

Hello,

**Congratulations on your goal to becoming a Homeowner!**

Our Homebuyer 411 class is designed to connect you with information, tools and resources to simplify the home buying process for the beginner. This program helps you understand your credit so you know where you stand. Helps you develop an action plan to achieve your housing goals. Offers one-on-one counseling sessions to learning about what is affordable, keeping your finances on track, working with lenders and realtors, and down payment assistance options. We want to make sure your first experience with home ownership is successful.

The course can be found at <http://www.nwhomestart.org/ready-to-buy-a-home>

Play the video and complete the handout quiz. **This class is required before making an in person appointment with a HomeStart Housing Counselor.** Once you have completed the course, the class handout and registration packet, return all documents packet to your nearest HomeStart office.

**Rockford**

803 N. Church Street  
Rockford, IL 61103  
Ph (815) 962-2011  
Fax (815) 962-2650

**Freeport**

307 W. Main Street  
Freeport, IL 61032  
Ph (815) 232-6197  
Fax (815) 235-3560

If you have any questions or need assistance please call us at your nearest HomeStart office listed above.

We look forward to working with you!



Name: \_\_\_\_\_ Date: \_\_\_\_\_

**It is imperative that we receive copies of the items below. We cannot schedule an appointment with a Homebuyer Advisor until these items are received.**

[ ] **Homebuyer Education Demographic Tracking Information** (completed & signed)

[ ] **Picture ID/Driver's License**

[ ] **Income Verification** (most recent – **1 month** - Weekly / Bi-weekly / Monthly)

If self employed - **Profit & Loss Statement** (most recent – **6 months**)

▪ NEED: \_\_\_\_\_

▪ NEED: \_\_\_\_\_

[ ] **Checking Account Statements** (most recent – **2 months - Every numbered page**)

Cannot be an account detail; must have the bank logo on it

▪ NEED: \_\_\_\_\_

[ ] **Savings Account Statements** (most recent – **1 month - Every numbered page**)

Cannot be an account detail; must have the bank logo on it

▪ NEED: \_\_\_\_\_

[ ] **Statements of Assets Owned** (Retirement, CDs, cash value of Life Insurance)  
**or signed statement that you do not have Assets**

▪ NEED: \_\_\_\_\_

[ ] **Utility Statement**

▪ NEED: \_\_\_\_\_

[ ] **W2s** (Most recent)

▪ NEED: \_\_\_\_\_

[ ] **Income Tax Returns** (Most recent State ***and*** Federal Form 1040 Tax Returns – both with page 2 signed)

▪ NEED: \_\_\_\_\_

[ ] **Monthly Expense Sheet** (completed)

[ ] **Homeownership Counseling Disclosure Agreement, Consumer Authorization & Release, Authorization to Verify Employment, Income, Assets, and Other Information** (completed & signed)

**Please return to our office by \_\_\_\_\_.**

*If we do not receive the required documents by the above specified date, your file will be closed. Should you want to work with our agency at a later date, your file can be reopened by providing the required documents. We are confident that we can help you with your home-buying effort*

## Homebuyer Education Demographic Tracking Information

Applicant Information
Name: _____
Email: _____
Address: _____
Pending Address: _____
Phone Number: _____

<p><b>Do you currently:</b>  <input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other</p> <p><b>First time buyer:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Gender:</b>  <input type="checkbox"/> Male <input type="checkbox"/> Female</p> <p><b>Marital status:</b>  <input type="checkbox"/> Married <input type="checkbox"/> Divorced  <input type="checkbox"/> Separated <input type="checkbox"/> Widowed  <input type="checkbox"/> Single</p> <p><b>Education:</b>  <input type="checkbox"/> None  <input type="checkbox"/> Primary  <input type="checkbox"/> High school or equivalent  <input type="checkbox"/> Vocational  <input type="checkbox"/> College  <input type="checkbox"/> Post-college</p> <p><b>Referral Source:</b>  <input type="checkbox"/> Agency <input type="checkbox"/> Lender <input type="checkbox"/> Mailer  <input type="checkbox"/> Realtor <input type="checkbox"/> Walk-in  <input type="checkbox"/> Internet <input type="checkbox"/> Word of Mouth</p>	<p><b>Are you on active military status:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Are you a veteran:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>English Proficiency:</b>  <input type="checkbox"/> Is English Proficient  <input type="checkbox"/> Is Not English Proficient</p> <p><b>Ethnicity:</b>  <input type="checkbox"/> Hispanic <input type="checkbox"/> Non-Hispanic</p> <p><b>Race:</b>  <input type="checkbox"/> Unknown  <input type="checkbox"/> American Indian/Alaskan Native  <input type="checkbox"/> Asian  <input type="checkbox"/> Black or African American  <input type="checkbox"/> Native Hawaiian or other Pacific Islander  <input type="checkbox"/> White  <input type="checkbox"/> American Indian/Alaskan Native and Black or African American  <input type="checkbox"/> Other</p>
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Co-Applicant Information
Name: _____
Email: _____
Address: _____
Pending Address: _____
Phone Number: _____

<p><b>Do you currently:</b>  <input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other</p> <p><b>First time buyer:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Gender:</b>  <input type="checkbox"/> Male <input type="checkbox"/> Female</p> <p><b>Marital status:</b>  <input type="checkbox"/> Married <input type="checkbox"/> Divorced  <input type="checkbox"/> Separated <input type="checkbox"/> Widowed  <input type="checkbox"/> Single</p> <p><b>Education:</b>  <input type="checkbox"/> None  <input type="checkbox"/> Primary  <input type="checkbox"/> High school or equivalent  <input type="checkbox"/> Vocational  <input type="checkbox"/> College  <input type="checkbox"/> Post-college</p> <p><b>Referral Source:</b>  <input type="checkbox"/> Agency <input type="checkbox"/> Lender <input type="checkbox"/> Mailer  <input type="checkbox"/> Realtor <input type="checkbox"/> Walk-in  <input type="checkbox"/> Internet <input type="checkbox"/> Word of Mouth</p>	<p><b>Are you on active military status:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Are you a veteran:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>English Proficiency:</b>  <input type="checkbox"/> Is English Proficient  <input type="checkbox"/> Is Not English Proficient</p> <p><b>Ethnicity:</b>  <input type="checkbox"/> Hispanic <input type="checkbox"/> Non-Hispanic</p> <p><b>Race:</b>  <input type="checkbox"/> Unknown  <input type="checkbox"/> American Indian/Alaskan Native  <input type="checkbox"/> Asian  <input type="checkbox"/> Black or African American  <input type="checkbox"/> Native Hawaiian or other Pacific Islander  <input type="checkbox"/> White  <input type="checkbox"/> American Indian/Alaskan Native and Black or African American  <input type="checkbox"/> Other</p>
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Household Information	
Total number in household: _____	Annual household income: _____
<p><b>Household type:</b>  <input type="checkbox"/> Female single parent    <input type="checkbox"/> Male single parent    <input type="checkbox"/> Married with dependents    <input type="checkbox"/> Married without dependents  <input type="checkbox"/> Other    <input type="checkbox"/> Single adult    <input type="checkbox"/> Two or more unrelated adults</p>	

Lender Information		
Loan officer(s): _____	Lending Institution: _____	Realtor: _____

I/we authorize HomeStart to:

- (a) Use the information contained in this form for tracking and reporting purposes only;
- (b) Obtain a copy of the Closing Disclosure and Real Estate Note(s) from my lender when I purchase a home; and
- (c) Obtain details about any grants, forgivable loans, down payment assistance programs or rehabilitation assistance programs that I/we receive from the agency(ies) who administer said grants or programs.

I/we understand that any intentional or negligent representation(s) of the information contained on this form may result in civil and/or criminal liability under the provisions of 18 U.S.C. § 1001.

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Birthdate

\_\_\_\_\_  
Co-Applicant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Birthdate

## Monthly Expense Sheet (What You Pay on a Monthly Basis)

Monthly Household Income		Total Medical	
Income One		Dentist	
Income Two		Doctor Visits	
Overtime		Medications	
Interest & Dividends		Utilities	
Other Income		Television	
Bonuses		Cell Phone	
Commission		Telephone	
Social Security Income		Water/Sewer/Electric/Gas	
Child Support		Total Food & Groceries	
AFDC		Alcoholic Beverages	
Alimony		Groceries	
Unemployment		Restaurants	
Other/SNAP		Miscellaneous	
Withholding		Auto Repairs	
Auto		Gasoline	
Auto Insurance		License/Tags/Taxes	
Auto Loan		Clothing	
Fixed Expenses (Paid Out of Pocket)		Laundry/Cleaning	
Child Support		Hobbies	
Alimony		Movies	
Credit Card Min. Payments		Newspapers/Magazines	
Housing Payment		Vacations	
1 <sup>st</sup> Mortgage		Charitable Donations	
2 <sup>nd</sup> Mortgage		Gifts	
Other Mortgage		Home Maintenance	
Home Owner Association		Pocket Money	
Home Equity Line		Pet Supplies	
Homeowners Insurance		Children's Allowances	
Property Tax		Childcare	
Rent		Hair Care	
Installment Loans		Toiletries	
Student Loans		Misc.	
Other Loans		Misc.	
Insurance (Paid Out of Pocket)		Public Transportation	
Life Insurance		Savings	
Health Insurance		Monthly Savings Plan	
Other Insurance		Other Savings	
		Totals	
		Gross Income	
		Net Income	
		Total Expenses	

Please describe what caused you to call our office:

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\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Co-Client Signature

\_\_\_\_\_  
Client Printed Name

\_\_\_\_\_  
Co-Client Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



307 W Main St, Freeport, IL 61032  
 803 N. Church St. Rockford, IL 61103  
 P: (815) 962- 2011 F: (815) 962- 2650

## Homeownership Counseling Disclosure Statement and Agreement

### DISCLAIMER

The purpose of the assistance, including counseling, workshops and/or online training, provided by HomeStart is for education and counseling regarding a mortgage loan. The written action plan will have recommendations for handling my finances. However, I am not required to act on them, nor will HomeStart act on them without my permission. If HomeStart does not offer services I need I might be referred to other agencies but not to specific agencies. However, I am not obligated to use any of those services or any loan program that I may qualify for. HomeStart provides information regarding foreclose and bankruptcy but offers no legal advice. For legal advice I need to consult with an attorney. HomeStart does not have the authority to approve or deny anything regarding a mortgage loan and is not an agent for the lender. I have the right to submit an application to my lender even if HomeStart believes I may not qualify. The completion of HomeStart counseling and educational opportunities and referrals do not constitute a commitment on the part of HomeStart or a particular lender to offer me a workout solution. Any such commitment should be in writing.

### COMPLETENESS OF APPLICATION

It is my responsibility to provide all required information and documentation if I decide to work with a counselor from HomeStart. If I am dissatisfied with their services, I may request a copy of HomeStart Complain Resolution Process. I may also request a copy of my file.

### WITHOLDING OF SERVICES

HomeStart reserves the right to withhold its services if I use inappropriate language, adopt an inappropriate attitude or engage in inappropriate behavior. HomeStart may close my file after three (3) attempts to communicate with me.

### CREDIT BUREAU AUTHORIZATION

I hereby authorize CoreLogic Credco, LLC (CREDCO) to obtain my consumer report/credit information and scores from the three national credit repositories (Equifax, Experian, Trans Union) and provide a copy of the report to my housing counseling agency, HomeStart for the purpose of counseling and education. This authorization is intended to comply with a consumer report request as set forth in 15 U.S.C.1681b(a)(2).

I recognize that the accuracy, validity or completeness of the report provided by CREDCO is not guaranteed by CREDCO and I hereby release and affiliated companies, successors and assigns and their directors, officers, agents, employees, and independent contractors from any liability for any negligence in connection with the preparation of the report and from any loss, damages, expenses, costs or obligations of any kind and nature whatsoever suffered by me resulting directly or indirectly from the inaccuracy, invalidity or incompleteness of the report.

### CLIENT CONTRACT

I agree to provide honest and complete information to HomeStart both verbally and in writing, timely provide all the necessary documents, be on time for appointments, call at least six hours

Client Signature \_\_\_\_\_  
 Client Printed Name \_\_\_\_\_  
 Date \_\_\_\_\_

before my scheduled appointment if I need to cancel, report any changes of my situation in a timely manner, treat all HomeStart employees with respect, and not to use inappropriate language or engage in inappropriate behavior.

### PRIVACY POLICY

HomeStart is committed to protecting your privacy. We realize your concerns are highly personal in nature. We treat this information in accordance with all legal and ethical guidelines. We may use your anonymous aggregated case file information for evaluation of our services, to gather valuable research, and to design future programs. Information that we gather about you includes: (1) information provided by you, such as your name, address, social security number and income; (2) information provided by your creditors and others, such as your loan balance; and (3) information from a credit reporting agency, such as your credit report.

You may refuse to allow HomeStart to disclose your nonpublic personal information to third parties and we will assist you to the best of its ability. However, if you refuse, HomeStart will not be able to answer questions from third parties. If you wish to change your disclosure status, please call us at 815-962-2011.

So long as you have not refuse disclosure, we may disclose some or all of the information that we collect to your creditors or third parties if we determine that this would be helpful to you, would aid us to provide efficient counseling, is required by the grants that make it possible to provide services to you, or if we are required to do so by law. We restrict access to your nonpublic personal information to employees who need to know that information to provide services to you. We maintain physical, electronic and procedural safeguards that comply with federal privacy regulations.

### DISCLOSURE STATEMENT

HomeStart, in addition to homeownership counseling, provides the following services: financial, foreclosure prevention and post purchase education and credit counseling.

HomeStart has financial relationships with industry partners, including but not limited to Midland States Bank, Blackhawk Bank, Illinois Bank and Trust, JP Morgan Chase, Wells Fargo, Allstate Foundation, PNC, Bank of America and US Bank. As a client, you are not obligated to accept any of the services offered by HomeStart or its industry partners. Farrah Toepfer also works for Envoy Mortgage. HomeStart hereby certifies that the staff and volunteers who provide homeownership counseling have no conflict of interest due to any other relationship with any industry partner, whether identified above or not, that may stand to benefit from particular counseling outcomes.

*"Clients are provided with a variety of information and are encouraged to thoroughly evaluate: mortgage loan products and lenders, and are **free to choose** the lender, loan, realtor, home inspector, contractor and attorney for their home purchase/refinance regardless of any recommendations made by the housing counseling staff."*

Sarah Brinkmann, Executive Director of HomeStart



# Homebuyer 411

*Get Informed about Buying a Home*

*Special thanks to Freddie Mac for use of Get the Facts video.*



205 N. Church St., Rockford, IL 61101 815.962.2011  
27 W. Stephenson St., Freeport, IL 61032 815.232.6197  
[nwhomestart.org](http://nwhomestart.org)

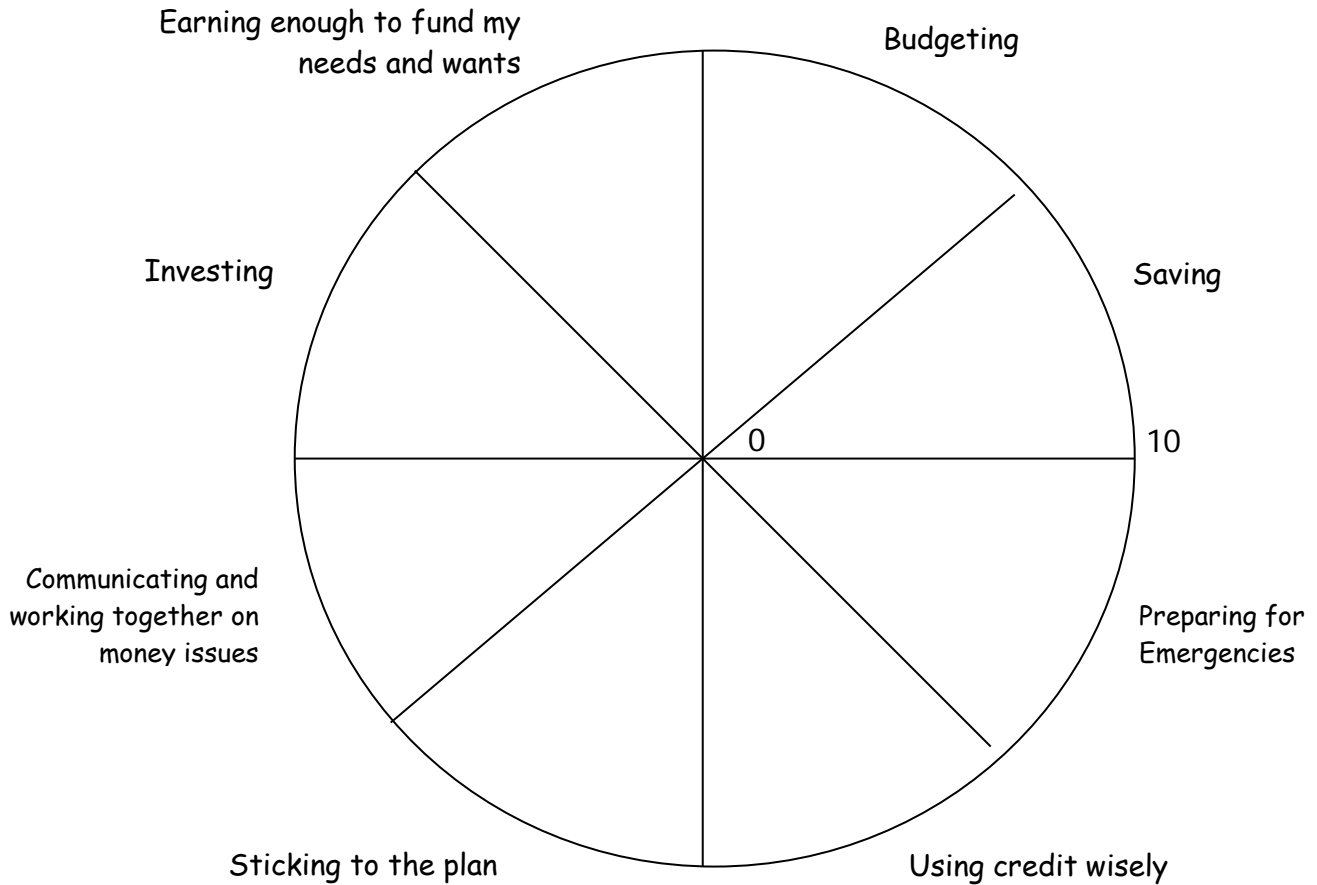


# HomeStart

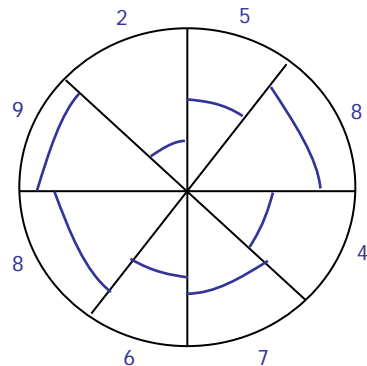
## The Wheel of Financial Fitness

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_



### EXAMPLE

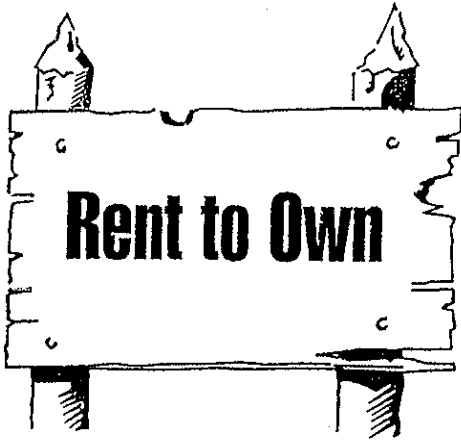


### WHEEL OF LIFE INSTRUCTIONS

The 8 sections in the Wheel of Life represent your level of success in each category as it relates to your current financial situation.

☀ Taking the center of the wheel as 0 and the outer edge as 10, rank your **level of satisfaction** with each area out of 10 by drawing a straight or curved line to create a new outer edge (see example)

☀ The lines you have drawn represent **your** 'Wheel of Financial Fitness'. Will your wheel roll, or is it a bumpy ride?



**HAVE YOU SEEN THESE ADVERTISEMENTS?  
BEFORE YOU “BUY” KNOW THE FACTS!**

- GET THE DEAL IN WRITING**  
Don't accept promises – everything must be in writing!
- UNDERSTAND WHAT YOU ARE SIGNING**  
Make sure you ask questions. For example, if you are paying more than 5%, it's probably too much.
- WHAT IS THE CONDITION OF THE HOUSE?**  
Don't be fooled by a coat of fresh paint. Older homes need repairs, and that can be expensive.
- CAN YOU AFFORD TO PAY FOR HOME REPAIRS WHILE YOU “RENT TO OWN”?**  
Often the buyer is responsible for home repairs during the “rent to own” process – that means roof repair, plumbing and any other repair project that may come up.
- IF I CAN'T MAKE THE PAYMENTS OR DECIDE TO MOVE, WILL I GET MY DOWN PAYMENT BACK?**  
Unfortunately, you will probably lose any down payment you may have put down.
- CAN YOU REALLY AFFORD TO BUY A HOUSE?**  
Look at all of your monthly expenses and your income. Is it realistic for you to buy a home at this time? If you're not sure, ask for help – call HomeStart at (815)962-2011.
- IF MY CREDIT IS BAD – IS “RENT TO OWN” MY BEST OPTION?**  
Not always. At HomeStart we've helped lots of people rebuild their credit – we can help you too!

**MOST OF ALL REMEMBER...  
”IF IT SOUNDS TOO GOOD TO BE TRUE – IT PROBABLY IS!”**

- ✓ **Before you buy, call HomeStart**
- ✓ **Attend our Homebuyer 411 Class**

*Our caring and experienced staff can help you  
get on the path to home ownership!*

**Call (815)962-2011**



## Homebuyer 411 Quiz

*Circle the letter next to the best answer for each question.*

Which of the following would lenders consider a barrier to getting a mortgage loan?

- a. A credit score of 680
- b. A loan from a payday lender
- c. A judgment resulting from unpaid rent
- d. A misdemeanor trespassing conviction

Lenders must have your permission to share your personal financial information with \_\_\_\_\_.

- a. Employers
- b. Government agencies
- c. Other lenders
- d. All of the above

Which of the following will automatically prevent someone from buying a home in the United States?

- a. Low credit score
- b. Less than three consecutive years at the same job
- c. Not having U.S. citizenship
- d. None of the above

Which of these actions can help improve your credit score?

- a. Getting behind on bills, then catching up with your tax refund
- b. Buying a home on contract (rent-to-own)
- c. Making needed repairs to the home you are purchasing
- d. Paying your credit card bill on time

How long is the waiting period after a bankruptcy before a person can obtain a home loan?

- a. 10 years
- b. 1 year
- c. 2 years
- d. 3 years

## Homebuyer 411 Evaluation

*Circle the letter next to the best answer for each question.*

What assistance can a homebuyer advisor offer you if you have credit problems?

- a. Help you get a grant to pay your past due bills
- b. Help you understand your credit report and make a spending plan to address your debts
- c. Help you delete all the negative items off your credit report
- d. A homebuyer advisor can't help you at all

The risks of buying a home on contract (rent to own) can be:

- a. The home will likely be sold as-is and may have many repair and maintenance issues that the buyer may not be aware of
- b. The seller will usually require a non-refundable down payment
- c. The seller is not required to determine whether the house payment is affordable for the buyer
- d. All of the above

Which of the following is NOT an advantage of homeownership?

- a. Paying for home maintenance costs
- b. Appreciation of home values
- c. Stable housing costs
- d. Ability to control your environment

When is the appropriate time to get an inspection on the home you want to purchase?

- a. The first time you look at it
- b. Before you sign a contract to purchase it
- c. After you have signed a contract to purchase it
- d. After you close on the home

Why is it important for all homeowners to have an emergency fund?

- a. To cover the cost of needed maintenance on the home
- b. To allow you to continue to make your mortgage payment even if you experience a loss of income or an unexpected expense
- c. To collect funds to donate to worthy causes at the end of the year
- d. To save for a nice vacation with your family

## Homebuyer 411 Evaluation

*Circle the letter next to the best answer for each question.*

1) Are you now more confident that you can buy a home?

- a. Very confident
- b. Pretty confident
- c. Not very confident
- d. Not confident at all

2) How would you rate this training overall?

- a. Excellent
- b. Good
- c. O.k.
- d. Poor

3) How did it compare to what you expected to learn?

- a. More than you expected
- b. About what you expected
- c. Less than you expected

4) How interesting and helpful was this course?

- a. Very interesting and helpful
- b. Somewhat interesting and helpful
- c. Not very interesting or helpful
- d. Boring and irrelevant

How well did this course help you understand the following?

5) What a lender is looking for when you apply for pre-approval

- a. Excellent
- b. Good
- c. Fair
- d. Poor

6) The advantages and responsibilities of homeownership

- a. Excellent
- b. Good
- c. Fair
- d. Poor

7) The home-buying process

- a. Excellent
- b. Good
- c. Fair
- d. Poor