

Credit
Consumer Credit Counseling

Credit Counseling provides guidance and support to consumers which may include assistance to negotiate with creditors on behalf of the borrower to reduce interest rates, late fees and agree upon a repayment plan. The credit score will reflect the degradation of credit due to participation in this plan. Credit accounts that are included in repayment plan may continue to report as delinquent or as late pays. This is typical and will not be considered as recent adverse credit. The file must contain documentation to support the accounts that are included in the debt management plan and the applicable monthly payment. The monthly payment for the counseling plan must be included as a liability. The following will apply for consumer credit counseling:

- One (1) year of the payment period for the repayment plan must have elapsed;
- All payments must show paid on time and as agreed
- Written permission from the counseling agency to recommend the applicant as a candidate for a new mortgage loan debt