**THE HOME INITIATIVE ACADEMY**

The course will consist of six 2 hour classes for a total of 12 hours. The classes will be scheduled three consecutive Tuesday and three consecutive Thursday between the hours of 6:15 PM and 8:15 PM. All classroom sessions will provide a 30-minute break for soft refreshments. The location of the classes will be determined by the Director of the Education Committee for the Home Initiative, Inc.

At the end of the course, each applicant will be tested to determine if the student understood the provided information and address the areas of concerns. A grade or determination will NOT be incorporated into the testing parameters. The premise of the review is to ensure each student understands the importance of each step to the home ownership process.

A certificate of course completion will be issued along with a coupon for a Buyer’s credit towards their closing cost at the time of final settlement in the amount of $500.

**CURRICULUM**

**The First Class**: An introduction of the mission plan along with an agenda of course subjects will be addressed.

The agenda of the first class will addressed the RMA-1003, the mortgage application. The 3-page document represents the essential ingredient all Lenders require to make a prudent decision of mortgage eligibility. Approval and denial of a mortgage is based on the information that is provided, documented and verified. Each section of the 1003 purposely address the qualifying worthiness of the Applicant; employment, income, assets, debts and information to access the credit history.

A sample credit report will be provided to the class along with a detailed explanation of scenarios. The benefits of achieving and maintaining a good history, solutions and suggestions for current credit challenged applicants. The three credit reporting bureaus will be discussed as well as the process of how to dispute incorrect information on credit reports.

In addition, the processing of developing and sticking to a budget will be outlined.

INSTRUCTORS: Director of Home Initiative Educational

Committee

A Representative of a Local Lender

A Local Credit Counselor

**The Second Class**: The Mortgage programs will be introduced as well as the cost of purchasing a home. Each mortgage plan represents specific benefits and requirements. The parameters of FHA, VA, Conventional and USDA will be discussed in depth and which program is most beneficial to the class and why. In addition, each program brings its’ own specific formula of qualifying for the different programs. The front and back ratios will be the subject of instruction along with the calculation of how to determine qualifying ratios.

A sample good faith estimate of each program will be provided and discussed. Down payment requirements along with standard closing cost including title insurance, lender’s fees, county fees and escrows are just a few of the cost that will be addressed. The Instructor’s commitment to the agenda will include an explanation of each fee and the purpose of the fee.

INSTRUCTORS: Director of Home Initiative Educational

Committee

A Representative of a Local Lender

**The Third Class:** With the knowledge of the mortgage programs and the qualification process, it’s time to house hunt. Working with a Real Estate agent, how to find the right home, and how to make an offer to purchase a home will be toughly discussed.

A sample Contract to Purchase Real Estate will be provided to discuss and qualm fears of the legal responsibility of purchasing a home. The Instructor will explain, paragraph by paragraph, the legal understanding and agreement to the terms of a home purchase. Provisions such as commitment and closing dates, property inspection and title issues will be addressed as well as the meaning of the attorney review clause and remedies if the contract is breached by either party.

INSTRUCTORS: Director of Home Initiative Educational

Committee

A Representative of the Local Board of Realtors

A Local Real Estate Attorney

**The Fourth Class**: After a contract is signed by all parties and before a closing takes place, a period of 45-60 days is filled with responsibilities and activities. This session will discuss that process.

1st—a mortgage application is provided to the Lender. The choice of Lender is the Borrower’s; however, the Realtor or Attorney may recommend the Lender who will best serve the needs of the specific mortgage program for the Borrower. The Instructor will explain the mortgage process from application to commitment and the responsibilities of the Applicant in terms of providing the proper documentation for mortgage approval.

2nd—a home inspection by a certified, licensed home inspector is recommended. The inspector toughly examines the home and reports of the conditions and potential issues with the property.

A sample home inspection report is provided to ensure Borrower’s confidences that every inch of the home is inspected and reported upon.

INSTRUCTORS: Director of Home Initiative Educational

Committee

A Representative of a Local Lender

A Local Certified Home Inspector

**The Fifth Class**: The mortgage commitment has been issued and closing is scheduled. The closing is a gathering of all parties including the Borrower, Seller, Realtors, Lender and if chosen, the Attorney to finalizes the transaction. The closing agent prepares the closing statement, known as a HUD-1, and explains the statement in detail

This class will focus on the final process to home ownership; from courthouse searches to ensure the title is free and clear of liens, judgments and other encumbrances to the transfer of the property from the Seller to the Buyer.

INSTRUCTORS: Director of the Home Initiative Educational

Committee

A Representative of a Local Title Company

**The Sixth Class:** A review of the five previous classes will begin the session with a testing of the material after the review of the material. The test will then become the subject of the classroom instruction with an extended Q&A to ensure the students understood the curriculum.

A certificate of completion will be issued to each student along with their coupon for a $500 credit of closing cost to be paid when a primary property is purchased by the student.

INSTRUCTORS: Director of Home Initiative Educational

Committee

Frank Montufar, President/Co-Founder of the

Home Initiative, Inc.