

CreditSmart®

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Single Family Affordable Lending & Access to Credit
Freddie Mac



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What is CreditSmart®?



- A free, multilingual financial education curriculum and consumer outreach initiative, consisting of:
 - CreditSmart (English)
 - CreditSmart Español
 - CreditSmart Asian (English, Chinese, Vietnamese & Korean)
 - CreditSmart Military Financial Readiness
- Available online as a tutorial, as downloadable PDFs & via webinars
 - » Steps to Homeownership tutorial is a homebuyer education resource
- Train-the-trainer materials & marketing resources for housing professionals; content/resources for consumers



What's in the CreditSmart Curriculum?



CreditSmart & CreditSmart Español (12 Modules):

- 1) Your Credit and Why It is Important
- 2) Managing Your Money
- 3) Goal Setting
- 4) Banking Services: An Important Step
- 5) Establishing and Maintaining Good Credit
- 6) Understanding Credit Scoring
- 7) Thinking Like a Lender
- 8) Avoiding Credit Traps
- 9) Restoring Your Credit
- 10) Planning for Your Future
- 11) Becoming a Homeowner
- 12) Protecting Your Home Investment

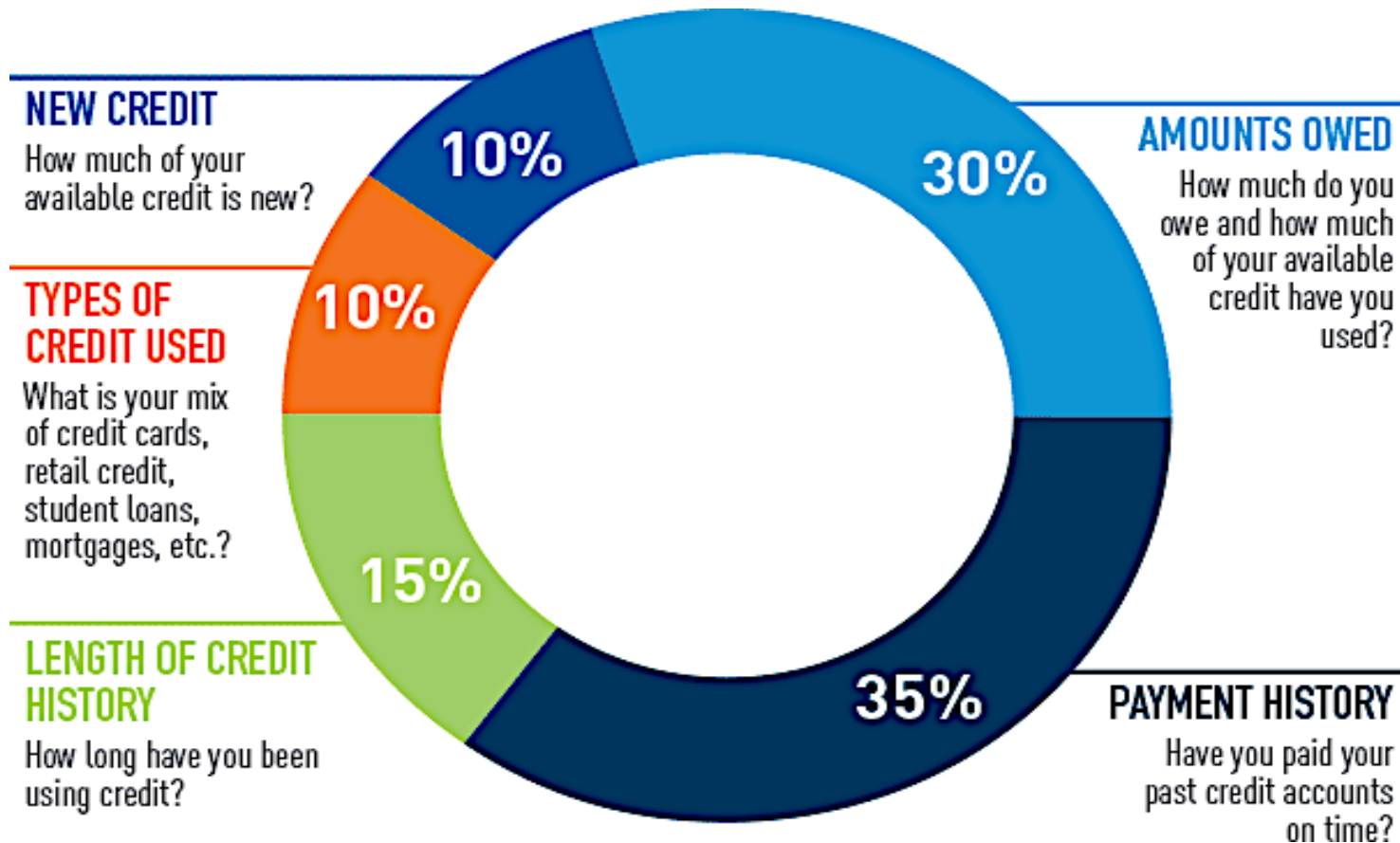
CreditSmart Asian (3 Booklets):

- 1) The Importance of Good Credit
- 2) Steps to Homeownership
- 3) Homeowner Benefits and Responsibilities

Military Financial Readiness content includes:

- Administrative & legal readiness & protections
- Life & auto insurance
- Money management
- Protecting savings & savings plans
- Tax help
- Financial scams, predatory lending, fraud & identity theft
- VA Home Loan Program

Credit Score Factors



Needs Vs. Wants

Needs Versus Wants

You can begin by thinking about your personal needs and wants:

Needs are items that you must have for basic survival, such as food, clothing, and shelter.

Wants are things you desire, but can live without, such as fashion items, restaurant meals, or entertainment.

For example:

Needs	Wants
Shelter	Five-bedroom house with six baths and a swimming pool
Food	Steak & lobster
Clothing	Designer fashions



Should I Rent or Should I Buy?

Module 11, Section 1: Becoming a Homeowner - Is Homeownership Right for You?

Rent or Buy?

Deciding whether to rent or buy is a personal decision. Each option offers particular advantages (as shown below). You need to decide what's best for you and your family.

<i>Renting</i>	<i>Buying</i>
Free of maintenance obligations.	Opportunity to build equity.
Not committed to staying in a house or neighborhood.	May gain tax advantages*.
Can move quickly.	Stable monthly payments.
Free of costs, such as homeowner's insurance and property taxes.	Strong sense of community.
	Place for family and relatives to live.

*Consult a tax advisor about potential tax advantages.



Case Study – Valerie

What Debts Will the Lender Count?



Gross Income: \$6,500

Net Income: \$5,075

Savings: \$1,500

Rent \$2,850

Life Insur. \$175

Food \$275

Car (2000) \$F/C

Electric \$150

Car Insur. \$175

Gas (Apt.) \$150

Water \$55

Dry Cleaner \$275

Internet \$45

Gas (Vehicle) \$380

M/C (balance \$5,000) \$115 ★

Visa (balance \$5,000) \$125 ★

Cap. 1 (balance \$7,000) \$200 ★

Eating Out \$250

Discover (balance \$3,000) \$60 ★

Cell \$75

Church \$300

Cable \$125

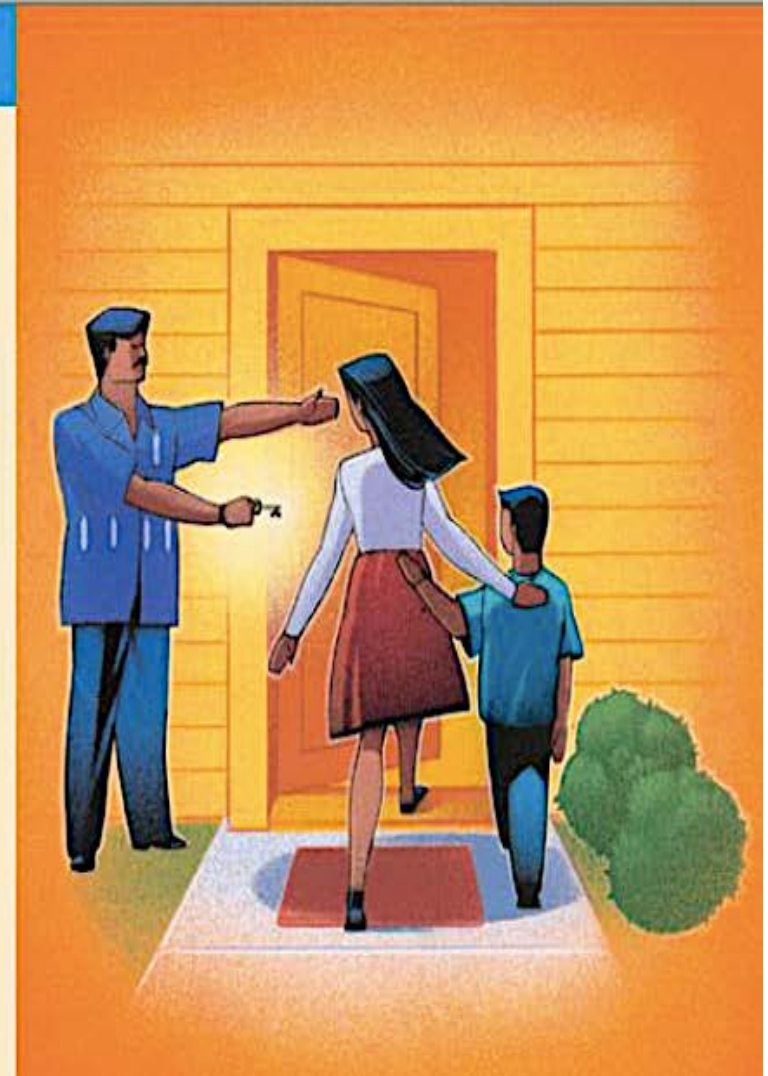
Truck – Toyota (2012) \$375 (12 Pmts. left) ★

Ask Your Lender...

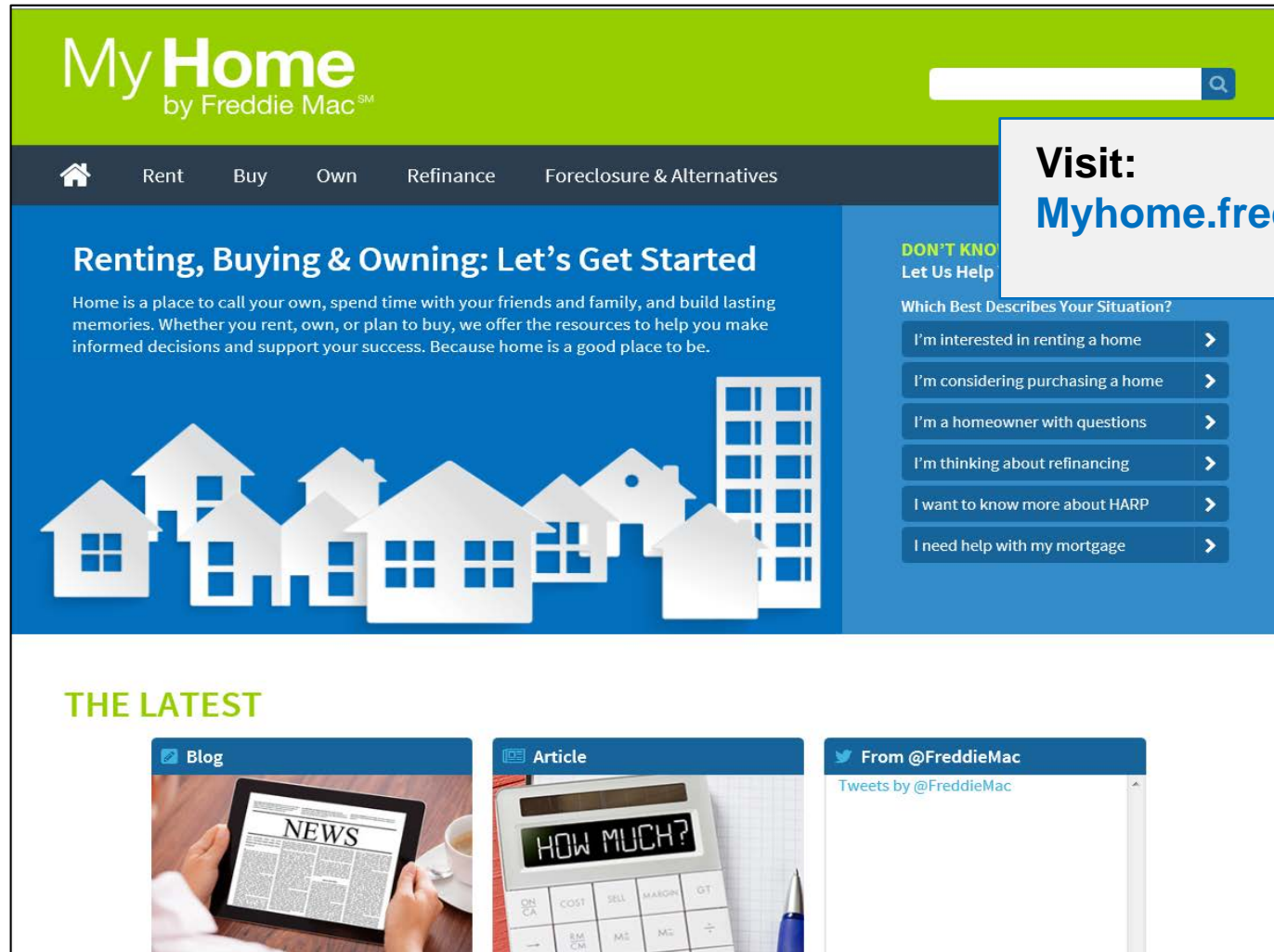
Ask Your Lender...

About fixed-rate mortgages with low down-payment features like:

- Low down payments
- Additional sources of money for the down payment, like a federal, state, or local government agency, nonprofit organization, employer, private foundation, or family member
- Options for people with limited incomes in high-cost areas
- Homeownership education programs
- Lower mortgage insurance costs
- Seller contributions to your closing costs
- Options for people who buy in designated areas that need redevelopment/rehabilitation



Website for consumers on renting, buying and owning a home



The screenshot shows the homepage of the My Home by Freddie Mac website. The header is green with the 'My Home by Freddie Mac' logo and a search bar. Below the header is a dark blue navigation bar with links: Home, Rent, Buy, Own, Refinance, and Foreclosure & Alternatives. The main content area has a blue background with the heading 'Renting, Buying & Owning: Let's Get Started'. Below this heading is a paragraph: 'Home is a place to call your own, spend time with your friends and family, and build lasting memories. Whether you rent, own, or plan to buy, we offer the resources to help you make informed decisions and support your success. Because home is a good place to be.' To the right of this text is a white graphic of several houses of different sizes. Below the main content area is a section titled 'THE LATEST' in green. This section contains three items: a 'Blog' post with a photo of a person reading a newspaper on a tablet, an 'Article' titled 'HOW MUCH?' with a photo of a calculator, and a tweet from @FreddieMac with the text 'Tweets by @FreddieMac'.

My Home
by Freddie MacSM

Home Rent Buy Own Refinance Foreclosure & Alternatives

Renting, Buying & Owning: Let's Get Started

Home is a place to call your own, spend time with your friends and family, and build lasting memories. Whether you rent, own, or plan to buy, we offer the resources to help you make informed decisions and support your success. Because home is a good place to be.

THE LATEST

- Blog**
A person is reading a newspaper on a tablet.
- Article**
A calculator with the text 'HOW MUCH?' on its display.
- From @FreddieMac**
Tweets by @FreddieMac

Visit:
Myhome.freddiemac.com

Real Estate Professionals Resource Center



Real Estate Professionals Resource Center

Looking to expand your business by opening doors for more homebuyers? **Bookmark** this page to:

- Stay current on key housing topics.
- Be a knowledge source.
- Enhance your role as a trusted advisor for both your current and future clients.

Stand out from the competition!

In the Spotlight



As we close out **National Women's History month**, Freddie Mac is proud to spotlight five amazing women who've helped shape the industry and become powerful forces in their communities.

[Learn more >>](#)

[Archive >>](#)

5 Ways to Boost Your Referrals



Utilize our customizable promotional tools, web resources, and Borrower Help Centers to enhance your role as a trusted advisor.

[Learn more >>](#)

<http://www.freddiemac.com/singlefamily/housingpros/subscribe.html>

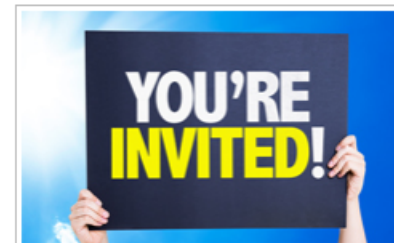
Be a Housing Industry Expert



Freddie Mac has mortgage solutions, information sources, and the handy tools you need to be a housing industry expert.

[Learn more >>](#)

Networking Events and Trainings



Looking for networking and training opportunities? Join Freddie Mac at the following events – and stay connected!

[View calendar >>](#)

Questions?

