



TDHCA

HOMEBUYER PROGRAM

Texas Department of Housing & Community Affairs



TDHCA LENDER TRAINING

welcomehome.tdhca.texas.gov

Permanent Rate Buydown

Effective March 16th, 2026



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HOMEBUYER PROGRAM

Program Eligibility

- Only allowed under the My Choice Texas programs
 - My Choice Government Loans
 - My Choice Conventional Loans
- **Not permitted** under My First Texas Home programs
- Down payment assistance (DPA) funds may **NOT** be used to pay any buydown costs or fees



Two-Day Window

- A permanent buydown must be requested by 3:00 P.M. on the second business day from loan reservation.
- A permanent buydown must be accepted by 3:00 P.M. on the second business day from loan reservation.
- Quote window: 9:00 A.M. – 3:00 P.M. CST, Monday–Friday^{*}

^{*}Excludes federal holidays



Timing and Quote Expectations

- Hilltop (HTS) emails the quote to the contact listed on the request form found in the lender portal as soon as possible.
- Pricing is based on the date and time the loan was reserved/locked in the Lender Portal
- Deadline to accept the quote is 3:00 P.M. CST on the second business day from the loan reservation date.



Late Fees

- Requesting, accepting **or** cancelling a buydown after the 3:00 P.M. deadline (second business day from reservation) results in late fee of 1.00% of the total loan amount in addition to all applicable buydown costs.



NO EXCEPTIONS

Late Fees Example

Action	Date/Time	Fees Incurred
Rate Locked (2-day window starts)	3-9-26 @ 2:30 P.M.	N/A
Quote Requested (Before deadline 3-11-26 @ 3:00 P.M.)	3-10-26 @12:00 P.M.	N/A
HTS Emails Quotes to Lender	3-10-26 ASAP upon Receipt	N/A
Lender Accepts Quote (On Time)	3-11-26 by 3:00 P.M. (Deadline)	Buydown Fee (quoted)
Lender Accepts Quote (Late)	3-11-26 After 3:00 P.M. (*Request New Pricing)	Buydown Fee (if new quote accepted) + 1% Late Fee
Cancels Accepted Quote (On Time)	3-11-26 Before 3:00 P.M.	No Fee
Cancels Accepted Quote (Late)	3-11-26 After 3:00 P.M.	1% Fee



* Initial quote is automatically invalid
2-day window process starts over

NO EXCEPTIONS


Late Fees – Late Quote Request

Action	Date/Time	Fees Incurred
Rate Locked (2-day window starts)	3-9-26 @ 2:30 P.M.	N/A
Quote Requested (After deadline 3-11-26 @ 3:00 P.M.)	3-12-26 @ 10:00 A.M.	1% Late Fee (If Quote Accepted)
HTS Emails Quote to Lender	3-12-26 ASAP upon Receipt	N/A
Lender Accepts Quote (Before new deadline 3-14-26 @ 3:00 P.M.)	3-14-26 By 3:00 P.M.	Buydown Fee (quoted)+ 1% Late Fee
Cancel Accepted Quote (After new deadline 3-14-26 @ 3:00 P.M.)	3-14-26 By 3:00 P.M.	1% Late Fee



NO EXCEPTIONS

How to Request a Permanent Buydown

- Immediately after reserving the loan:
 - Complete the Buydown Request Form located in the Lender Portal
 - Search borrower, click on PDF Docs icon 
 - Email form to TDHCABuydown@HilltopSecurities.com.



<input type="checkbox"/>	Document Name
<input type="checkbox"/>	Underwriter Certification Form
<input type="checkbox"/>	Notice to Buyers - Notice of Potential Recapture
<input type="checkbox"/>	Loan Delivery Instructions
<input type="checkbox"/>	Pre-Closing Extension Form
<input type="checkbox"/>	Permanent Buydown Form - MY CHOICE ONLY

How to Request a Permanent Buydown

- All fields will auto-populate except the pricing range requested and contact.
- Enter Start and End Range
- Enter Contact information
- Submit completed form



PERMANENT BUYDOWN REQUEST FORM

My Choice Texas Home ONLY*

**Buydowns are not permitted under the My First Home program*



TIME SENSITIVE – Read Carefully Before Submitting

Full permanent rate buydown lock policy details can be found in the TDHCA Lender Guidelines

Buydown quotes are available 9:00 a.m.–3:00 p.m. CST, Monday–Friday (excluding holidays). Email requests to TDHCABuydown@HilltopSecurities.com within two business days of reservation to avoid a fee.

TDHCA Loan ID Number:	C481141115555
Program Code:	011
TMS Servicer ID Number:	5111111
Borrower Name:	JOHN DOE & JANE DOE
Original Lock Date (MM/DD/YYYY):	4/1/2026
Total Loan Amount (\$):	\$100,000
Original Lock Rate (%):	6.500%
Buydown Pricing Range - Start Rate (%)	6.375%
Buydown Pricing Range – End Rate (%)	6.000%
Lender Contact Full Name:	MARY SMITH
Lender Contact Email Address:	MARY.SMITH@ABCLENDER.COM

How to Request a Permanent Buydown

All policies are listed
on bottom of Request
Form

The buydown request and acceptance must occur **within two business days of the Original Lock Date, with a response required no later than 3:00 p.m. CST on the second business day** or a 1.00% fee will apply. Down payment assistance funds cannot be used for buydown costs or fees.

- **Loan Changes:** If a permanent buydown was accepted within the initial two-business-day window and the lender later requests program changes, a new buydown quote must be obtained and accepted within two business days of the program change, with a response required no later than 3:00 p.m. CST on the second business day.
- **Cancellation:** If a buydown rate option has been accepted and not cancelled within the two-business day window, the 1.00% fee will still be assessed.
- **Fees:** Permanent buydown fees will be netted out at loan purchase by the Master Servicer and reflected on the Purchase Advise.

You will receive a time sensitive email from TDHCABuydown@HilltopSecurities.com with the buydown quote. **Please respond to the email with the pricing you are accepting within two business days of the Original Lock Date with a response required no later than 3:00 p.m. CST on the second business day.**



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Buydown Rate Options

- Email Notification to Lender

Subject RE: BUYDOWN RATE OPTIONS

Hello – Based on your request for a rate buydown, please see the pricing options below.
Please reply with your rate choice for processing by the expiration date below.

Reservation: C48004004088
Locked Rate: 6.750
Locked Date: 2/13/2026
Buydown Quote Expiration: 2/18/2026 3 PM (CST)
Contact: TestLenderContact1
Late Fee Charged: 0%

Buydown Rate	Buydown Fee	Buydown Fee (\$)
5.500	5.38312	\$8,721.25
5.625	4.84512	\$7,849.64
5.750	3.94453	\$6,390.57
5.875	3.34153	\$5,413.65



TDHCABuydown@HilltopSecurities.com

Buydown *Rate Confirmation*

- Email Confirmation to Lender

Hello – Per your acceptance of the buydown rate quote, the rate has been changed in the system. Please allow a few minutes for the system to update before reprinting your reservation confirmation.

Reservation:	C48004004088
Buydown Rate:	5.875%
Buydown Fee \$:	\$5,413.65
Late Fee Charged:	0%



Program Changes After a Buydown Is Accepted

- Any change triggers a new buydown request and the process begins again.
- Prior to closing, if a lender makes a program change after accepting a buydown, the original buydown becomes invalid.
- Process starts over – send in request form to receive new buydown quotes
- New buydown must be selected by 3:00 P.M. on the second business day from the program change.



Program Changes After a Buydown Is Accepted Example

Action	Date/Time	Fees Incurred
Rate Locked	3-9-26 @ 2:30 P.M.	N/A
Quote Requested/Accepted	3-11-26 by 3:00 P.M. (Deadline)	Buydown Fee (quoted)
Program Change Requested *	3-22-26 (New 2-Day Window Starts)	N/A
NEW Quote Requested	3-23-26 10:00 A.M	N/A
HTS Emails Quote to Lender	3-23-26 ASAP upon Receipt	N/A
Lender Emails Accepted Rate Quote	3-24-26 by 3:00 P.M.	Buydown Fee
Lender Emails Accepted Rate Quote	3-25-26 (After Deadline)	Buydown Fee + 1% Late Fee



* Initial quote is automatically invalid
2-day window process starts over

How Buydown Costs Are Calculated

- Pricing is based on the date and time the loan was reserved/locked in the TDHCA Lender Portal.
- Quotes are provided as a buydown percentage related to the requested interest rate. HTS will provide a buydown percentage for each rate within the specified range.
- An estimated dollar amount is also provided based on the original loan amount. This estimate will change when the loan amount changes.
- Final buydown cost is based on the buydown percentage applied to the final total first-lien loan amount.



Collection of Buydown Fees

- All buydown costs and any late fees are settled out by the Master Servicer (TMS) at loan purchase.



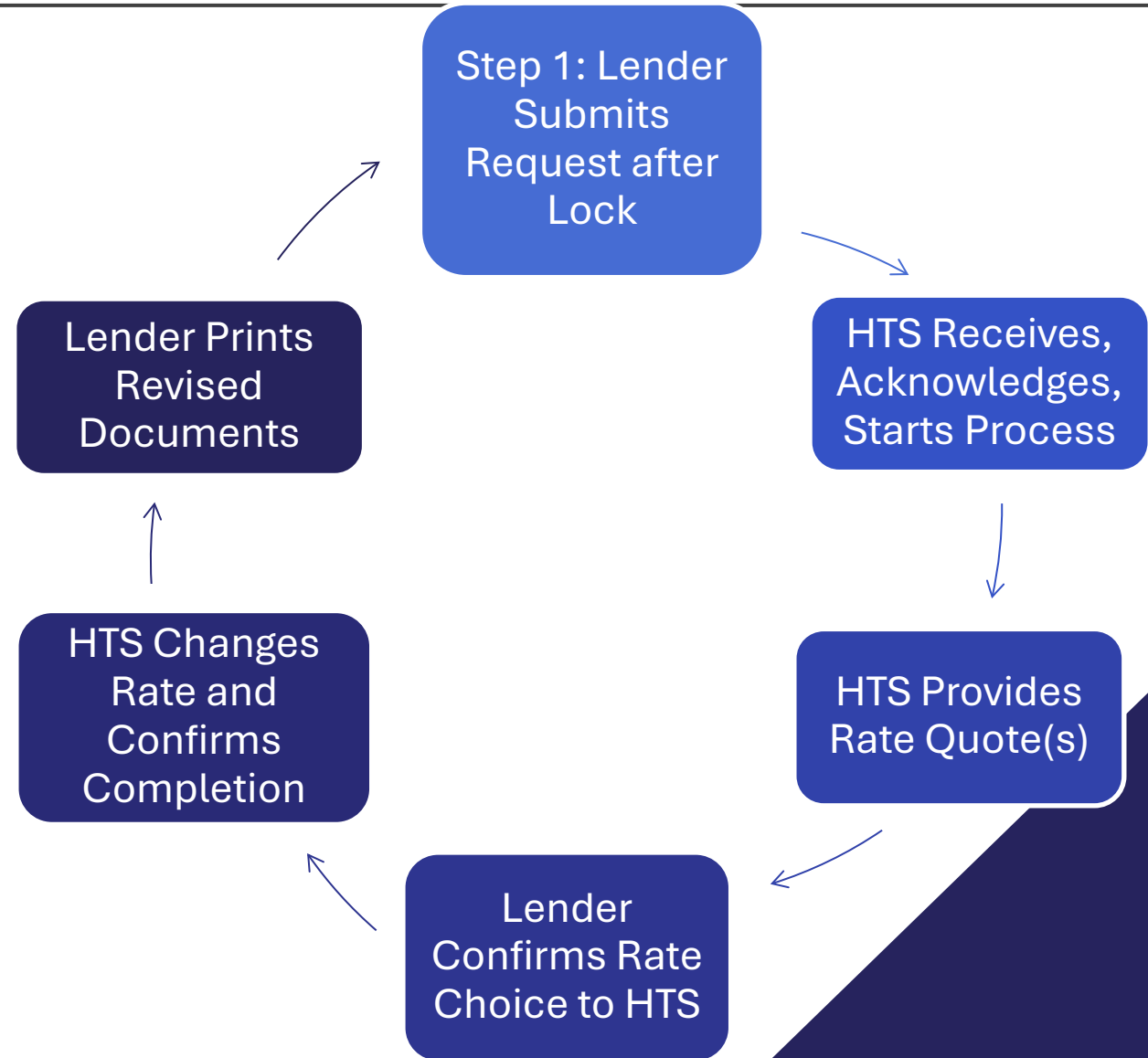
Buydown Flow Chart

Request Form found in PDF Docs Icon:

<https://www.tdhcalenderportal.com>

All Communication Via Email

TDHCABuydown@hilltopsecurities.com



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Key Takeaways - My Choice Programs Only

- Requests must be submitted **AND** accepted by 3 P.M. CST on the second business day from the lock date (2-Day Window Deadline).
- Requests submitted/accepted/cancelled after the deadline will **incur the 1% fee**
- Program changes after buydown acceptance will cancel the current buydown
 - Request process must start over (2-Day Window Deadline) with fees
- DPA funds **may not** be used to pay the fees



Questions?



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Contact Us

Hilltop Securities - Program & Compliance Administrator

TDHCA lenderSupport@HilltopSecurities.com

(214) 953-4176



The Money Source- Master Servicer

Scenarios@themoneysource.com

(866) 867-0330

<https://themoneysource.com>



Texas Department of Housing and Community Affairs - The Issuer

TxHomebuyer@tdhca.texas.gov

(800) 792-1119

welcomehome.tdhca.texas.gov



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