

STEP 1 - Complete the Pre-Purchase Homeownership Planning Information Packet

Click [here](#) for the Pre-Purchase Homeownership Planning Information packet (pdf).

This packet contains several forms that need to be filled out and signed:

- a. Pre-Purchase Homeownership Planning Information Form (pages 1-4)
- b. Monthly Spending Plan (page 5)
- c. Authorization to Obtain Credit Information (page 6)
- d. Privacy Notice (page 7)
- e. Consent to Exchange Information and Release of Information (page 8)
- f. Counseling Disclaimer (page 9)

Once completed, return the entire packet to HOPE.

STEP 2 – Credit Report

After receiving your completed packet, the HOPE Pre-Purchase Housing Counselor will pull your credit report to determine your credit worthiness. The counselor will help you understand any credit problems which may need to be addressed and help you establish a plan to begin to correct those credit issues. The counselor will review your credit report and application to determine when you may be ready to apply for a loan and begin shopping for a house.

STEP 3 – Attend an appointment with the Pre-Purchase Housing Counselor to develop your individual plan for homeownership

The counselor will contact you to set up an initial appointment to review your credit report and assess your housing goals. If your income and credit are sufficient, the pre-purchase application will be submitted to Just Choice Lending for underwriting to determine what loan amount you might be pre-qualified for. The four sections below will give you an idea of what timeframe to expect based on where you are:

1. Where are you now?

- ▶ No credit issues that need to be resolved
- ▶ Credit score of 640 or higher
- ▶ Steady, dependable income

Timeframe you might expect:

Ready to purchase now

Your next steps:

Step 4: Apply for loan pre-approval

Step 5: Complete a homebuyer education course*

Step 6: Choose a home and make an offer

Step 7: Loan approval and closing

*Offered free through VHDA in person or online at <https://vhda.learn.com/learncenter.asp>.

2. Where are you now?

- ▶ No credit history
- ▶ Small collection accounts that can be addressed quickly
- ▶ Current on all recent credit accounts
- ▶ Steady, dependable income

Timeframe you might expect:

Ready to purchase within 90 days

Your next steps:

Step 4: Do necessary credit repair work

Step 5: Apply for loan pre-approval

Step 6: Complete a homebuyer education course*

Step 7: Choose a home and make an offer

Step 8: Loan approval and closing

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3. Where are you now?

- ▶ Several outstanding collections that need to be paid
- ▶ Some missed payments in the past 12 months
- ▶ Newly employed or recent job change

Timeframe you might expect:

Ready to purchase within 90-180 days

Your next steps:

Step 4: Do necessary credit repair work

Step 5: Apply for loan pre-approval

Step 6: Complete a homebuyer education course*

Step 7: Choose a home and make an offer

Step 8: Loan approval and closing

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4 . Where are you now?

- ▶ Unpaid judgments or liens
- ▶ Recent repossession or bankruptcy (within the past 2 years)
- ▶ Large collection accounts that will take some time to pay off

Timeframe you might expect:

Ready to purchase over 180 days

Your next steps:

Step 4: Do necessary credit repair work

Step 5: Apply for loan pre-approval

Step 6: Complete a homebuyer education course*

Step 7: Choose a home and make an offer

Step 8: Loan approval and closing

*Offered free through VHDA in person or online at <https://vhda.learn.com/learncenter.asp>.