



Homebuyer 411

Get Informed about Buying a Home

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



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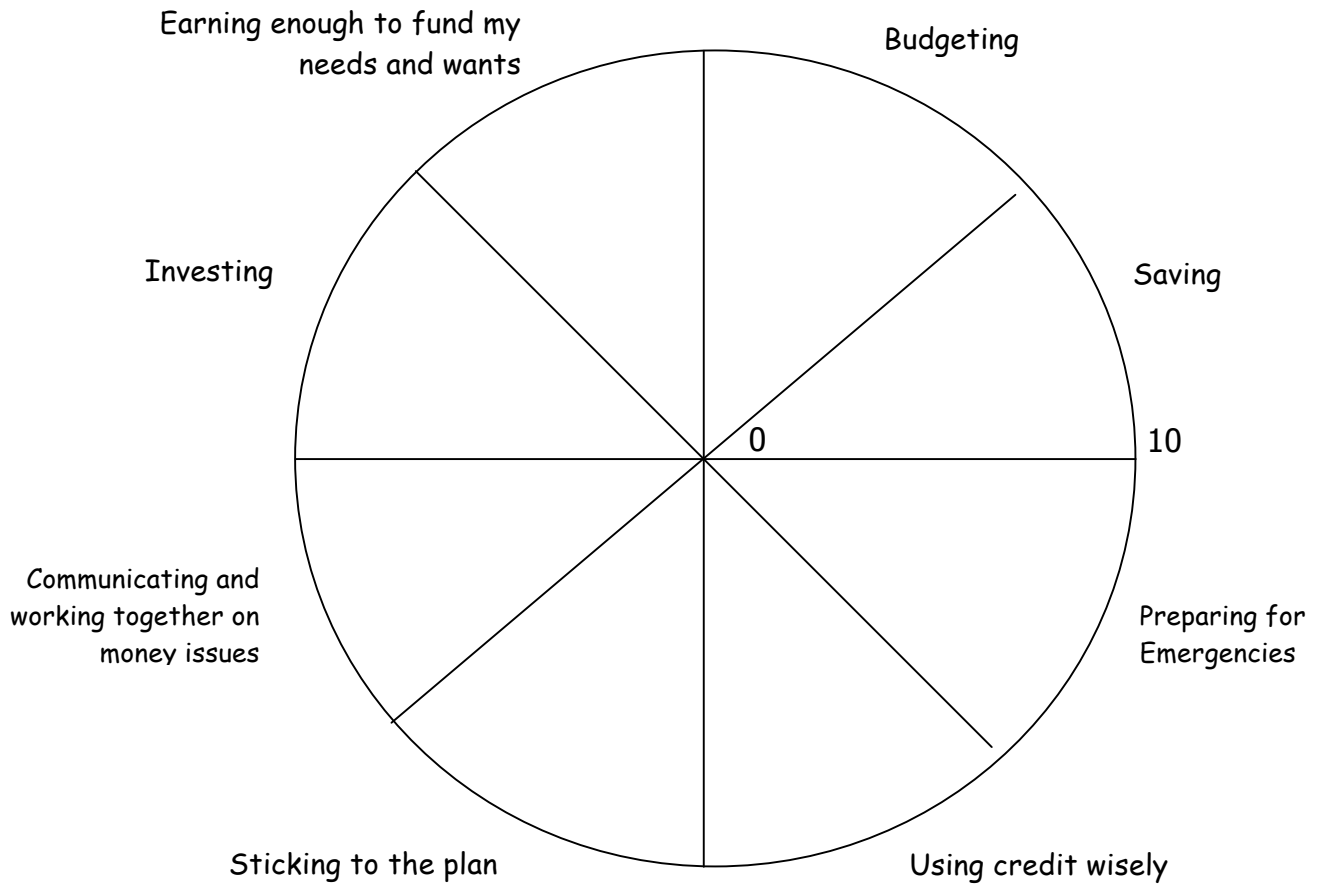




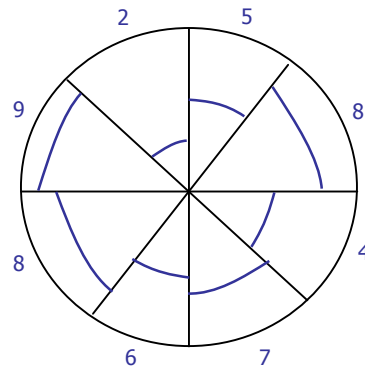
The Wheel of Financial Fitness

NAME: _____

DATE: _____



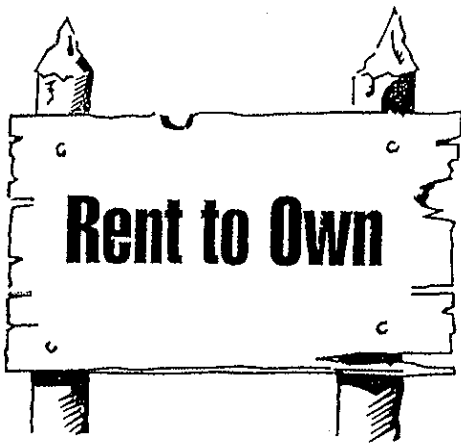
EXAMPLE



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

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 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