



NATIONAL FAITH

HOME BUYERS

PROGRAM DISCLOSURE

National Faith Homebuyers employs persons who are qualified to provide the services rendered. To that end, all National Faith Homebuyers housing counselors are required to be certified. New counselors employed by National Faith Homebuyers have one year to acquire such certification, which can be obtained through the Association of Housing Counselors, the National Federation of Housing Counselors or Neighbor Works.

Purpose of Housing Counseling: I understand that the purpose of the housing counseling program is to provide one-on-one counseling to help customers fix those problems that prevent affordable mortgage financing. The counselor will analyze my financial and credit situation, identify those barriers preventing me from obtaining affordable mortgage financing, and develop a plan to remove those barriers. The counselor will also provide assistance in management with the preparation of a monthly and manageable budget plan. I understand that it will not be the responsibility of the counselor to fix the problems for me, but rather provide guidance and education to empower me in fixing these issues preventing affordable mortgage financing.

Eligibility Criteria: I understand that National Faith Homebuyers provides housing counseling assistance to customers whose problem can be resolved in 24 months or less. I understand that if it is determined my issues will take longer than 23 months to fix, I will be referred to a long-term housing counseling program.

Homeownership Education Classes: I understand that as part of the housing counseling program, I will be required to participate in homeownership education.

Customer's Responsibility: I understand that it is my responsibility to work in conjunction with the counseling process and that failure to cooperate will result in the discontinuation of my counseling program. This includes but is not limited to missing three consecutive appointments.

Our Services Are:

Financial Management/Budget Counseling

NFH assists any client contacting our agency that is looking to improve their overall financial situation. Counselors work with clients to determine their short and long term financial goals. NFH's counselors review the client's current budget and look at their spending habits. Once they have a good understanding of the client's situation they will help the client to develop a new budget which will allow the client to reach their short and long term goals. Counseling ranges from three to six months for short term counseling and six to twelve months for long term counseling.

Pre-Purchase Homebuyer Education Workshops

NFH offers a 7 hour in-person First Time Homebuyer Workshop based on *NeighborWorks America's Realizing the American Dream* curriculum which meets the National Industry Standards for homebuyer education. This course may be utilized toward programs that require the 7-hour HUD/MSHDA-approved first time homebuyer course.

Furthermore, NFH offers potential borrowers who may not yet be ready to buy a home the ability to schedule a one-on-one counseling session to go over their financial situation and set up a plan to reach the goal of homeownership.

Non Delinquency Post Purchase Education Workshops

NFH offers Post-Purchase Workshops for existing homeowners who are not delinquent but want information that will allow them to remain successful homeowners. NFH's workshops are based on Neighborworks' "Keeping the American Dream" Curriculum. The workshops cover important information to homeowners about building their community, staying financially fit and maintaining and improving their homes. The information is designed to equip homeowners with the skills they need to remain secure in their home. We identify this on our 9902 report in section 10, L.

(DETROIT) 615 Griswold Street, Suite 506, Detroit, MI 48226 (WESTLAND) 32150 Dorsey Street, Suite 16, Westland, MI 48185

Phone: 313.255.9500 | Fax: 313.255.9555

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Pre-Purchase Counseling

NFH's counselors provide pre-purchase counseling and homebuyer education instruction to consumers seeking or planning to seek homeownership. The following guideline illustrates the process that is followed for individual sessions.

- In the initial meeting, our counselor performs a structured interview to help establish a trusting relationship with the consumer and obtain general and financial information. This typically includes an explanation of our organization's services, a detailed description of our housing counseling program, and a discussion of the various steps in the home-buying process.
- The consumer is asked to sign relevant disclosures and authorizations allowing access to a credit report, and to bring any financial documents needed to complete the intake process. A follow-up meeting is scheduled.
- An electronic file is created in the client's name and stored in our Housing Counselor Online database.
- The follow-up meeting involves an analysis of what the client will be able to afford for a home, as well as a discussion of their specific homeownership goals, including the preferred type of home and desired location. A final debt determination, recommendations, and referrals are made at this time.

The following guideline illustrates the process that is followed for group sessions:

1. **Effective Budgeting / Credit Reports / Knowing Your Rights:** The first session focuses on successful personal money management techniques, including budgeting and journalizing to track income and expenditures. Participants are shown how to navigate their own credit reports, with an eye toward detecting and correcting some of the most common errors. The role these issues play in determining the amount that can reasonably be spent on a home is explained, as are the consumer's rights concerning fair housing and the intricacies of the lending process.
2. **Shopping for a Loan/ Home-buying Programs:** The second session illustrates techniques that participants can use to shop for desirable mortgage rates and terms. The different types of loans and their advantages and disadvantages are discussed, as well as common negotiation strategies. Home-buying programs available on the state and federal level are introduced, as well as ways to detect and avoid predatory lending.
3. **Shopping for a Home / Making an Offer:** The third class focuses on the elementary aspects of shopping for a home, such as choosing a real estate agent, determining the wants and needs the new home must fulfill, and comparing differences among available homes. We also discuss the process of making an offer, staying within a budget, knowing your position in the market, and negotiating a sales price.
4. **Final Stages in the Home-buying Process:** The last seminar in the series looks at the importance of getting the prospective home inspected, as well as important questions to ask the inspector. We also discuss the importance of securing homeowners insurance, methods to keep costs low, and the closing process.

Non Delinquency (Post Purchase) Workshops

NFH's counselors provide post-purchase counseling and budgeting assistance to consumers who have achieved their goal of homeownership, but who are finding it difficult to sustain the financial responsibility that has come along with it. The following guideline illustrates the process that is followed for individual sessions.

- In the initial meeting, our counselor explains the services provided by our organization and presents a detailed description of our housing counseling program. The counselor then conducts a structured interview to establish a trusting relationship with the consumer and obtain general and financial information. The counselor also reviews common methods that can help existing homeowners manage their most important asset.
- The counselor explains the role of the budget in successful personal money management, and illustrates some of the most effective techniques, including journalizing, that can be used to track income and expenditures.
- The counselor leads a discussion of home maintenance and repair issues, providing examples that illustrate the importance of energy efficiency and various forms of insurance. The counselor also identifies the benefits that result when homeowners become actively involved in the life of their new community.

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- In the final session, the counselor discusses early intervention programs to prevent delinquencies and default, the pros and cons of refinancing, and common foreclosure alternatives.

Rental Housing Counseling

NFH's counselors provide rental counseling and budgeting assistance to consumers who have achieved their goal of residential independence. The following guideline illustrates the process that is followed for individual sessions.

- In the initial meeting, the counselor conducts a structured interview to help establish a trusting relationship with the consumer and explain our services and credentials. Relevant disclosures are signed and a review of any financial information the consumer has brought with them will be performed. An explanation of the issues to consider when entering into a rental situation is provided. We may also suggest that additional financial information, such as a credit report, be brought to the next meeting to facilitate more in-depth counseling. Additional sessions will be scheduled at the conclusion of the first meeting.
- During the second counseling session we will perform an analysis of the consumer's current financial situation, identify barriers and potential obstacles to a successful rental experience and create a plan to overcome them. Rental assistance programs and subsidies will be discussed, as well as lease and rental agreements. Pre-inspection of the rental unit, including methods that can be used to document needed repairs or concerns and the importance of establishing reliable communication with the landlord will be discussed. Ongoing maintenance and small repairs, the renter's and landlord's responsibilities and rights are also covered. Finally, we will introduce the subjects of relocation, whether voluntary or involuntary, the best practices for recovering the security deposit, and providing notice of intent to leave.

Rental Housing Workshops

In addition to one on one rental counseling NFH also offers Rental Housing Workshops. The following guideline illustrates the material that is presented for rental counseling in group situations. The course length is approximately 4 hours and can be provided in one, two or four sessions.

1. **Budgeting to Prepare for Renting**
 - Preparing your finances to pay rent
 - Money management
 - Credit report review
2. **Applying for Residency**
 - Available subsidies and assistance and how to apply
 - Lease and rental agreements and differences between the two
 - Pre-inspection and documentation
3. **Maintaining Residency**
 - Repairs and maintenance
 - Communicating with your landlord
 - Renter's rights and responsibilities
 - Landlord rights and responsibilities
4. **Relocating / Moving**
 - Notice of intent to leave
 - Getting back your security deposit
 - The eviction process
5. **Fair Housing**
 - Recognizing discrimination
 - Security deposits
 - Rent increases
 - Evictions
 - Repairs
 - What to do if you are a victim of housing discrimination

Mortgage Delinquency and Default Resolution Counseling

NFH's counselors provide Mortgage Delinquency and Default Resolution Counseling to homeowners in an effort to help them create a reasonable plan to avoid foreclosure and successfully reinstate their mortgage loan, or, as appropriate, to effectively transition out of the home. The following guideline illustrates the process that is followed for individual sessions.

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- In the initial conversation with the client, our counselors follow a formal intake procedure to gather all information necessary to provide mortgage delinquency and default resolution counseling. This process places a particular emphasis on the consumer's budget to determine whether the current home is affordable. The counselor also creates an action plan which they will review in detail with the homeowner. This action plan must be updated throughout the counseling process. After these items are complete they are sent to the homeowner for review, and an authorization form is sent to the servicer if a workout plan looks possible.
- The counselor will then call the servicer to discuss the status of the homeowner's account and to identify whatever options may be available. The counselor will also identify the specific paperwork needed by the servicer and contact the homeowner so they can gather such necessary documents. Once received, these items will be sent to the servicer so the account can be placed under review.
- Throughout the review process the counselor calls the servicer every 7-10 business days to check on the account and to see whether updated information is needed. If this is the case, document requests are relayed to the homeowner, and any requested items are sent to the servicer as soon as possible to keep the review going. The counselor continues to pursue updates until a decision has been made on the account.
- After a decision has been rendered, the homeowner must decide on a course of action. If their proposal was accepted they can sign the forms and return them to the servicer, accepting the new workout plan. If the proposal was denied, the homeowner must decide what they want to do next. If they cannot stay in the home, they need to discuss transition options with the counselor.
- The counselor will follow up with the client to determine whether they chose a retention option or a transition option. The follow-ups are done every 3, 6, 12 and 24 months to make sure the action plan is still being followed.

*No customer is obligated to receive any additional other services offered by National Faith Homebuyers or our partners.

Applicant Signature_____Date_____

Co-Applicant Signature_____Date_____

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