (one from the borrower and the other from THDA). The borrower may apply for the THDA's Great Rate or Great Start mortgage for the first mortgage.
Length and Terms:	The Housing Choice Voucher assistance may be provided for a maximum of 15 years if the initial mortgage secured to finance the purchase the home has a term of 20 years or longer. Elderly and disabled families are exempt from the 15-year maximum time limit and may be assisted for the term of the loan.
Down Payment:	A minimum down payment of 3% of the purchase price is required for participation. At least 1% must come from the borrower's personal resources.
Gift Funds:	Gift funds may contribute to the remainder of the down payment and for closing costs.
Eligible Properties:	Single-family home, condominium/townhouse, manufactured home (with permanent foundation), modular or pre-fab home (with permanent foundation); any property is subject to THDA inspection and approval
Borrower Income Requirements:	Must have an income of \$12,500 per year.
Homebuyer education:	Homebuyer education is required through a THDA-approved counselor. Post-purchase counseling is required.
Web site about loan:	http://www.tennessee.gov/thda/Programs/Section8/sec8cvr.html
Web site with list of lenders:	http://www.tennessee.gov/thda/Programs/Mortgage/Indrlist.html

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Name of Loan:	USDA/RD Loan Direct Loan Program
Description of Program:	This program is available to very l-w and low-income families to purchase or build a home as their permanent residence.
Loan Types:	Maximum fixed rate loan varies by county. Refer to our website. Applicant may be eligible for payment assistance (subsidy) on this loan. Interest is charged based on their income.
Length and Terms:	33 years, first mortgage. For rates please refer to our website.
Down Payment:	No downpayment is required.
Closing Cost:	Closing costs may come from the borrower, seller, a gift or, in some instances, may be added to the loan.
Gift Funds:	Gift funds may be contributed to closing costs.
Eligible Properties:	Properties must be the principal residence of the person applying for the loan. It must be located in rural areas with populations 10,000 or less and MSA populations not to exceed 20,000. For maps of ineligible areas refer to the website.
Maximum Loan Amount:	Mortgages are intended for modest homes. Maximum loan amounts vary by county.
Borrower Income Requirements:	Income limits vary by county and by the number of occupants who will live in the home. The program serves people whose incomes are at or below 80% of the median for the area where they live. Applicants must be unable to obtain credit from other sources on terms and conditions they can reasonably afford.
Underwriting Ratios:	For very-low income applicants, the principal, interest, taxes and insurance (PITI) may not exceed 29% of their annual income. For low-income applicants, the PITI may not exceed 33%. Applicants are considered to have repayment ability when they do not have to spend more than 41% of repayment income on total debt.
Buydowns:	Not allowed
Assumable:	Subject to qualifying
Prepayment Penalty:	No
Subject to recapture:	Yes.
Homebuyer education:	Not required.
Mortgage Insurance:	No monthly mortgage insurance premium.
Seller Contributions:	None required, but borrower may have to contribute to closing costs.
Credit History:	Unlimited.
Payment Reserves:	Acceptable credit required.

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Geographic Restrictions:	None required.
Other:	Loans are limited to homes in rural areas. Ineligible areas may be found at the website.
Web site about loan:	http://www.rurdev.usda.gov/tn
Web site with list of lenders:	http://www.rurdev.usda.gov/tn

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CHART OF GOVERNMENT LOANS

Name of Loan:	USDA/RD Loan Guaranteed Loan Program
Description of Program:	This program is available to moderate income families to purchase a home as their primary residence. Loans are originated by an eligible lender or as a broker working through an eligible lender.
Loan Types:	Fixed interest rate. Determined by the lender
Length and Terms:	30 years, first mortgage.
Down Payment:	No downpayment is required. Applicant cannot have 20% of purchase price in liquid assets.
Closing Cost:	Closing costs can be included in the loan up to the appraised value. No limit to seller contributions of closing costs.
Gift Funds:	Gift funds may be contributed to closing costs.
Eligible Properties:	Properties must be the principal residence of the person applying for the loan. It must be located in rural areas with populations 10,000 or less and MSA populations not to exceed 20,000. For maps of ineligible areas refer to the website.
Maximum Loan Amount:	No maximum loan amount. Applicants must be under the income limit and within ratio guidelines.
Borrower Income Requirements:	Income limits vary by county and by the number of occupants who will live in the home. Eligible income is the total adjusted income of the household.
Underwriting Ratios:	Principal, interest, taxes and insurance (PITI) cannot exceed 29% of the families qualifying income. The monthly payments of the families total debt (TD) cannot exceed 41% of the families qualifying income.
Buydowns:	2/1 buydowns are available to qualified borrowers.
Assumable:	No.
Prepayment Penalty:	None
Subject to Recapture:	No.
Homebuyer Education:	Not required.
Mortgage Insurance:	No monthly mortgage insurance premium.
Seller Contributions:	None required, but borrower may have to contribute to closing costs.
Credit History:	Unlimited.
Payment Reserves:	Acceptable credit required.
Geographic Restrictions:	None required.

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Other:	Loan are limited to homes in rural areas. Ineligible areas may be found at in rural areas. Ineligible areas may be found at the website.
Web site about loan:	http://www.rurdev.usda.gov/tn
Web site with list of lenders:	http://www.rurdev.usda.gov/tn

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Name of Loan:	VA Loan
Description of Program:	The Department of Veterans Affairs guarantees loans made by private lenders. Veterans must apply to a lender and if approved for a loan, the VA will guarantee part of it. Veterans who had a VA loan before may still have "remaining entitlement" to use for another VA loan.
Length and terms:	30 year loan; may selecte fixed-rate, graduated payment, or growing equity
Down Payment:	No downpayment is required in most cases.
Closing Cost:	There is a limitation on the buyer's closing costs.
Eligible Properties:	A VA-guaranteed loan can be used to buy a home (including townhouse or condominium unit in a VA-approved project); to build a home; to simultaneously purchase and improve a home; to improve a home by installing energy-related features; to refinance an existing home loan up to 90 percent of the VA-established reasonable value or to refinance an existing VA loan to reduce the interest rate: or to buy a manufactured home and/or lot. The property must be owner-occupied.
Maximum Loan Amount:	The loan maximum may be up to 100 percent of the VA-established reasonable value of the property. Due to secondary market requirements, however, loans generally may not exceed \$240,000.
Borrower Income Requirements:	To determine if a veteran is eligible for a VA loan, contact the Department of Veterans Affairs. The borrower must obtain a Certificate of Eligibility to prove to the lender that he is eligilble.
Prepayment Penalty:	No prepayment penalty
Mortgage Insurance:	No monthly mortgage insurance premium.
Other:	The lender must contact the VA to obtain an appraisal.
Web site about loan:	http://www.homeloans.va.gov/lgyinfo.htm
Web site with list of lenders:	http://www.homeloans.va.gov/mortlen1.htm