



Down Payment Assistance Program Underwriting Checklist

By completing this form, the first mortgage lender verifies the client meets the following THF underwriting criteria for down payment/closing cost assistance loans.

<input type="checkbox"/>	Discount and Origination points cannot exceed 2% combined.
<input type="checkbox"/>	Closing costs cannot exceed 4% of the sales price of the home, excluding PMI, pre-paids, and title insurance.
<input type="checkbox"/>	First mortgage interest rate must be within 1% of the current FHA rate.
<input type="checkbox"/>	Loan-to-Value of first mortgage does not exceed 100%.
<input type="checkbox"/>	The Housing Fund second mortgage can be used with FHA, VA, USDA or conforming conventional first mortgages in Tennessee. Income limits vary by county and MSA.
<input type="checkbox"/>	For loan requests under \$10,000, the minimum middle credit score is 600. For requests of \$10,000 or above, a minimum middle credit score of 620 is required.
<input type="checkbox"/>	There may be no 60 or 90 day delinquencies within the past 12 months; and no more than two 30-day delinquencies in the past 12 months.
<input type="checkbox"/>	All non-medical collections, charge-offs, and judgments must be paid in full.
<input type="checkbox"/>	Medical collections must have a repayment history established for 6 months or must be paid in full.
<input type="checkbox"/>	A Chapter 7 bankruptcy must have been discharged for 3 years.
<input type="checkbox"/>	A Chapter 13 bankruptcy must have been discharged for 1 year.
<input type="checkbox"/>	Applicant has been on present job 120 days or more. Periods of unemployment exceeding 30 days are explained in writing.
<input type="checkbox"/>	Debt-to-Income/Back end ratio does not exceed 45%.
<input type="checkbox"/>	CLTV of first mortgage and THF loan does not exceed 104%.
<input type="checkbox"/>	First mortgage lender is FHA approved in Tennessee.
<input type="checkbox"/>	All borrowers have completed a THDA-approved Homebuyer Education Course.

<hr/> <i>Applicant Name</i>	<hr/> <i>Co-applicant Name</i>
<hr/> <i>Lender Representative Name (please print)</i>	<hr/> <i>Financial Institution</i>
<hr/> <i>Signature</i>	<hr/> <i>Date</i>