



The CAREs Project, Inc.

Into a CAR and onto Financial INDEPENDENCE

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Car Ownership Program – Welcome

We welcome you to The CAREs Project's Car Ownership Program! The CAREs Project, Inc. is a nonprofit organization whose mission is to help low- and moderate-income individuals and families in our service area to become financially stable and self-sufficient. A CAREs Project car loan can provide you with safe, affordable, and reliable transportation. Through our Car Ownership Program, customers learn to practice good money management skills, increase their credit worthiness, and receive reliable transportation to get to work and to school.

Our Car Ownership program loans up to **\$8,000** for a car purchase. All cars are purchased from franchise dealerships and offer every CAREs car buyer a 12-month/12,000-mile warranty on the car. All loans are 36-month, 8% simple interest loans. Loans can be paid off early without additional fees and paying off the loan early will save you from paying some interest. The minimum payment on our car loans is \$180 with \$250 being the maximum.

Process of Getting a Car Loan

To obtain a car loan through The CAREs Project's Car Ownership Program, you must complete a series of steps including an application with several forms, attend a budgeting class designed specifically for you, and provide a down payment of \$300.00. Below is the list of all documents needing completion with a description.

Step 1: Application and Credit Check

Customer Application and Credit Release Agreement

This application provides our organization all the information we need. It includes your contact information, demographics, income, employment, household, and references. This six-page application will need to be completed and signed. Once received and accepted you will be a Car Ownership Program Participant.

Step 2: Spending Tracker

Once your application is accepted you will need to complete the following:

Spending Tracker

This is a 30-day spending tracker. You will need to write down every amount of money you spend. This will assist you with your monthly income and expenses and help you create a budget.

Monthly Income and Expenses

This form is to compare your monthly income and expenses. You and a CAREs staff member will go over this together.

Verification of Employment

This form is to be completed by your employer. Make sure that you have completed the top section.

Verification of Housing (Rental or Mortgaged)

You will need to have either one of these forms completed, depending on your housing. If you currently rent, you will need your landlord to complete the “Verification of Rental Housing” and if your home is mortgaged, your mortgage holder will need to complete the “Verification of Mortgaged Housing”. **Make sure that you have completed the top section.** Please have your specific form completed and signed.

Client's Personal Statement

This form is for you to complete to show to the Loan Committee, who will be approving your application, why you should receive a CAREs car loan. This is for you to tell your story; how you will benefit from the service. **Do not use your name or the names of family members when doing this.** Also, do not include addresses or anything else that could reveal your identity to the Loan Committee.

Starter Interrupt Device Agreement (only signature needed)

This form explains The CAREs Project will attach a GPS to your car's battery. Please read over form and sign.

Client Release Agreement (only signature needed)

This form allows The CAREs Project to use photo(s) of you and/or your car for publicity and promotion of the organization.

Privacy Policy (only signature needed)

This form explains how your information will be used and stored. Please read over the form and sign.

Be prepared to provide the following:

Copy of NC Driver's License

In order to be considered for a loan, you must have a VALID NC Driver's License. We can assist you in making a copy of your license for your application.

Pay Stubs/Monthly Proof of Income

You will need to provide proof of income for the past month/30-days. A minimum of one pay stub is required. Additionally, proof for any other income (child support, food stamps, etc.)

Step 3: Budget Class

Budget Class

Once we have received the other required documents, spending tracker, and monthly income and expenses, you will schedule a time to meet with a financial coach to attend a mandatory budgeting class. Please allow 1.5-2 hours for the class. The class can be held in person or Zoom.

The Loan Committee

Once your application is completed, you have taken your budgeting class, and have a workable budget, your request for a loan will be presented to our Loan Committee. This is a meeting that you will not attend (so make sure your “Personal Statement” is strong!). The Loan Committee will look over all the information and make their decision. Sometimes they require more information before approving a loan.

Step 4: Award of CAREs Project Loan

Shopping for a Car

The CAREs Project works with three franchise dealerships in the area to help you get a good dependable car at a good price. These dealers also offer a 12-month/12,000-mile warranty on each car bought by a CAREs customer. **All cars financed by CAREs must be purchased from one of these three dealerships.** The three dealerships are Volvo Cars of WS, FLOW, and Modern. We will provide specific contact information for these dealerships, when you are approved for a loan. **You must have at least \$300 ready for your down-payment.**

Buying the Car

We strongly recommend that you have an independent automotive mechanic look over any car before you make the purchase.

Once you are ready to buy the car, you will need to get a non-signed "Bill of Sale" from the dealership. Once we have that, we should have a check ready for the dealership within 2 business days. Once you have secured the "Bill of Sale" you will also need to get full-coverage insurance on the car with NO more than a \$500 deductible. Once we have the "Bill of Sale" and insurance documentation, we will prepare the loan documents for your loan. We will schedule a time for you to meet with a CAREs staff member prior to getting your car, to sign these documents. This will also be the time you provide the \$300.00 down-payment. It should either be a money order, or a check made payable to the dealership. Once all the loan documents are signed, a CAREs staff member will meet with you at the dealership when you pick up your car.

The CAREs staff cannot issue a check for any amount higher than that approved by the Loan Committee (if your car costs more than the CAREs check and your \$300.00 down-payment, you MUST have that balance with you at the time of the loan closing)

Paying for the Car

Your monthly payment will start 30-days after you close your loan. You will have one payment due every month. You should make your payment by the DUE DATE (the 15th of each month). Making timely payments on your loan will help you build your credit score. Late payments made more than 30-days will be reported at late to the credit reporting agencies which will adversely impact your score.

Anytime you think you might be late on a payment, call a CAREs staff member – we are here to help you!

Failure to make payments can result in repossession of the car, but that is the LAST thing CAREs wants to do. We are willing to work with you so that you can make timely payments.

You will receive the title of the car once the loan has been paid in full.