

Tennessee Housing Development Agency (THDA)

Disclosure of Loan Terms for Great Choice Plus Second Mortgage Loan

I acknowledge that I am applying for assistance from Tennessee Housing Development Agency (THDA) in the form of a second mortgage loan, the Great Choice Plus, to utilize for down payment and/ or closing costs assistance.

This disclosure form is required to be presented to me by the Originating Agent before settlement and/ or closing of the mortgage when a Good Faith Estimate (GSE) on the second mortgage loan is not provided.

On October 10, 2010, the Secretary of HUD issued a special notice to lenders and Housing Finance Agencies (HFAs) entitled "Exemptions from Coverage Under Sections 4 and 5 of RESPA for Certain Subordinate Loans Provided By Assistance Programs for Low-and Moderate Income People". This Disclosure is required under that Exemption if a GFE/HUD-1 is not provided on the subordinate second mortgage loan, (the Great Choice Plus Second Mortgage Loan).

As a Borrower under this program, I understand that the Great Choice Plus second mortgage loan has the following terms and conditions as explained by my originating lender:

- The term of the Great Choice Plus second mortgage loan is 15 years with a forgiveness feature in years 11 through 15.
- The interest rate is 0% and is non-amortizing, therefore having no required monthly payment.
- There are no costs or fees charged by THDA and the APR will be 0%.
- A good Faith Estimate (GFE) is not required for the Great Choice Plus second mortgage loan (if this form is provided prior to closing and signed by the borrower).
- Any portion of the Great Choice Plus second mortgage loan not yet forgiven under the terms of the Great Choice Plus Note is required to be repaid upon sale or refinance of my Great Choice first mortgage loan.
- If I have any questions about the Great Choice Plus Second Mortgage Loan I am encouraged to ask my lender or contact THDA for additional information at SFask@thda.org or 1-615-815-2100.

Borrower

Date

Co-Borrower

Date