

# FamiliesForward

Fostering personal achievement for Central Oregonians

405 SW 6th Street Redmond, Oregon 97756 \* 541-923-1018

## Credit Builder Loan Application Packet

### Goal of Moving Forward:

The Moving Forward Fund Credit Builder Loan assists low-income individuals and families by providing the opportunity to improve their credit by establishing a new installment loan for the borrower (s).

A Credit Builder Loan offers a great opportunity for borrowers who have little or no credit history to establish and build credit. Borrowers make monthly installment payments to Families Forward for 1-year and their payment history is reported to the credit bureaus. Families Forward holds the funds paid on loan and then refunds the money the borrower has paid at the end of the loan term to the borrower. The borrower builds credit and saves money. A true win-win!

**Once you have obtained all the following documents, call for an appointment to sign the final loan documents. Do not send any portion of the requirements below to Families Forward ahead of time; bring them with you to your appointment.**

**Copies of the following items must accompany the application; incomplete applications will not be processed.**

### Copies of the following items must accompany the application:

Your most recent income verification including pay stubs from employment, verification of public assistance, or award letters from unemployment.

Copy of Oregon Driver's License or another form of government issued photo ID, **OR** Proof of Oregon residency: A photo ID card and a utility bill or two (2) pieces of mail in your name with an Oregon address dated no later than 30 days prior to the date of application.

Watch the CFPB Financial Videos and answer the attached financial questionnaire on pages 3-5. CFPB Financial Videos can be found at:

<https://www.consumerfinance.gov/consumer-tools/educator-tools/your-money-your-goals/videos/>

***If you have any questions, call Families Forward at 541-923-1018***

## **Credit Builder Loans:**

- \$200 installment loan amortized over twelve months.
- Applicant must watch the CFPB Videos to Spark Action series, and complete the attached questionnaire included with the application. *A Reasonable Accommodation waiver may apply.*
- Origination Fee-An origination fee of \$12.00 will be charged. The origination fee is to be paid in one payment (1<sup>st</sup> payment). The loan amount will be spread over 12-monthly payments.
- Loan payments will be frozen as collateral in custodial account. Balance released upon repayment.
- No funds are released to borrower at the time the loan is made.
- Pre-application, individual credit, and budget review required.
- Participation in credit counseling required.
- Borrower may pay back loan at any time before payment due date, though this may affect credit score. Families Forward does not refund the origination fees, even if the loan is paid in full.

## **Underwriting Criteria:**

### ***To receive a loan from Families Forward an applicant must:***

- Be at least 18 years old or if under 18 be an emancipated minor or have a custodial adult cosigner and, have a valid government-issued photo I.D. card including consular ID.
- Provide proof of Oregon residency (valid OR DL or 1 utility bill or 2 pieces of mail not including magazine subscriptions or shut-off notices) listing current address & provided within 30 days of application.
- Provide proof of income or payment ability (Employment, Unemployment Compensation, SSI, TANF, Child Support). Complete budget worksheet included with application
- Origination fee must be paid by check or money order at time of loan.
- Not be involved in pending bankruptcy.

Watch the [CFPB Financial Videos that Spark Action](#) and complete this financial questionnaire. There are 4 sections with short videos (about 1-3 minutes each) in each section. Watch all the videos under each of the following four sections: 1) [Credit](#) 2) [Debt](#) 3) [Financial Products and Services](#) 4) [Paying Bills and Saving](#)

*\* Disclaimer: The CFPB Financial videos must be viewed in their entirety, and the questionnaire answered. The number of correct answers to the following questions will not impact your eligibility for the Families Forward loan.*

Videos can be found here:

<https://www.consumerfinance.gov/consumer-tools/educator-tools/your-money-your-goals/videos/>

## Questions

### Credit:

- 1) What is the website where can you get your credit report for free at least once a year? \_\_\_\_\_
- 2) If you are denied credit, can you request a copy of your free credit report to understand why you were denied?  
 Yes  No
- 3) Is it your responsibility to dispute errors on your credit report?  
 Yes  No
- 4) Can you submit your dispute directly with the credit bureaus?  
 Yes  No
- 5) What are the 3 largest nationwide credit reporting agencies?
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
- 6) List the 3 ways to build your credit score
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
- 7) What is the most important step you can take to improve your credit? \_\_\_\_\_

## **Debt**

8) If contacted by a debt collector by phone, should you request that all debt collection information be mailed to you in writing so that you can verify the debt and collector are legitimate?

Yes  No

9) It is best not to provide any personal information, including address or bank account information over the phone to anyone who contacts you, including debt collector.

Yes  No

10) If you determine the debt collection is legitimate and you want to pay it off, can you ask to settle the debt for a reduced lump sum payment or offer to make a payment plan?

Yes  No

11) Before you agree to make payments, you should make sure it fits in your budget first.

Yes  No

12) Is it best to make payments directly to the creditor and not to give them access to your bank account information for automatic withdrawals?

Yes  No

13) Before making any payments, should you request the repayment agreement in writing from the collection agency first?

Yes  No

14) What does DTI stand for? \_\_\_\_\_

15) Does your DTI affect the amount you can borrow?

Yes  No

16) Not all mortgage loans are the same. Is comparing different loans important?

Yes  No

## **Financial Products and Services**

17) Can you view a statement for a prepaid card?

Yes  No

18) Do prepaid cards charge fees?

Yes  No

19) What is the average Annual Percentage Rate for Payday loans? \_\_\_\_\_

20) Should payday loans be avoided at all costs?

Yes  No

**Paying Bills and Saving**

21) What do you plan to do with your tax refund (if you receive a tax refund)?

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22) Can you get your tax refund directly deposited or have your tax refund check mailed to you?

Yes  No

23) If you can't pay all your bills, is it a good idea to itemize and prioritize your payments?

Yes  No

24) List your top 5 bills priorities and their due dates below:

Bill	Due Date
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

25) If you are unable to pay your bills on time, it is a good idea to contact your bill servicers and ask about your options (reduce your payment, reduce your interest rate, change your due date, or skip a month) or if they have a hardship program.

Yes  No

26) If several of your bills are due on or around the same time of the month, can you contact your bill servicers to request to change your due date to make paying your bills easier?

Yes  No

27) What two expenses does Mike decide to reduce to help him increase his savings?

1. \_\_\_\_\_ 2. \_\_\_\_\_

28) What is Mike's savings goal amount? \$ \_\_\_\_\_

29) Can changes to your spending habits make a difference to your savings?

Yes  No

30) A savings account can help you manage your savings goal.

Yes  No

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## MOVING FORWARD LOAN APPLICATION

Married Applicants may apply for a separate account. Check the appropriate box to indicate Individual Credit or Joint Credit:

**Individual Credit:** Complete **Applicant** sections if only the applicant's income is considered for loan approval.

Complete **Applicant** and **Co-Applicant** sections if you are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as the basis for repayment of credit requested.

**Joint Credit:** Complete **Applicant** and **Co-Applicant** sections if your co-applicant will be contractually liable for repayment of the loan and initial below:

We intend to apply for joint credit. \_\_\_\_\_ (Applicant Initials) \_\_\_\_\_ (Co-Applicant Initials)

1. Borrower Personal Information					Date:	
Last Name:	First:	Middle	<input type="checkbox"/> Mr.	<input type="checkbox"/> Ms.	Social Security #:	
			<input type="checkbox"/> Mrs.	<input type="checkbox"/> Ms.	Date of Birth:	
Home Address:				Driver's License/ID Number:		
City:				State:	Zip Code:	
Home Phone:		Cell Phone:		Work Phone:		
Email Address:				Opt into electronic statements <input type="checkbox"/> Yes <input type="checkbox"/> No		
2. Co-Applicant Information						
Last Name:	First:	Middle	<input type="checkbox"/> Mr.	<input type="checkbox"/> Ms.	Social Security #:	
			<input type="checkbox"/> Mrs.	<input type="checkbox"/> Ms.	Date of Birth:	
Home Address:				Driver's License/ID Number:		
City:				State:	Zip Code:	
Home Phone:		Cell Phone:		Work Phone:		
Email Address:						
3. Income Information						
Primary Employer Name/Income Source*:						
Applicant monthly net income:			Co-applicant monthly net income:			
Employer Address:			Position/Department			
City:	State:	Zip Code:	How often are you paid?		How are you paid?	
			<input type="checkbox"/> Daily	<input type="checkbox"/> Monthly	<input type="checkbox"/> Direct Deposit	
			<input type="checkbox"/> Biweekly	<input type="checkbox"/> Weekly	<input type="checkbox"/> Cash <input type="checkbox"/> Check	
			<input type="checkbox"/> Other:		<input type="checkbox"/> Other:	
Date of Hire:			<input type="checkbox"/> Full Time		<input type="checkbox"/> Part Time	
Other sources of income:					Amount per month: \$	
1.						
2.						

\*You do not need to include Alimony, child support, or other payments if you do not wish to have it considered as a basis for repaying this loan.

**4. Other**

Do you currently have any outstanding payday loans?

Yes  No

Have you filed for bankruptcy in the last six months?

Yes  No

For purposes of verifying the above information, I authorize Families Forward and its contractors, affiliates, or agents to contact any persons or companies to verify information, Families Forward may require now and, in the future, while attempting to perform a loan service for me or in recovering any debt I owe to Families Forward. I authorize Families Forward and its contractors, affiliates, or agents to request and receive credit reports from time to time pertaining to me from any Consumer Credit Reporting Agency. I further acknowledge that I have received Families Forward Privacy Policy and understand the privacy options. By signing below, I hereby verify that the information presented here is true and accurate to the best of my knowledge, and if asked can prove accuracy of the information. I acknowledge that Families Forward may report information about a loan I receive to credit bureaus. This may include late payments, missed payments or other defaults on such loans by. I further agree to notify Families Forward of any change in name, address, telephone number, or employer, and any change in my situation.

Applicant Signature: \_\_\_\_\_ Date \_\_\_\_\_

Co-Applicant Signature: \_\_\_\_\_ Date \_\_\_\_\_

## Demographic Information

Families Forward collects the following demographic information to identify the characteristics of the families we serve. This information is vital to the continued success of the program. Providing this information is voluntary. We encourage you to provide the information, however if you chose not to it will not affect your ability to receive the loan you are applying for.

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**Please provide information on all family members.**

**Example:**  Native Hawaiian or Pacific Islander #Of 2

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### Head of Household

Single Male     Single Female     Two Parent with Children     Two adult

Adults in Household #of \_\_\_\_\_ #of Children (under 18) \_\_\_\_\_ Gross Household Income \$ \_\_\_\_\_

### Household Race and Ethnicity (included for all living in household)

American Indian or Alaskan Native #Of \_\_\_\_     Asian #Of \_\_\_\_

Black or African American #Of \_\_\_\_     Native Hawaiian or Pacific Islander #Of \_\_\_\_

White #Of \_\_\_\_     American Indian or Alaskan Native and White #Of \_\_\_\_

Asian and White #Of \_\_\_\_     Black or African American and White #Of \_\_\_\_

American Indian or Alaskan Native and Black or African American #Of \_\_\_\_

Other Multi-Racial #Of \_\_\_\_

Hispanic #Of \_\_\_\_     Other \_\_\_\_\_ #Of \_\_\_\_

### Special needs & Homeless (included for all living in household)

Elderly (62 yrs. or older) #Of \_\_\_\_     Developmentally Disabled #Of \_\_\_\_

Physically Disabled #Of \_\_\_\_     Aids or HIV #Of \_\_\_\_     Mental Illness #Of \_\_\_\_

Substance Abuse #Of \_\_\_\_     Migrant Farm Worker #Of \_\_\_\_

Homeless Without Special Needs #Of \_\_\_\_

Are there any military veterans in the home? #Of \_\_\_\_

I decline to provide this information



**CREDIT REPORT AUTHORIZATION AND PRIVACY DISCLOSURE FORM**

I hereby authorize and instruct Families Forward to obtain and review my credit report. My credit report will be obtained from a credit-reporting agency chosen by Families Forward. I understand and agree that Families Forward intends to use this and any subsequent credit reports for evaluating my credit profile.

My signature below also authorizes the release to credit reporting agencies of financial or other information that I have supplied to Families Forward in connection with such evaluation. Authorization is further granted to the credit-reporting agency to use a copy of this form to obtain any information the credit reporting agency deems necessary to complete my credit report. In addition, in connection with determining my ability to obtain a loan;

I authorize \_\_\_\_ I do not authorize \_\_

Families Forward to share with potential mortgage lenders and/or counseling agencies my credit report and any information that I have provided, including any computations and assessments that have been produced based upon such information. These lenders may contact me to discuss loans for which I may be eligible, and these counseling agencies may contact me to discuss counseling services. I understand that I may revoke my consent to these disclosures by notifying Families Forward in writing.

This authorization will be valid through duration of loan period.

\_\_\_\_\_  
Client's Name (Print)

\_\_\_\_\_  
Client's Name (Print)

\_\_\_\_\_  
Client's Signature

\_\_\_\_\_  
Client's Signature

\_\_\_\_\_  
Client's Social Security Number

\_\_\_\_\_  
Client's Social Security Number

Birth Date: \_\_\_\_\_

Birth Date: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## WHERE WILL THE FUNDS FOR MY LOAN PAYMENT COME FROM?

### YOUR INCOME

### AMOUNT

TAKE HOME PAY (Wages and tips)	\$	
OTHER INCOME (Side business, interest, etc)	\$	
<b>SUB-TOTAL</b>	\$	

### YOUR EXPENSES

RENT	\$	
UTILITIES (Heat, electricity, etc.)	\$	
TRANSPORTATION (car payments, gas, insurance, etc.)	\$	
SUBSCRIPTIONS (Cable, Magazines, gym etc.)	\$	
PHONE (Cell, Landline)	\$	
FOOD	\$	
DINING OUT	\$	
ENTERTAINMENT (Movies etc.)	\$	
PERSONAL (Hair care, hobbies, etc.)	\$	
INSURANCE (Medical, life, etc.)	\$	
SAVINGS	\$	
OTHER (child care)	\$	
<b>SUB-TOTAL</b>	\$	

This is the total of INCOME minus (-) EXPENSES.

**TOTAL**

If your **TOTAL** is a negative number you will need to make adjustments to your budget in order to make your loan payment.

	YES	NO
Do you have enough room in your budget to make your payment?		

If no, where will you make adjustments to your budget to afford your payment? (Explain)

I am confident that I can make my payment on time every month. I understand that failing to make my payments on time every month will be reported to the Credit Bureaus and that my credit score will be negatively impacted. I also understand that if I fail to comply with the terms of my loan agreement, I will be considered in default and may be sent to collections.

\_\_\_\_\_  
NAME

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE