

TENNESSEE HOUSING DEVELOPMENT AGENCY
RECAP OF TCAP & SECTION 1602 WORKSHOP
AUGUST 20, 2009

- ❖ Reservation Notices for applicants successful in the May 1, 2009 round will have 2-part response
 - Part 1 will be due approximately 10 business days from date of Reservation Notice issuance and will require:
 - Acceptance of Reservation Notice
 - Payment of Reservation Fee
 - Firm commitment from syndicator
 - TCAP application (if TCAP funds are sought)
 - Part 2 will be due approximately 20 business days from date of Reservation Notice issuance and will require:
 - All other items indicated in the Reservation Notice
- ❖ Federal Crosscutting requirements
 - THDA is responsible for review of information
 - TCAP/Section 1602 recipients unfamiliar with these requirements strongly encouraged to engage competent professional advisor
 - THDA is developing an “Affirmatively Furthering Fair Housing Plan” that TCAP/Section 1602 recipients will be required to comply with. This will be posted online at www.thda.org when available.
- ❖ Timeframe for setting closings
 - Closing documents are in process
 - Portions of closing documents must be approved by State Office of Contract Review
 - Following THDA determination that file is complete and satisfactory, closing will be within 30 days
- ❖ TCAP loan terms
 - 0.0% interest
 - 15-year term concurrent with LIHTC compliance period
 - No forgiveness
 - Default triggers repayment of full amount
- ❖ Section 1602 loan terms
 - 0.0% interest
 - 15-year term concurrent with LIHTC compliance period
 - 6.667% forgiveness for each year without default
 - Default triggers repayment of unforgiven amount
- ❖ Draw process
 - THDA is developing a process for approval and processing of draw requests. As more information becomes available, it will be posted online at www.thda.org.
- ❖ Federal reporting requirements
 - Handout from workshop posted online at www.thda.org
- ❖ Additional THDA responsibilities
 - Asset management (involves more than current compliance monitoring responsibilities)
 - Draw management
 - Construction management
- ❖ Additional issues/questions raised
 - THDA is developing responses to additional issues/questions raised at the workshop. As more information becomes available, it will be posted online at www.thda.org.