

Homebuyer Education Resources

Homebuyer education is an important component of homeownership, as it prepares the buyer for the acquisition process and provides the necessary tools for remaining a successful homeowner. Counseling proves to be a valuable tool that makes the buying process more attractive by providing buyers with knowledge of the basic steps of purchasing, financing and making timely mortgage payments; and information on how to avoid pitfalls. In addition, completing a course fulfills one of the qualifying criteria that many lenders require of first-time buyers.

The providers of homebuyer education are the government, government sponsored enterprises, mortgage bankers, housing advocates, and non-profit organizations. The courses have been made available to the public online, on-site (class imparted by an instructor) and as printed material; they have the common objective of helping buyers to become successful homeowners. Some courses specialize in financial topics, such as FICO scores or predatory lending, and some others offer a comprehensive approach to homeownership issues such as how to find the best loan or how much home one can afford. A handful of courses are not designed for the buyer, but for the real estate professional that desires to instruct others about the home-buying process.

We have divided this document into three parts. The general homebuyer education section points out the most relevant courses and materials available for gaining broad knowledge of the home buying process. The local homebuyer part will help you find a local agency that offers classes on site. This is particularly important for the homebuyer that needs counseling and to complete a course when qualifying for a loan. Finally, the predatory lending education section lists the sites that offer specialized information on how to avoid this practice.

General Homebuyer Education

[BorrowSmart](#): Online source sponsored by lenders with information on how to manage credit and loans.

[C.A.R. Homebuyer Education and Housing Counseling](#): First-time and low-to-moderate income buyers have several programs through all levels of government and non-government organizations willing to assist.

[Fannie Mae Foundation](#): This agency offers [Home-Buying Guides](#) that outline the basics about owning a home, knowing your credit, borrowing, and choosing the best mortgages. The [homeownership education programs](#) help underserved populations gain access to affordable housing and become homeowners. Resources are available in several languages. Finally, [Fannie Mae's Home Counselor Online](#) provides a tool that enables counselors to increase their business productivity while managing their counseling functions. It enables users to enhance their level of service while helping more clients prepare for homeownership.

[Fair Isaac](#): This organization offers a very complete credit education page focused on the FICO score.

[Freddie Mac's Route to Home Ownership](#): This online program provides easy to understand and in-depth information on all aspects of buying a home, from understanding the pros and cons of homeownership to demystifying the mortgage process. Freddie Mac also offers [Recursos en Español](#).

[Ginnie Mae Homeownership Information Center](#): The site has a series of links with information about the home buying process.

[Homebuyers Education Center](#): This website offers information about home buying and educating the consumer on the importance of using a REALTOR® during the process.

[HomeOwnership Alliance](#): The consumer will find extensive information on how to buy a home, moving, mortgages, insurance and equity.

[Homeownership Alliance of Non-profit Down Payment \(HAND\) Providers](#): HAND's members are some of the most important non-profits offering down payment assistance. These organizations also offer home buying classes, online courses, ebooks and educational tools for the buyer and the real estate professional.

[Homes for All Program](#): This non-profit site offers counsel on how to choose a real estate agent and advocates for the use of REALTORS® only. It has a buyers and a seller's guide.

[HCD](#) has a [Memo for Local Homebuyer Program Operators and Sponsors](#): Contains a Sample Homebuyer Program Guidelines and a Homebuyer Program Guidelines Checklist for those who want to set up their own homebuyer program using HCD funds.

[HUD's HomeBuying Resources](#): Includes information on: homebuyer rights, mortgage, finding a real estate broker, home-buying programs, shopping for a home, home inspections, appraisals, homeowners insurance, closing, and moving. HUD [Counseling](#) will help you find a local counseling agency. The [US Homebuyer Education Center](#) offers a homebuyer education online course and provides the student with a certificate upon completion.

[Mortgage Bankers Association](#): Has posted information on financial literacy, homebuyer education and predatory lending. The website contains useful links.

Private Lenders: Lenders such as [Bank of America](#), [Countrywide Home Loans](#), [Wells Fargo](#), [IndyMac Bank](#), [Washington Mutual](#), [Citi Bank](#), just to name a few, have online home buying resources. Check with your bank or credit union about available information.

Local Educational Programs

In addition to the above resources, there are several non-profit organizations that offer homebuyer's education. We recommend also contacting your [local housing](#)

[authority](#), as new programs might be in place. HUD keeps a [list of *approved house counseling agencies*](#) for all California.

The [Southern California Association of Non-Profit Housing](#) maintains a list of homebuyer education programs for the counties of Los Angeles, Orange, Ventura, San Bernardino, Santa Barbara and Riverside.

Predatory Lending Education

Lending and credit issues deserve a special category since many homebuyers have fallen prey to unscrupulous mortgage brokers and many others do not understand how credit works. Several sites offer information on how to detect signs of predatory lending and what to do if one has already fallen into a mortgage fraud scheme.

[HUD Predatory Lending](#): The agency informs thoroughly on the issue of predatory lending.

[Stopmortgagefraud.com](#): This site features information on the borrower's bill of rights, warning signs of abusive lending and a place to report abusive lending.

[City of LA Don't Borrow Trouble](#): It offers advice on how to prevent loan scams. Several documents about the topic are available both in English and Spanish. The site also features an extensive list of counseling organizations and a link to Freddie Mac's site (below).

[Freddie Mac's Don't Borrow Trouble](#): The site posts information on how to avoid predatory lending practices.

Glossaries

Glossaries help homebuyers find definitions to real estate terms they are not familiar with or are difficult to understand.

[Fannie Mae's Mortgage Terms Glossary](#)

[Glossary of Real Estate Terms](#)

[HUD's Mortgage Glossary](#) (available translation in Spanish)