

# Design Document

**Training Title:** Preparing First Time Home Buyers for the Mortgage Process

<b>Business Goal and Problem</b>	To provide training for first time home buyers so they are less confused about how mortgage lenders approve them for a loan. Clarity on the process will help buyers eliminate delays and financial consequences. Success is achieved when loans close within 30 days. This benefits CW Capital Company by reducing costs such as additional processing fees, opportunity costs, and changes in origination fees.
<b>Target Audience</b>	CW Capital Company's first time home buyer clients. After they apply the lender sends a link to the course. This course can also be taken when lenders hold educational events with realtors for potential buyers.
<b>Learning Objectives</b>	<p><b>Terminal LOs:</b></p> <ol style="list-style-type: none"><li>1. Determine Your Debt-to-Income Ratios</li><li>2. Identify what Helps and Hurts Your Credit Score</li><li>3. Calculate Your Credit Utilization Score</li></ol> <p><b>Enabling LOs:</b></p> <ol style="list-style-type: none"><li>1. The learner will be able to plug in debts and income into a formula and make a calculation.</li><li>2. The learner will be able to plug in principle, interest, taxes, and insurance figures into a formula and make a calculation.</li><li>3. The learner will be able to plug in credit and loan debts as well as their available limits into a formula and make a calculation.</li></ol>
<b>Training Recommendation</b>	<p><b>Delivery Method:</b> E-Learning Course, self-paced</p> <p><b>Approach:</b> Scenario-based learning with interactions, 2 knowledge checks, and a final assessment. Learners are required a passing grade for the final assessment. Learners will be able to access the course from any computer or electronic device and peruse it with their loan officer. They may also take the course on their own, and multiple times. Loan officers can use this training in their initial meetings with their clients, whether in person or any other method of communication. This will ensure clients watch the course before being too far in the mortgage process.. Loan officers can also take this training to meetings with realtors or workshops to generate leads and inform their potential clients of the process in advance.</p>

<b>Training Time</b>	30-35 minutes
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>• 1 E-Learning course developed in Storyline with text-to-speech audio.</li> <li>• 1 Storyboard with script.</li> <li>• Supplemental Materials included in Resources Link in Training <ul style="list-style-type: none"> <li>a. Front End DTI Formula Cheat Sheet</li> <li>b. Back End DTI Formula Cheat Sheet</li> <li>c. Credit Utilization Formula Cheat Sheet</li> </ul> </li> <li>• 1 Published SCORM .story file</li> </ul>
<b>Training Outline</b>	<p><b>Introduction</b></p> <ul style="list-style-type: none"> <li>• Welcome Page</li> <li>• Navigation Page, Including Resources Link</li> <li>• Learning Objectives: <ul style="list-style-type: none"> <li>Determine Your Debt-to-Income Ratios</li> <li>Identify what Helps and Hurts Your Credit Score</li> <li>Calculate Your Credit Utilization Score</li> </ul> </li> <li>• Scenario-Based Friendly Advice</li> </ul> <p><b>Topic: Determine Front End Debt-to-Income (DTI) Ratio</b></p> <ul style="list-style-type: none"> <li>• Define Principle, Interest, Taxes and Insurance (PITI)</li> <li>• Calculate PITI with the formula: Principle + Interest + Taxes+ Insurance = PITI</li> <li>• Calculate Front End DTI Ratio with the formula: Gross Monthly Income (Gross Yearly Income divided by 12) divided by PITI = FT End DTI</li> </ul> <p><b>Knowledge Check 1</b></p> <ul style="list-style-type: none"> <li>• 1 Multiple Choice Question on PITI</li> </ul> <p><b>Knowledge Check 2</b></p> <ul style="list-style-type: none"> <li>• 1 Multiple Choice Question on Front End DTI Ratio</li> </ul> <p><b>Topic: Determine Back End Debt-to-Income Ratio</b></p> <ul style="list-style-type: none"> <li>• Identify Additional Debts</li> <li>• Calculate Back End DTI Ratio with the formula: Gross Monthly Income divided by (PITI + Additional Debts)= Back End DTI</li> </ul> <p><b>Topic: Identify What Helps Your Credit</b></p> <ul style="list-style-type: none"> <li>• 5 Object Interactions: 5 Clickable Circles that reveal 1 tip per circle</li> </ul> <p><b>Topic: Identify What Hurts Your Credit</b></p>

	<ul style="list-style-type: none"> <li>• 3 Object Interactions: 3 Clickable Circles that reveal 1 tip per circle</li> </ul> <p><b>Topic: Determining Your Credit Utilization Score</b></p> <ul style="list-style-type: none"> <li>• Calculate Credit Utilization Score with formula:  Total Credit Card &amp; Loan Debt divided by Total Available Credit Card &amp; Loan Limits = Credit Utilization Score</li> </ul> <p><b>Final Assessment</b></p> <ul style="list-style-type: none"> <li>• 5 graded questions addressing all LO (3)</li> </ul> <p><b>Summary</b></p> <ul style="list-style-type: none"> <li>• Scenario based recap of all topics</li> </ul> <p><b>Congratulations</b></p> <ul style="list-style-type: none"> <li>• Closing slide</li> </ul>
<p><b>Assessment Plan</b></p>	<p><b>Level 2 Assessment:</b></p> <p>Final Assessment</p> <ul style="list-style-type: none"> <li>• 5 Questions: <ul style="list-style-type: none"> <li>◦ 3 Multiple Choice (assess LO 1)</li> <li>◦ 1 Multiple Response (assess LO 2)</li> <li>◦ 1 Multiple Response (assess LO 3)</li> </ul> </li> <li>• 80% Passing Score Required. <ul style="list-style-type: none"> <li>◦ Feedback is given after the completion of the assessment.</li> <li>◦ The earner can review and/or retake the final assessment as many times as desired.</li> </ul> </li> </ul> <p><b>Level 3 Assessment:</b></p> <ol style="list-style-type: none"> <li>1. Did the learner's (client's) loan close within 30 days? <p>The effectiveness of the training can be assessed by measuring the days it takes to close the loan. CW Capital Company should present learners with the course at the onset of the client's (learner's) loan application. As a result, it is expected for the learner to navigate the course with &amp;/or without the loan officer and be able to ask questions for clarification with their loan officer. If they fully understand the training, they will be able to change their behavior during the loan process to avoid pitfalls during the loan process. As a result, the loan process will move timely and close within 30 days.</p> </li> <li>2. CW Capital Company should examine and exclude any variables outside the learner's (client's) control when considering whether the behavior change was successful. For example, A home inspection that wasn't done timely, a client unable to find a home they like, etc.</li> </ol>

