

MSHDA's Housing Education Program (HEP)

How will Homebuyer Education benefit my client?

A prepared homebuyer is more likely to become a successful homebuyer. To support your clients in achieving their goal of homeownership, MSHDA's Housing Education Program (HEP) provides important services.

All borrowers and co-borrowers obtaining a MSHDA Michigan Down Payment are required to attend Homebuyer Education (HBE). Following are the three HBE options available to your clients.

Homebuyer Education Workshops

As defined by HUD, Homebuyer Education is offered in a workshop setting, which is a six to eight hour commitment. Homebuyers just beginning to think about purchasing a home will find the information shared in these workshops helpful.

Topics reviewed include:

- Assessing Readiness – Is Buying Right for Me?
- Selecting a Home
- Determining Affordability
- Inspections and Appraisals

Homebuyer Education Workshops can be provided by either a MSHDA HEP agency or a Michigan based, HUD approved agency. Workshops fill up quickly so contacting an agency for information on how to register is recommended. Refer your clients to either MSHDA's Housing Education Locator or to the HUD website. There they will find agencies within their community.

Lender Referred Individual Counseling

For clients already working with a MSHDA lender, MSHDA's HEP agencies can provide Lender Referred Individual Counseling. This three hour maximum HBE is based on the borrower's individual needs and mortgage product. Borrowers electing to use this HBE must provide a completed Lender Referral Document to the MSHDA HEP agency at the time of service. Because educators providing this service work with many clients each day, borrowers must contact the agency well in advance of loan submission to secure an appointment and to avoid delays in the closing of their mortgage. Your clients can locate a MSHDA HEP agency within their community by visiting our Housing Education Locator.

Online Homebuyer Education

Some MSHDA HEP agencies also offer online HBE utilizing either e-Home America or Framework products. Currently, these are the only online products approved by MSHDA. To utilize this education option, borrowers must contact an approved MSHDA HEP agency to get information on the registration process. Agencies providing this service can be found by visiting our Housing Education Locator.

Once borrowers complete this four to six hour online course (which includes quizzes), they must contact the MSHDA agency and speak with a certified counselor. The counselor will provide a review of the session content and the borrowers' mortgage documents, and discuss other topics like PITI, budgeting and savings, moving costs and foreclosure.

Regardless of the type of Homebuyer Education completed, the agency providing the services will issue a Certificate of Completion to the borrower. This document must be submitted to MSHDA along with all loan documents.