



## Credit Report Authorization

Credit is an essential part of homeownership. We believe everyone should understand how to read a credit report and understand credit barriers to homeownership. As part of the Habitat Financial Coaching and Homeownership programs, we require a credit review to be completed. When Twin Cities Habitat for Humanity pulls credit reports they are considered a “**soft inquiry**” which does not affect your credit score.

For the **Financial Coaching** program, you can choose to provide your own credit report, and if you do, you must provide a credit report pulled within the last two months. Reports must be from a reliable source like [www.annualcreditreport.com](http://www.annualcreditreport.com).

For the **Homeownership** program, Twin Cities Habitat for Humanity cannot rely on a credit report from an outside source to confirm mortgage-readiness and certify eligibility and must pull an internal credit report.

*Please initial one:*

\_\_\_\_\_ **Yes**, I/We hereby authorize Twin Cities Habitat for Humanity to pull a soft inquiry of my/our credit report for Homeownership counseling and to determine my/our mortgage-readiness. I/We understand that a photocopy or scan of this form will also serve as authorization. I/We understand that I/we have the right to revoke this authorization at any time by providing a written request to Twin Cities Habitat for Humanity.

\_\_\_\_\_ **No**, I/We do not authorize Twin Cities Habitat for Humanity to pull a soft inquiry of my/our credit report. I/We will upload and submit a recent copy of my/our credit report. I/We understand that Habitat must pull a soft-inquiry credit report internally if I/we want to be considered for the Homeownership Program.

Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_

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**Soft inquiries** are reviews of your credit file done by organizations that provide pre-purchase education, reviews of existing accounts by lenders, prescreening inquiries by prospective lenders, and your requests for your annual credit report. These will not change your credit score.

Soft inquiries are different from **hard inquiries** which are typically inquiries by lenders when you apply for credit and could impact change your credit score. (Source: “What’s a credit inquiry,” CFPB <https://www.consumerfinance.gov/ask-cfpb/whats-a-credit-inquiry-en-1317/>)