

# Understanding Your Credit

Using credit wisely is another important part of the home buying process and your overall financial security. Your credit rating reflects your ability to borrow money and pay it back. Some people are afraid of credit and pay cash for everything; other people abuse credit and borrow more money than they can ever repay.

Your credit report is an electronic record of your credit activities. These activities range from borrowing to buy a car or a home to applying for a loan or credit card. That's right -- every time you apply for a credit card or other loan, it registers as an inquiry on your credit report. More importantly, a credit report is a record of how you use credit and how much of it you have available. If you're late in making a monthly payment, that too shows up on your credit report.

Whether a lender is evaluating your loan request or a bank is considering giving you a credit card, you can count on an evaluation of your credit report to influence the decision.

## Our Mission

Washington County Community Action Council, Inc. fulfills its mission by assisting people in economic need in our community to achieve and maintain self-sufficiency while respecting their diversity.

## Our Values

At CAC, we operate under a set of core values that not only dictate how we interact with our clients, colleagues, and community – but also set the expectations that keep our clients moving forward towards self-sufficiency.

- Dignity
- Compassion
- Honesty
- Trustworthiness
- Respect
- Responsibility
- Accountability
- Consistency
- Nonjudgmental

*The Washington County Community Action Council, Inc. (CAC) is committed to ensuring everyone has access to services regardless of impairment, disability, and language barrier. If you or any member of your family needs assistance, please contact CAC prior to your appointment to make alternate accommodations.*

# Pre-Purchase Home Buying Services



Offered by:  
**Washington County  
Community Action Council, Inc.**

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Hagerstown, MD 21740  
Phone: 301-797-4161 x159  
Fax: 301-791-9062**

**[www.wccac.org](http://www.wccac.org)**

# Pre-Purchase Home Buying Services offered at Washington County Community Action Council, Inc.

*Your dream of owning a home can become a reality if you set realistic goals, get sound advice, plan carefully, and clearly understand the costs of homeownership.*

*This brochure in conjunction with CAC's **Pre-Purchase Home Buyer Education Class** is designed to help you make informed and sound decisions related to the home buying process.*

## **Benefits of Buying Your Own Home**

- ◆ You're investing in your own future, not your landlord's
- ◆ Tax benefits
- ◆ No more rent increases
- ◆ *You can paint the walls any color you want.*

## **Pre-Purchase Home Buyer Education Class**

Shopping for a home is the fun part, but it's important to understand the process and the people involved in a successful home transaction.

There are many parts of the home buying process, like budgeting, saving, filling out loan applications, and home inspections that are important and necessary, but not exactly fun. It's important for you to be well informed and prepared for the process.

CAC's comprehensive 4 session course (8–10 total hours) is designed to help you become better prepared, so when the time comes, you will be ready for one of the biggest purchases of your life.

### **The Cost:**

- **Washington County Residents \$50.00**
- **Out of County Residents \$75.00**
- **Payment is due at the first scheduled session.**
- **A certificate will be given upon successful completion of all 4 sessions.**

## **Session Breakdown**

**Session 1**—Overview of the home ownership process, income documentation, the preliminary budget, assistance with setting goals.

**Session 2**—How credit impacts the home buying process, reviewing the credit report, addressing discrepancies in the credit report, debt reduction strategies, reviewing goals.

**Session 3**—The difference between “needs” and “wants”, the 4 C's of borrowing, preliminary mortgage pre-qualification, preparation of a second budget based on the pre-qualified mortgage amount, review of various loan products.

**Session 4**—Choosing the right mortgage, HUD 1 sheet, final Truth-In-Lending disclosure, promissory note (review samples), choosing a real estate agent, the difference between a “buyer's agent” and a “seller's agent”, beginning the house hunting process, negotiating offers (acceptance, counter offer, rejection), the appraisal process, home inspection, homeowner's insurance, discuss what happens at closing.