

# COASTAL FIRST-TIME HOMEBUYER EDUCATIONAL CURRICULUM

## **Session 1 6:30 – 9:00 PM**

### **INTRODUCTION**

- Purpose and goals of homebuyer counseling
- Major elements of the course and course rules
- About the sponsoring agency
- Advantages and disadvantages of homeownership
- Homebuyer's roadmap - overview of the process
- Identification of real estate professionals
- Websites for first-time homebuyers

### **OBTAINING A MORTGAGE – GUEST SPEAKER - LENDER**

- Types of lenders
- Pre-qualification and pre-approval
- Mortgage application process
- Mortgage documents: mortgage application, good faith estimate, truth-in-lending, HUD settlement statement
- Down payment
- Closing costs
- Private mortgage insurance
- Anatomy of a mortgage payment (PITI)
- Types of mortgages
- Shopping around for the best mortgage
- Subprime and predatory lending
- Determining which program best suits your needs
- If your loan application is rejected
- Fair Lending
- Refinancing

### **HOMEBUYER FINANCING TOOLBOX**

#### **Subject review sheets and evaluation**

*Homework: order credit reports and worksheet: Are You Ready For Homeownership?*

## **Session 2 6:30 – 9:00 PM (6:00 optional review session)**

### **SUCCESSFUL HOMEOWNERSHIP**

- Responsibilities of homeownership
- Financial responsibilities
- Maintenance and repair responsibilities
- Home safety responsibilities
- Insurance coverage
- Keeping records

Tax planning  
Tax benefits of ownership  
Capital gains  
Avoiding foreclosure

### **BUDGETING AND CREDIT – GUEST SPEAKER –CONSUMER CREDIT COUNSELING PROGRAM**

What is budgeting?  
Developing a budget  
Where are you now?  
Net worth  
Where do you want to be?  
Setting priorities  
Budgeting as a renter vs. Budgeting as a homeowner  
Costs of homeownership  
Differences in expenses  
The importance of good credit  
Credit reports  
Building a credit history  
Buying a home if you have no credit history  
Signs of credit problems  
Repairing credit  
Review of individual credit reports

### **HOME INSPECTION – GUEST SPEAKER –HOMEBUYER INSPECTOR**

Importance of a good home inspection  
How to find a good home inspector  
What a home inspection includes  
An evaluation of the structural and mechanical condition of the property  
Inspection report  
Other inspections  
Lead paint

### **Subject review sheets and evaluation**

*Homework: household budget*

**Session 3 6:30 – 9:00 PM (6:00 optional credit report discussion and general review session)**

### **PRE-QUALIFICATION WORKSHEET**

### **HOUSING SEARCH PROCESS – GUEST SPEAKER -REALTOR**

What kind of house is best for you?  
What are your family's needs?  
Develop a "must have" and "wish" list

- Types of homes
- Location issues
- How to find a house
- Seller's description of property
- Types of real estate professionals
- Finding and working with a real estate professional
- Agency relationships
- Fair housing laws
- House hunting tips
- Making an offer
- Negotiations
- Offer to purchase document

### **APPRAISALS**

- What is an appraisal?
- Why is an appraisal important?
- If you hire your own appraiser
- The appraisal report
- Unacceptable appraisal practices

### **Subject review sheets and evaluation**

### **OPTIONAL POST-SESSION: CONDOMINIUMS**

- What is a condominium?
- Ownership structure
- Finding the association that's right for you
- Condominium fees
- Financing your condominium
- Buying a condominium: special concerns
- Condominium documents

*Homework: Pre-Qualification worksheet*

**Session 4 6:30 – 9:00 PM (6:00 optional multi-family discussion and optional review session)**

### **OPTIONAL PRE-SESSION: FIRST-TIME HOMEBUYER GUEST SPEAKER or MULTI-FAMILY OWNERSHIP:**

- Advantages and disadvantages of multi-family ownership
- Record-keeping
- Maintenance and repairs
- Being a landlord
- Types of tenancies
- Tenant selection
- Security deposit and last month's rent
- Termination of tenancy

## **LEGAL – GUEST SPEAKER –REAL ESTATE ATTORNEY**

- The lender's attorney
- Why you need your own real estate attorney
- Tips for finding an attorney
- The offer to purchase
- Purchase and sale agreement
- The closing: HUD settlement statement
- Title insurance
- Homestead declaration

## **INSURANCE – GUEST SPEAKER –INSURANCE AGENT**

- Why do I need homeowner's insurance?
- Terms you should know
- Property protection coverage
- Liability protection coverage
- Replacement cost/actual cash value/market value
- Shopping for insurance
- Lead paint and flat roofs

## **HOMEBUYING ROLE PLAY**

Subject review sheets and evaluation

*Award of certificates*