



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph Perrey
Executive Director

To: Ralph M. Perrey, Executive Director
From: Bill Lord, Director of Community Housing
Don Watt, Chief Program Officer
Date: September 3, 2026
Subject: 2026 HOME Rental Development Program Funding Recommendations

Recommendations:

THDA received seven applications requesting \$8,524,835.40 in 2026 HOME Rental Development Program funds to create 48 rental units. Per the 2026 Program Description, available funding was required to be awarded by the highest score first by Grand Division and then without regard to location. However, only one application passed Threshold Review and was eligible for scoring and funding; however, all applications were scored.

Staff recommend the award of \$1,500,000 to Appalachian Home and Health to rehabilitate five units of affordable housing in Morgan County.

Reasons for the remaining application that did not pass threshold are provided on the matrix.

Staff plan to request issuance of a Round Two of Funding under this Program Description at the November Board meeting.



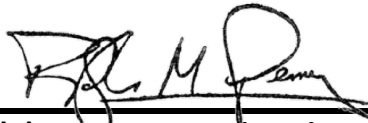
2026 HOME Rental Development Program Matrix

APPLICATION SCORING														2026 Program Funds:			\$4,486,758.00
	County	Grand Division	Project Funds Requested	Total Funds Requested	# of HOME Units	Program Design and Planning	Capacity and Experience	Need	Areas of Opportunity	CHDO Designation	Rural Designation	Projects Outside PJ	Designated Distressed Counties	Qualified Match Exceeding 40%	Total Score	Project Funds Awarded	Project Funds Remaining
APPLICATIONS PASSING THRESHOLD:																	
EAST GRAND DIVISION																	
Appalachian Home and Health	Morgan	E	\$1,500,000.00	\$1,500,000.00	5	33	30	3	1	0	3	5	0	0	75	\$1,500,000.00	\$2,986,758.00
MIDDLE GRAND DIVISION																	
None																	
WEST GRAND DIVISION																	
None																	
APPLICATIONS NOT PASSING																	
Manchester Housing Authority	Coffee	M	\$1,500,000.00	\$1,500,000.00	10	32	30	2	6	0	0	5	0	0	75	\$0.00	\$2,986,758.00
Greater Kingsport Alliance for Development	Sullivan	E	\$1,436,416.40	\$1,436,416.40	8	35	28	3	4	0	0	0	0	0	70	\$0.00	\$2,986,758.00
The Tag C Corporation	Henderson	W	\$1,500,000.00	\$1,500,000.00	6	17	25	4	3	0	5	5	0	0	59	\$0.00	\$2,986,758.00
Tennessee Housing Development Corporation	Madison	W	\$1,500,000.00	\$1,500,000.00	8	17	30	4	2	0	0	0	0	0	53	\$0.00	\$2,986,758.00
Community Options	Davidson	M	\$338,419.00	\$338,419.00	1	22	22	3	0	0	0	0	0	5	52	\$0.00	\$2,986,758.00
Black Diamond Development	Davidson	M	\$750,000.00	\$750,000.00	10	17	24	3	1	0	0	0	0	0	45	\$0.00	\$2,986,758.00

REASON FOR APPLICATIONS NOT PASSING THRESHOLD REVIEW:

Applicant	Reason:
Black Diamond Development	Did Not Pass General and Financial Underwriting Threshold Reviews: Did not earn a score that equals at least 60% of the total points available. HOME Rent requirements not met. Operating budget does not include the required 20% of units at Low HOME Rent level.
Community Options	Did Not Pass General Threshold Review: Did not earn a score that equals at least 60% of the total points available.
Greater Kingsport Alliance for Development	Did Not Pass Financial Underwriting Reviews: HOME Rents exceeded for all units.
Manchester Housing Authority	Did Not Pass Financial Underwriting Threshold Review: Operating budget does not include the required 20% of units at Low HOME Rent level.
Tennessee Housing Development Corporation	Did Not Pass General and Financial Underwriting Threshold Reviews - Did not earn a score that equals at least 60% of the total points available. Operating budget does not include the required 20% of units at Low HOME Rent level. Rent income mis-stated.
The Tag C Corporation	Did Not Pass General and Financial Underwriting Threshold Reviews - Missing documentation. HOME amount requested does not equal amount needed in underwriting. No terms for seller note and deferred developer fee. Cannot determine supportable debt.

	Number	Units	Funds Requested
Applications Received:	7	48	\$8,524,835.40
Applications Awarded:	1	5	\$1,500,000.00



Ralph Perrey, Executive Director