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Homeownership Choices, New Start

THDA offers affordable mortgages and down payment assistance to first-time homebuyers. A first-time homebuyer is considered as anyone who has not owned their principal residence in the last three years. Anyone buying in special targeted areas or an honorably discharged or re-enlisted veteran are exempt from the first-time homebuyer requirement. The New Start Program, reserved for non-profit housing providers, offers a 0% interest rate.

The New Start Loan Program is designed to promote the construction of new homes for very low-income Tennesseans. The New Start Loan Program is delivered through non-profit organizations with established programs for the construction of single family housing for low and very low income households. The non-profit organization selects the homebuyer, determines eligibility, constructs the home, provides homebuyer education, originates, processes, closes and services the New Start Program Loan. New Start Program Loans have loan terms up to thirty years and are secured by a first lien on the property purchased. A 0% rate is available to borrowers who have a maximum family income of $32,760, with a maximum loan amount equal to the lesser of 75% of the value of the property or the applicable county limit for the Homeownership Choices Program. An interest rate equal to one-half of the current interest rate for Great Rate Program Loans is available to borrowers who have a maximum family income of $38,150, with a maximum loan amount equal to the lesser of 75% of the value of the property or the applicable county limit for the Homeownership Choices Program. All other THDA Program Loan requirements remain applicable.

For more information, please contact Ed Lozier, Single Family Production Coordinator, (615) 815-2082 or elozier@thda.org.