

# THDA Frequently Asked Questions

Q: Where can I find a glossary of housing terms?

A: [Click Here](#) for THDA's glossary of housing terms. The U.S. Department of Housing & Urban Development also has a more exhaustive glossary of housing terms. To visit the HUD website [click here](#).

## Single Family Programs

### Homeownership Choices

Q: What are the interest rates?

A: The interest rates vary from time to time. To view the most current available interest rate [click here](#).

Q: How do I find a lender?

A: THDA's business development director is always making new contacts and training new lenders to do THDA loans. You can find a full list of approved lenders by [clicking here](#).

Q: How do I find a home?

A: THDA's business development director works with area Realtors® across the state to provide THDA mortgage training. The first step in finding a home would be establishing a relationship with a Realtor®. [Click here](#) to find a list of THDA-trained Realtors®.

Q: How much home can I buy?

A: THDA borrowers qualify for a THDA mortgage based on two requirements: income limits and acquisition limits. Both numbers are a determining factor on how much home you can purchase and these figures can vary from county to county. To find out what your income and acquisition limits are in your county [click here](#).

### Homebuyer Education

Q: Do I have to take the class to close on my loan?

A: THDA requires homebuyer education for all Great Start and Great Advantage program applicants and encourages it for everyone considering homeownership. THDA's purpose not only is to assist people with purchasing homes, but also to help them become long-term, successful homeowners.

Q: How much does the class cost?

A: THDA's approved trainers offer inexpensive classes; some trainers return the cost upon class completion. You can find a class near you by [clicking here](#).

Q: How long is the certification effective for a mortgage application?

A: Once the class has been completed, the certification is good for one year.

Q: How do I become a Homebuyer Education Trainer?

A: If you are interested in becoming a Homebuyer Education Trainer, you can locate and contact one of THDA's certified trainers for details by [clicking here](#).

## **Foreclosure Prevention**

Q: My home is being foreclosed on, can you help?

A: You can contact one of THDA's certified foreclosure prevention counselors to learn if you are a candidate for loan modification. To find an approved counselor [click here](#).

Q: How can a counselor help?

A: THDA has provides training and helps with administrative costs for nonprofit organizations to assist you in your struggles with your current loan. If contact is made before the foreclosure process has begun, the approved credit counselors can provide you with guidance on the steps you need to take to best resolve your situation. If necessary, these counselors can serve as mediators for you with your mortgage company, allowing you to avoid some of the frustrations that often come with making difficult decisions.

Q: What if I am not in foreclosure yet?

A: If you are not in foreclosure, but know that you are reaching a point where you will no longer be able to make your mortgage payment, a credit counselor can offer guidance and options to assist in resolving your issues. Hopefully a loan modification will be an option, or if you have an adjustable rate mortgage and can qualify for a THDA loan, you can inquire through your local lender about refinancing with THDA.

## **BUILD Loan Program**

Q: What is the BUILD Loan Program?

A: The purpose of the BUILD Loan Program is to make low interest short term loans available to eligible nonprofit organizations to help them meet the housing needs Tennesseans of low and very low income by engaging in eligible low-income housing activities. The loans may be secured or unsecured depending on the proposed activity.

Q: What are the eligibility requirements?

A: Generally, to be eligible to apply for a BUILD Loan, the nonprofit organization must:

- Be organized under Tennessee law
- Have an IRS designation under Section 501(c)3 of the federal tax code.
- Be dedicated to the purpose of creating affordable housing for households of low- and very low-income. [Click here](#) for complete details.

Q: What activities are eligible?

A: BUILD Loan funds must be used for operating and program expenses incurred to create affordable housing opportunities for low- and very low-income households.

## **Community Programs**

### **HOME Program**

Q: What is the HOME Program?

A: HOME is a federally-funded program administered to promote the production, preservation and rehabilitation of housing for low income households. HOME funds are awarded annually through a competitive application process to cities, counties and nonprofit organizations outside the Local Participating Jurisdictions (LPJs). LPJs are those local governments in Tennessee that receive HOME funds directly from the US Dept of Housing and Urban Development. The LPJs are Clarksville, Chattanooga, Jackson, Knoxville, Memphis, Nashville-Davidson County, Knox County, Shelby County, and the Northeast Tennessee/Virginia Consortium (Bristol, Kingsport, Johnson City, Bluff City, Sullivan County and Washington County). Eligible

housing activities include homeowner rehabilitation, homeownership programs and rental programs. The HOME Program also provides grants to nonprofits specifically for special needs populations, including individual and/or families dealing with physical disabilities, mental illness or development disabilities.

Q: What are the eligibility requirements?

A: To become eligible for a HOME grant, an individual must be of low- or very low-income and must live within a city or town or region that has been awarded HOME funds or served by a nonprofit that has been awarded HOME funds. Each of the eligible housing activities has specific program requirements established by the HOME regulations.

Q: How do I apply?

A: An individual would apply with the nonprofit or the community that received the HOME grant. There is generally a public meeting to announce the program and set the procedures for receiving applications. To determine if there is a HOME grant in your area, [contact THDA](#) for information, or [click here](#) to check the program page.

### **Community Investment Tax Credit (CITC)**

Q: What is CITC?

A: Financial institutions may obtain a 3%, 5% or 10% credit against the sum total of taxes imposed by the Franchise and Excise Tax Laws when qualified loans, investments, grants or contributions are extended to eligible housing entities for engaging in eligible low-income housing activities. The amount of the credit can be applied one time based on the total amount of the loan, investment, grant, or contribution; or the credit may be applied annually for qualified loans and qualified low rate loans based on the unpaid principal balance of the loan. Credits are approved and awarded by the Tennessee Department of Revenue.

Q: What are eligible activities?

A: 1. Activities that create or preserve affordable housing for Tennesseans of low income.  
2. Activities that assist Tennesseans of low income in obtaining safe and affordable housing.  
3. Activities that build the capacity of an eligible nonprofit organization to provide housing opportunities for Tennesseans of low income.  
4. Any other low-income housing related activity approved by the THDA Executive Director and the Commissioner of Revenue.

Q: What are eligible housing entities?

A: 1. Tennessee-based nonprofit organizations with an Internal Revenue Code 501 (c) 3 status  
2. Public Housing Authorities  
3. Development Districts  
4. Tennessee Housing Development Agency

### **Housing Trust Fund Programs**

#### **Emergency Repair Program (ERP)**

Q: What is the Emergency Repair Program (ERP)?

A: ERP provides grants to low-income, elderly homeowners to correct, repair or replace an essential system and/or a critical structural problem. The purpose of the program is to stabilize the elderly homeowner's residence by making rapid, essential repairs to make the home livable. This is not a comprehensive homeowner rehabilitation program.

Q: What are the eligibility requirements?

A: Applicants must meet *all* of the following requirements:

- The applicant must be at least 60 years of age and must occupy the property to be repaired as her/her principal residence.
- The applicant must have an ownership interest in the property to be repaired.
- If the property to be repaired is a manufactured housing unit, it is not necessary for the elderly homeowner to own the manufactured unit and the land on which it sits; the elderly homeowner must, however, have title to the manufactured unit.
- The household income must be at or below 60% of area median income as defined by the Section 8 Rental Assistance Program.

[Click here](#) for income determination; and [click here](#) for the income limits.

Q: How do I apply?

A: ERP is administered through Tennessee's nine Development Districts. [Click here](#) to find the Development District that serves your area.

### **Housing Trust Fund (HTF) Competitive Grants Program**

Q: What is the HTF Competitive Grants Program?

A: HTF is a grant program established to address the housing needs of the very low-income, the elderly and special needs populations of Tennessee through grants to local governments, nonprofit agencies, development districts, public housing authorities or other Departments of State Government.

Q: What are the eligibility requirements?

A: To become eligible for an HTF Competitive Grant, an individual must be very low-income and must live within a community or in an area served by an agency that has been awarded an HTF Competitive Grant. Each of the eligible housing activities has specific program requirements. Individuals may contact THDA or the HTF grant recipient in their area for specific program requirements.

Q: How do I apply?

A: An individual would apply with the entity that received the HTF Competitive Grant. There is generally a public meeting to announce the program and set the procedures for receiving applications. To determine if there are HTF funds in your area, [contact THDA](#).

## **Rental Assistance Programs**

### **Housing Choice Voucher (HCV)**

Q: How do I get on the waiting list?

A: The Section 8 Housing Choice Voucher (HCV) program is a federally-funded program with limited funding. Applications are taken only when waiting lists are open. You can complete an application online by [clicking here](#).

Q: How do I check the waiting list?

A: You can check your area's waiting list by [clicking here](#).

Q: What counties do you serve?

A: THDA serves 76 counties across the state. We do not serve the larger metropolitan areas that receive their own vouchers such as: Davidson, Hamilton and Shelby counties. For a list of the counties not served by THDA [click here](#).

Q: How do I find a place to use my voucher?

A: THDA maintains a list of available apartments, duplexes and single-family homes that can be accessed through [www.TNHousingSearch.org](http://www.TNHousingSearch.org). This site is constantly changing due to rental units being added frequently.

Q: Do you have emergency housing?

A: THDA does not have emergency shelter. For access to available emergency shelters in your area log onto [www.TNHousingResource.org](http://www.TNHousingResource.org). This site is constantly changing due to resource options being added frequently.

### **Family Self Sufficiency (FSS)**

Q: What is Family Self Sufficiency (FSS)?

A: THDA staff works with families to create step-by-step plans that lead to economic independence. The purpose of the FSS program is to facilitate access to the supportive services to assist families who want to become free of public assistance.

Q: Do you have to be on Section 8?

A: To participate, you must be on the HCV program. All HCV families are eligible to participate in the FSS program. To learn more [click here](#).

## **Multifamily Programs**

### **Low Income Housing Tax Credits**

Q: What are Low Income Housing Tax Credits?

A: The Low Income Housing Tax Credit Program is a credit against federal income tax liability each year for 10 years for owners and investors in low-income rental housing. The amount of tax credits is based on reasonable costs of development, as determined by THDA, and the number of qualified low-income units.

Q: How do I get tax credits?

A: To be eligible for tax credits, a development must have a minimum of either 20% of its units occupied by households with incomes no greater than 50% of area median income or 40% of its units occupied by households with incomes no greater than 60% of area median income. Income limits are adjusted for household size. Maximum rents are established for each size of unit, not to exceed 30% of the area maximum income for specified household sizes (utilities are considered part of rent if paid by the owner). All requirements of the relevant qualified allocation plan developed by THDA and approved by the Governor must also be met. To locate the most current version of the Qualified Allocated Plan [click here](#).

Q: How can I get the THDA Board of Directors to consider different guidelines?

A: A draft of the Qualified Allocated Plan is posted each year in October. There are workshops held by the Multifamily division staff to discuss changes and allow developers and investors to make comments which are submitted to THDA's Board of Directors for review before the final version is posted in January. To find a Board Member in your area [click here](#).

### **Project-Based Contract Administration**

Q: What is the Project-Based Contract Administration Program?

A: This is a performance based contract that THDA has with the US Department of Housing and Urban Development (HUD) for oversight of properties with Section 8 Housing Assistance Payment Contracts. The

Section 8 Contract Administration Division is responsible for the majority of HUD's Performance Based Section 8 properties in Tennessee and is also a traditional contract administrator for a small portfolio of Performance Based Section 8 properties for which THDA is the mortgage holder. For more details about this program [click here](#).

Q: Where are these properties located?

A: There are properties available all across the state and you can locate them by [clicking here](#) and entering the county.

Q: How do I file a complaint?

A: Complaints should be filed by contacting THDA at 1-800-314-9320, Monday through Friday, 8 a.m. - 4:30 p.m. or sending an [email](#). If you would like more detail about resident issues that cannot be processed by THDA, [click here](#).

### **Program Compliance**

Q: What does the Program Compliance Division do?

A: THDA's Program Compliance Division monitors properties that must commit to a compliance period to maintain funding levels. To learn more about the Program Compliance Division contact Donna Duarte, THDA's director of Program Compliance at 615-815-2210 or by [email](#).

Q: What properties does Program Compliance monitor?

A: The Program Compliance Division monitors federally- funded programs such as HOME, Low Income Housing Tax Credits and the Project Based properties. For more details regarding the compliance monitoring for each of these program [click here](#). A list of properties that are currently being monitored can be provided to you by contacting Terry Malone at 615-815-2213 or by [email](#).

Q: Where can I find the most up-to-date HUD forms?

A: The most up to date HUD forms can be found in the two following places:

- <http://www.hud.gov> - go to 'A-Z Index' in top right corner, go to 'F' and click on Forms.
- <http://www.hudclips.org> - go to 'Forms' in top right corner

On both sites, the forms are searchable by form number.

### **Discrimination, Housing and Banking Complaints**

Q. How do I file a complaint if I believe I have been discriminated against in housing?

A: If you believe you have been discriminated against in housing you may file a complaint, at no cost, with your local **Tennessee Human Rights Commission** office. Complaints must be filed with the Commission within 180 days of the last discriminatory act. Complaint forms, office locations and a list of frequently asked questions may be located on the Tennessee Human Rights Commission website at [www.state.tn.us/humanrights](http://www.state.tn.us/humanrights).

Q. How do I file a complaint against banks, trust companies, credit unions, industrial loans and thrift offices, insurance premium finance companies, mortgage companies, check cashers, deferred presentment service companies, title pledge lenders and money transmitters?

A. If you would like to file a complaint against a financial institution, visit the Department of Financial Institutions at [www.tennessee.gov/tdfi/crd/complaintprocess.html](http://www.tennessee.gov/tdfi/crd/complaintprocess.html).