

THDA Programs

1. Development Program
2. Mortgage Program
3. Community Program

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Development Programs

LIHC

Low-Income Housing Credit Program

The federally-allocated LIHC Program is the key policy tool for preserving and expanding the supply of affordable rental housing in Tennessee

MTBA

Multifamily Tax-Exempt Bond Authority

THDA issues Multifamily Tax-Exempt Bond Authority, more commonly known as Private Activity Bonds, to preserve and expand the supply of rental housing in Tennessee

LIHC

Critical Points

1. Incentivizes development with a tax credit adjustment to owner
2. The owner exchanges the tax credit for funds used to offset development costs
3. The tax credit funding allows the development to carry a lower mortgage
4. The lower mortgage allows the owner to set affordable rents less than 60% of area median income
5. Medium and lower income residents are able to rent without being cost burdened
6. The owner agrees to maintain the lower rents for a 30-year period

Multi-family Bonds

Critical Points

1. Using bonds as a financing tool is more expensive than standard conventional financing
2. If the amount of bonds is $\geq 50\%$ of the eligible costs of land and construction, the owner receives non-competitive low-income housing credits
3. The owner will exchange the LIHC to offset development costs; allowing the owner to set affordable rents less than 60% of the area median income
4. Medium and lower income residents are able to rent without being cost burdened
5. The owner agrees to maintain the lower rents for a 30-year period

Mortgage Programs

Great Choice HOME LOANS

- First-time homebuyer
- 30-year fixed rate loan
- Discounts for Military and Veterans
- FHA, VA, or USDA-RD insured

Freddie Mac HFA Advantage®

- NO First-time homebuyer requirement
- Lowest mortgage insurance rate offered for a Freddie Mac conventional product with high LTV.

Down payment Assistance

6% OR
\$6000

DOWN PAYMENT
ASSISTANCE AVAILABLE

Great Choice
HOME LOANS

Tennessee Housing
Development Agency

98% of THDA
borrowers
use the DPA
program

Community Programs

HOME

The federally-funded HOME Program promotes the production, preservation, and rehabilitation of housing for low-income households

The state receives approximately \$15 million annually

1. Homeowner Rehabilitation
2. CHDO Development for Homeownership
3. Down Payment Assistance
4. Development of Rental Housing



Community Programs

National Housing Trust Fund

Public Housing Authorities and non-profit entities may compete for NHTF grants to provide rental housing for extremely low income (ELI) households.

THDA currently receives approximately \$8.5 million annually

1. ELI households are at or below of 30% area median income.



THANK YOU

You can find additional details on THDA.ORG