

MTD Keystone Credit Reporting

Sponsored and Supported by Knoxville Habitat for Humanity
with the generous support of Mel Woolsey, creator of MTD Keystone.

Most Habitat for Humanity affiliates use credit reports to qualify prospective homeowners but do not provide Habitat homeowner payment history for others to use. Affiliates who want to submit homeowner mortgage payment history to a Consumer Reporting Agency may have neither the technical skills to provide this information to the agency in the required computer format, nor the minimum mortgage volumes required by the agency. Affiliates using MTD Keystone now have the opportunity to report mortgage payment history.

There are several reasons why affiliates should report credit history:

1. Reporting is a responsibility of our partnership. If a Habitat homeowner keeps their mortgage payments current, their credit rating will improve - if reported - and they will qualify for lower interest rates on additional credit purchases such as car loans!
2. Since we use other companies' data to help us qualify prospective homeowners, we have some obligation to provide our information to them to help them qualify Habitat homeowners as their prospective customers.
3. It takes less than 30 minutes a month to process approximately 150 mortgages with this program. Otherwise, lenders have to call the affiliate directly for credit information. It doesn't take many of these calls before the affiliate will be spending more time answering these calls than it would take to do the credit reporting and not have to respond to these calls.
4. If an affiliate responds, ad hoc, to a request for credit information, there is a legal risk that something may be said that is inappropriate. This program uses Metro 2 Format (the industry standard), which insures compliance with federal and state laws and therefore reduces the legal risk of providing this information.
5. If a homeowner is entitled to a good credit rating but is unable to receive one due to an affiliate's refusal to provide credit information, the affiliate is doing a disservice to the homeowner. Thus, at some level of business, there is a legal obligation to provide this information.

Each participating affiliate will pay a nominal amount (\$20) for the MTD Keystone Credit Reporting software and User Guide. Also, they are expected to purchase the Credit Reporting Resource Guide. The affiliate will E-mail their report to a consolidator each month (presently, the Knoxville affiliate). The consolidator will combine this information into a single file and submit it to the Credit Reporting Agency under the name HabforHum (This is similar to a bank making a monthly submission which includes the information from all its branches). Within this file, each affiliate is identified by its own unique affiliate code assigned by HFHI. **Currently we report to Trans Union and Equifax**, but as participation increases, we can afford to report the same data to Experian, and Innovis as well.

Once a year, MTD will bill each participating affiliate \$2 per mortgage per year based on their average monthly volume for the past year (minimum of \$50, maximum of \$500) prorated, if necessary, for part of a year). At the time of billing, each participant will get an annual report showing statistics for the past year.

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