

Emergency Savings

Short Term Goals

Long Term Goals



Financial Coaching at HOC

Your Path to Financial Empowerment starts NOW!

Schedule your personalized financial coaching session to help achieve your financial goals. Financial coaching offers guidance and strategies for lasting success.

Program Offers:

- Personalized action plan
- Budgeting guidance
- Credit report review
- Empowering workshops
- Ongoing support & guidance

Schedule Session



bit.ly/44DLfKX

For more information, contact sonya.dease@hocmc.org



Preparing for your upcoming purchase

Homeownership Guide

Workshop Review

> Players of the purchase process



- **Housing Counselor:** Provides pre-purchase education



- **Lender/loan officer:** Reviews borrower information to determine home affordability



- **Realtor:** Assist with home selection and oversees the purchase process. Main point of contact with everyone



- **Inspector:** Provides a thorough report of the home's condition



- **Appraiser:** Analyzes the home's condition and neighboring home sale's to determine value

> Things to consider

- **Financial stability:** Earning consistent income for at least 24 months within the same field.
- **Savings contribution:** Account's your able to access to contribute towards home purchase. This can include bank or retirement accounts
- **Credit Score:** Able to maintain an adequate credit history for loan and prospective grants. Depending on program, the number may vary. To air on the side of caution strive for 640 credit score.
- **Grant assistance:** Explore eligible grant requirements early. Some grants have location, income, savings, and credit score prerequisites. There may also be instances where grants need to be applied for BEFORE completing home selection. **If the home is selected first you will NOT receive the grant.**

Schedule your coaching session today!



240-528-4858



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Homeownership Guide

Workshop Review

> How to prepare for home purchase

- Keep record of important lending documents
 - 2 months' bank statements
 - 2 years' tax returns
 - 2 most recent pay stubs
 - Proof of additional income sources i.e child support, social security, or alimony
- Complete application for HOC's Homeownership Program
 - Earn at least \$40,000 annually
 - Have at least 640 credit score
 - Submit required documents
 - Acceptance is based on RANDOM selection
- Maintain good credit behaviors
 - Pay debts on time
 - Limit utilization to 30% for all credit card accounts
 - Maintain at least 2-year credit history before applying for home loan
- If applicable, make sure student loans payment programs are applied

> Home purchase don'ts

- Apply for new credit or co-sign loans while going through purchase
- Miss any payments
- Max out credit cards
- Make large cash deposits or withdrawals

> Things to remember

- 4C's of Lending
 - Character: The borrower's credit history including repayment behavior, payment patterns, and overall credit worthiness
 - Capital: The financial resources of the borrower. Includes savings, investments, and other applicable assets.
 - Collateral: The asset (home) used to secure the loan.
 - Capacity: Analyzes the borrower's ability to repay the loan. Assesses the income, reported debt, and employment history.
- Cost associated to buying a home
 - Down payment: range from 0 – 20%, most common amount 3.5%
 - Earnest Money Deposit
 - Closing Costs
 - Moving
 - Prepaid Items including appraisal and Home Inspection
- High amounts of debt can limit your buying power and grant eligibility
- Grants are offered from government agencies, nonprofit organizations like HOC, lenders, and some employers

Remember this..... you CAN purchase a home!! We are here to help you at HOC



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