

## **MORTGAGE 101 COURSE OUTLINE**

### **© MARITIME BUSINESS COLLEGE**

*This course provides a clear picture of the processes involved in seeking and obtaining approval of mortgage financing. It explains the financial and legal basics a savvy consumer should know and lays the groundwork for more advanced studies in the financial/mortgage industry.*

#### Topics Covered:

History & Background  
Learning the Basics  
Applications  
Calculations  
Required Documentation  
Credit Scoring  
Credit Reports  
Mortgage Underwriting  
Appraisals

**TOTAL COURSE HOURS**

**30 HRS**

*1 week*

Spring intake:           April 10 – 13, 2012 (Moncton)  
                                  April 23 – 27, 2012 (Halifax)  
                                  *(all intakes are subject to enrolment)*

**CERTIFICATE AWARDED UPON SUCCESSFUL COMPLETION**  
**EVALUATION BY WRITTEN TESTS AND ASSIGNMENTS, PASS 70% IN ALL SUBJECT AREAS**

#### **METHOD OF EVALUATION**

*Students are tested throughout the program in all subject areas. Pass for all tests and assignments is 70%.*

#### **REQUIRED MATERIALS**

- Textbook: *TBA* (cost will be approximately \$100)
- *(optional)* Hewlett-Packard Financial Calculator model HP10bII (available at most business supply stores)

#### **REGISTRATION**

**To register, please call Stacey MacKinnon, Admissions Director of Maritime Business College, at our Dartmouth Campus: 902.463.6516.**

## **HISTORY & BACKGROUND**

*Course Hours: 1*

Review the history of the mortgage industry in Nova Scotia and learn about various professional associations who can help you. Learn basics of contract law and how it applies to your mortgage and conveyancing documents.

## **LEARNING THE BASICS**

*Course Hours: 2*

Learn about the 5 Cs of credit. Debt service ratios, LTV, affordability and payment shock can all affect whether and for how much you're approved.

## **APPLICATIONS**

*Course Hours: 3*

Learn what a mortgage agent will ask for and why, how you must confirm identity, employment, assets and liabilities, and what the application you sign may look like.

## **CALCULATIONS**

*Course Hours: 6*

Calculate whether you may prequalify and how to figure out mortgage payments and amortization periods. Learn the different types of mortgages available and the features they offer.

## **REQUIRED DOCUMENTATION**

*Course Hours: 3*

Discuss document checklists for the different types of deal. What documents do you need to gather to verify income and down payment?

## **CREDIT SCORING**

*Course Hours: 3*

There are many myths and misunderstandings around credit scoring. Understand beacon scores, what the information is used for, and how payment history is reviewed. Learn how to improve your credit scores and re-establish credit after financial challenges.

## **CREDIT REPORTS**

*Course Hours: 3*

Distinguish between the reporting agencies and various reporting procedures. Learn how the lender will review the information, including key sections and how to read your report.

## **MORTGAGE UNDERWRITING**

*Course Hours: 3*

Compare a mortgage to a loan. Understand what the lender will assess, including property features, mortgage types, and calculating closing costs.

## **APPRAISALS**

*Course Hours: 3*

Sometimes the hold-up on a mortgage application isn't a challenge with the borrower but with the property. Understand market value, types of appraisals, and what adjustments are made. Learn how to read the key sections of the report.