

1 Hour SAFE CE: Evaluating Consumer Credit

Course Syllabus

Course Overview

Welcome to the 1 Hour Evaluating Consumer Credit Information course. In this document, you will learn about the scope of the course, as well as administrative specifics, such as grading and certificates.

Course Purpose:

Federal law requires licensure of specific parties involved in the mortgage loan business. Students attending the 1 Hour Evaluating Consumer Credit Information course will obtain a foundational knowledge of evaluating consumer credit information.

Course Description:

There is a lot of information packed into one credit report that is key in qualifying borrowers for loan products. This course will help you unravel the wealth of information contained in credit reports as well as provide you with a methodology for reconciling credit and handling credit problems that may be uncovered in your analysis.

Course Objectives:

Upon completion of this course, you will be able to:

- Explain the factors that influence a credit score
- Recognize the major credit reporting agencies and the characteristics of their reports
- Handle identity theft and fraud alerts
- Identify the steps in reconciling a credit report
- Identify the characteristics of nontraditional credit
- Evaluate factors of credit risk

Course Outline:

Module 1 – Credit Reports and Credit Scores & Identity and Fraud Alerts (20 minutes)

- Credit Reports and Credit Scores
 - Credit in general
 - Transactions
 - Steps - Analyzing and Understanding Information
 - Major credit reporting agencies
 - Accessing a credit report
 - Types of credit reports
 - Understanding reason codes
 - Reason codes
 - Taking a look at the codes
 - Taking a look at the codes answers

- Important reason codes
- Public record codes
- Topic review
- Credit Scores (ranges, risks, and factors, components)
- Payment History—Credit weighting and additional factors
- Factors that don't affect credit score
- Negative factors impacting credit score
- How credit scores are improved
- Topic Review
- Identity and Fraud Alerts
 - The Possibility of Misrepresentation
 - Employment Discrepancy Example
 - Identity Warnings
 - Fraud Alerts
 - Active Duty Alerts
 - In the event of a fraud alert
 - Identity and Fraud Alerts review

Module 2 – Reconciling a Credit Report (10 minutes)

- Trade Line Information
- Questions to Ask
- Accounts That Do Not Belong
- Removing Bad Information
- Contingent Liabilities
- Divorce
- Divorce scenario
- Co-Signed Obligations
- Knowledge Check
- Duplicate Accounts
- Fraudulent Debt
- Account Histories
- Incorrect Payments
- Recent Inquiries
- New Accounts
- Current Mortgage

Module 3 – Nontraditional Credit & Credit Risk Factors (20 minutes)

- Nontraditional Credit
 - Nontraditional Credit Defined
 - Nontraditional Credit Requirements
 - Documenting Nontraditional Credit

- Housing Reference
- Nontraditional Credit Tier System
- Underwriting Traditional Credit
- Credit Risk Factors
 - Credit Risk Analysis
 - Selecting the Representative Score
 - Credit Risk Analysis—Risk Levels
 - Balancing Risk
 - Other Factors in Balancing Risk
 - Knowledge Check

Case Study – Tale of Two Borrowers (10 minutes)

Instructor Biographies:

This course does not have an instructor. The industry experts who were the key authors of the course are Donna Bradshaw and David Fabrizio.

Donna Bradshaw

Donna has been involved in the mortgage lending industry for nearly 40 years with duties ranging from abstracting to operations management and compliance management, including state licensing, and quality control. She began her career as a title company receptionist and occupied progressively more responsible positions up to Senior Vice President for a large multi-state mortgage lender. Donna is presently semi-retired working part time with a local title company assisting with their compliance, best practices, escrow services and title researching.

David Fabrizio is currently the Director of Underwriting of Peoples Home Equity based in Tennessee. David has worked in a variety of mortgage lending operations including both retail and wholesale originations. Recently David was with Wyndham Capital as an Underwriting Manager and EquiFirst Corporation, a lender in Charlotte, NC, as a Regional Underwriter. He was responsible for the training and development of the staff in government lending.

Instructor contact information: Please feel free to contact our instructors at learning@elliemae.com

Course Administration

Rules of Conduct:

As an individual completing either pre-licensure education (PE) or continuing education (CE), I agree to abide by the following rules of conduct:

1. I attest that I am the person who I say I am and that all my course registration information is accurate.
2. I acknowledge that I will be required to show a current government issued form of identification prior to, and during the course, and/or be required to answer questions that are intended to verify/validate my identity prior to, and during the course.
3. I understand that the SAFE Act and state laws require me to spend a specific amount of time in specific subject areas. Accordingly, I will not attempt to circumvent the requirements of any NMLS approved course.
4. I will not divulge my login ID or password or other login credential(s) to another individual for any online course.
5. I will not seek or attempt to seek outside assistance to complete the course.
6. I will not give or attempt to give assistance to any person who is registered to take an NMLS-approved pre-licensure or continuing education course.
7. I will not engage in any conduct that creates a disturbance or interferes with the administration of the course or other students' learning.
8. I will not engage in any conduct that would be contrary to good character or reputation, or engage in any behavior that would cause the public to believe that I would not operate in the mortgage loan business lawfully, honestly or fairly.
9. I will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing and the conditions for which I am seeking licensure or renewal of licensure.

I understand that NMLS approved course providers are not authorized by NMLS to grant exceptions to these rules and that I alone am responsible for my conduct under these rules. I also understand that these rules are in addition to whatever applicable rules my course provider may have.

I understand that the course provider or others may report any alleged violations to NMLS and that NMLS may conduct an investigation into alleged violations and that it may report alleged violations to the state(s) in which I am seeking licensure or maintain licenses, or to other states.

I further understand that the results of any investigation into my alleged violation(s) may subject me to disciplinary actions by the state(s) or the State Regulatory Registry (SRR), including removal of any course from my NMLS record, and/or denial or revocation of my license(s).

Any violation of this standard could lead to automatic withdrawal from the course without credit or refund. The course should be taken in a quiet, distraction free area. NMLS has established a mandatory, automatic, log-out and after six minutes of inactivity, you will be logged out of the course. On logging back in, you will return to either the page where inactivity was detected or the start of the unit of instruction. Units of instruction are indicated in the Course Outline section of this syllabus.

Course Deadline:

Students have until December 31 in the year in which the course is purchased to complete the course. You may complete the course at any time during this period. However, course providers are afforded seven calendar days to

credit the student's NMLS account following successful completion of the course. It is strongly advised that you complete the course at least one week prior to the December 31 deadline.

Grading Policy:

Successfully completing a module:

To receive CE credit with the NMLS for this course, students must successfully complete the following items:

- Review the syllabus
- Complete the course
- Final Assessment with a score of 70 percent or better – students are allowed two attempts
- Receive (download) the Certificate of Completion

Successfully completing a module:

This course is broken into modules. Each module contains activities such as scenarios, videos, review questions and a module quiz. Students must successfully complete these activities and pass the module quiz with a grade of 70 percent or better to complete that module.

Course Evaluation:

After you have completed the course and final assessment, please take a moment to complete the course evaluation. Your feedback will help us improve our courses and develop new offerings.

Technical Requirements/Support

Computer and internet requirements:

Students must have an Internet connection, for best performance, ethernet versus Wi-Fi is preferred. The following browsers are acceptable: Chrome, Edge, Internet Explorer (version 7 or later; but not IE9), Firefox, Safari, or Opera. You must have Adobe Reader to view the supplemental materials/handouts in the course. Make sure you disable toolbars in your browser and enable popups.

If you can't find what you are looking for, contact our support staff at (800)848-4904 Monday–Friday 8 a.m.– 5 p.m. Central Time.

Help and Contact Information:

Please feel free to contact our industry experts by emailing learning@elliemae.com. Please include the course title and related page in your communication.

Continued Learning:

After completing this course, you may be interested in other courses to enhance your knowledge. Visit <http://elliemae.com/education/continuing-education> for a list of all course offerings. In addition to self-paced online courses, AllRegs by Ellie Mae offers instructor-led onsite, classroom courses, instructor-led virtual classroom courses, single session webinars on key issues impacting the mortgage industry and may be able to meet your customized training needs.