

## **NeighborWorks Great Falls Debt and Credit Assistance Loan Program Guidelines**

### **Program Summary**

This loan product is used to meet the needs for future homebuyers who may need to improve their credit or debt to reach their homeownership goal. The purpose of this program is to help future homebuyers reach their goal paired with financial capability coaching and education.

*Borrowers will be required to complete ehome Money Management course to coincide with NWGF counseling to establish budget and credit concerns and continued counseling as needed through the term of the loan.*

### **Income Guidelines**

Borrowers' income does not need to meet any income guidelines to apply for this program. Stable income with employment in the same field for a minimum of six months.

**Minimum Loan Amount:** \$500.00

**Maximum Loan Amount:** \$10,000

**Term:** Up to 36 months fully amortized.

**Interest Rate:** Rates will be based on risk and affordability between 8-12%.

**Credit:** Scores will be reviewed by the committee.

**Ratios:** Based upon affordability and the ability to repay the loan.

**Fees:** Fees will include the cost of credit report and a closing fee of \$150.00, along with other costs that may be incurred to arrive at a loan decision.

**Security:** Unsecured with options to secure if applicable.

**Payments:** Mandatory ACH payments are required.

**All requests will be sent to the HOC Department for review for committee approval at this time.**

**Program Approved March 2021**

**Montana Consumer Loan License - 1930539**

