July-August 2018
Volume 11, No. 4

Introducing Aging in Place Advocate

Reverse Mortgage

The official magazine of the National Reverse Mortgage Lenders Association

The New Reverse Universe

NRMLA

INSIDE:

www.nrmlaonline.org

Contents

PUBLISHER
Peter Bell
pbell@dworbell.com

EDITOR
Marty Bell
mbell@dworbell.com

ASSOCIATE EDITOR
Darryl Hicks
dhicks@dworbell.com

COMMUNICATIONS COORDINATOR
Jessica Hoefer

STAFF WRITER
Mark Olshaker

EXECUTIVE VICE PRESIDENT
Stephen Irwin

DIRECTOR OF PUBLIC RELATIONS
Jenny Werwa

NRMLA EXECUTIVE COMMITTEE CO-CHAIRS
Joe DeMarkey, Reverse Mortgage Funding
Reza Jahangiri, AAG

DESIGNER
Lisa Toji-Blank, Toji Design

ADVERTISING SALES
Sarah Aaronson
Sarah@IRMEvents.com

Reverse Mortgage is the official publication of the National Reverse Mortgage Lenders Association. The magazine is published every two months. For inquiries regarding association membership and/or magazine subscriptions, please call Linda Latimore at 202-939-1793. Advertising and editorial inquiries should be directed to 202-939-1745 or mbell@dworbell.com.

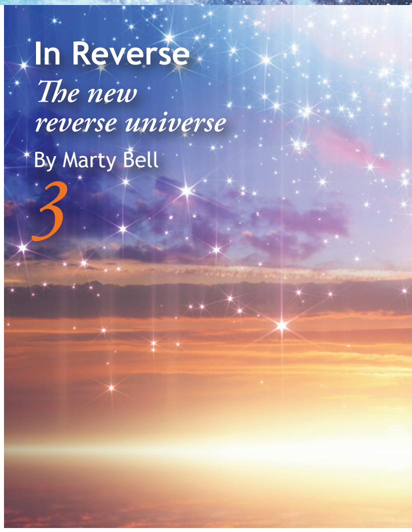
Association & Subscription Contact:
National Reverse Mortgage Lenders Association
1400 16th St., NW, Suite 420
Washington, DC 20036
202-939-1760
llatimore@dworbell.com
Industry: www.nrmlaonline.org
Consumers: www.reversemortgage.org

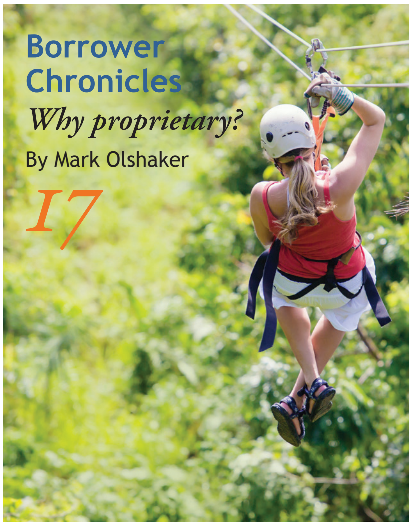
Advertising & Editorial Contact:
National Reverse Mortgage Lenders Association
1400 16th St., NW, Suite 420
Washington, DC 20036
202-939-1760
mbell@dworbell.com

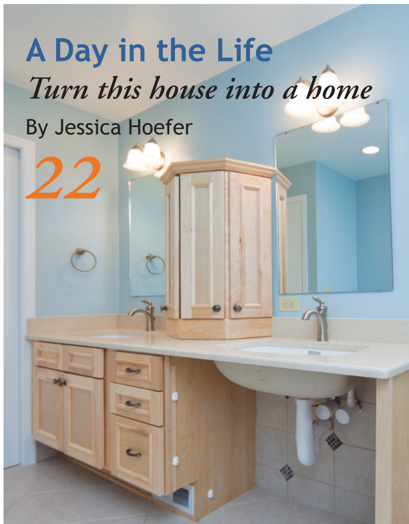
Aging in Place Advocate

Columns

Monthly Features







Scribes

Meet This Month's Contributors

Marty Bell (*In Reverse*, p. 3 and *Understanding Aging in Place*, p. 20) is the editor of *Reverse Mortgage* and *Tax Credit Advisor* magazines, the senior vice president, Communications & Marketing at National Reverse Mortgage Lenders Association and the executive director of the National Aging in Place Council.

Peter Bell (*Balanced Viewpoint*, p. 5) has a 42-year background as a housing policy analyst and advocate in Washington, DC. Mr. Bell founded and serves as president & CEO of the National Reverse Mortgage Lenders Association. In addition to NRMLA, Bell also serves as the CEO of two other national trade associations, National Aging in Place Council and the National Housing & Rehabilitation Association.

Jessica Guerin (*The Private Reverse Mortgage Market*, p. 14) has been reporting on the reverse mortgage market for six years. A frequent contributor to *Reverse Mortgage Daily,* Guerin is a freelance writer and editor who worked as the editor-in-chief of *The Reverse Review*.

Darryl Hicks (*Talking Heads*, p. 10) is the vice president, Communications for National Reverse Mortgage Lenders Association, where he writes our *Weekly Report* and administers our CRMP program.

Jessica Hoefer (*A Day in the Life,* p. 22) is the communications coordinator for Dworbell, Inc. where she is also the member services coordinator for National Aging in Place Council and assists with the publication of *Reverse Mortgage* and *Tax Credit Advisor* magazines. She came to NRMLA from the National Geographic Society.

Mark Olshaker (*Borrower Chronicles*, p. 17 and *The Impact of a National Brand,* p. 27), our staff writer, is a best-selling author of fiction and non-fiction and an accomplished researcher in the areas of crime and medicine. Olshaker has written 15 books, including the *New York Times* Number 1 bestseller *Mindhunter*—inspiration for the Netflix series of the same name—and *Law & Disorder,* both with former FBI Agent John Douglas. His latest book is *Deadliest Enemy: Our War Against Killer Germs*, with Dr. Michael Osterholm. RM

The new reverse universe

THE SUN IS BREAKING THROUGH THE CLOUDS THAT have hovered over the reverse mortgage universe. We are hearing a new ring in voices and seeing moves forward being made.

October Surprise may be a term usually reserved for elections—but last year we had one of our own. Perhaps that was the breaking point. Or perhaps we are finally hearing the call of a populace that gives its Congress less than a 20 percent approval rating and elected a president who ran on disrupting institutions that selling a "government insured" product is not currently as appealing a pitch as it once was. The good news is instead of complaints about government action, we are now hearing discussions of what we can do without it. Instead of dwelling on an industry of the past, we are starting to see the evolution of an industry for the future.

So chill out. Set aside your cynicism. Leave behind any belligerence about being blindsided. Visualize a future of private products without government fingerprints, of national brands creating widespread awareness among substantial lists of loyal customers, and of the personal satisfaction of being able to directly respond to the needs of older Americans who want to age in place. We will help you.

In this issue, we begin to look at a new universe for reverse mortgages. The primary focus for now is on proprietary products that enable home equity extraction. (Not a great name for a product you want the general public to remember. Describe it to your friends at dinner one night and ask them the next day what is the name of what you described.) But lets leave that aside for now. There are a number of lenders with proprietary products either on the market or on their way, and so we asked Jessica Guerin to survey the industry and provide an update on all. And, while she was at it, we also asked her to research who the proprietary borrowers might be. (*The Private Reverse Mortgage Market* p. 14)

A proprietary product that has been on the market is Finance of America Reverse's HomeSafe and this month in our regular *Borrower Chronicles* feature, with the help of that company's always supportive staff, Mark Olshaker interviewed industry participants who were once involved with the brands that exited. (*Borrower Chronicles*, p. 17)

If there is any nostalgia in our relatively young industry, it is for the time when nationally known brands, especially those with walk-in retail customers, such as Wells Fargo and Bank of America, offered reverse mortgages. We have all been awaiting the re-entry of a familiar company and the wait appears over now that Mutual of Omaha has purchased Retirement Funding Solutions. How will this impact the industry? Mark Olshaker interviewed industry observers and participants who were once involved with the brands that exited. (*The Impact of a National Brand*, p. 27)

Aging in Place is a term we hear tossed around a lot by reverse mortgage professionals. They claim they want to help older adults stay in their homes for as long as they want. But staying in your home requires more than just additional money. It's a huge undertaking. It requires assessing your needs as you age and having access to those who can fulfill those needs. In the center of this publication, you will find a new regular section, *Aging in Place Advocate*, to inform you about those needs and to help you prepare more thoroughly for discussions with older adults and their families.

The song may claim the sun will come out tomorrow, but in the reverse mortgage industry, it is out today. Enjoy it.

Marty Bell, *Editor*


IN IT TOGETHER
NO MATTER WHAT'S AHEAD FOR THE LIFE OF A LOAN, WE WILL NAVIGATE IT TOGETHER. FIND THE NATION'S MOST EXPERIENCED TEAM OF REVERSE MORTGAGE SERVICING EXPERTS, AND YOUR ALLY, AT CELINK.COM.
Celink™
Your Reverse Mortgage Ally

Balanced Viewpoint

On Balance

By Peter Bell, President of NRMLA

WHEN WE FIRST LAUNCHED *REVERSE MORTGAGE* magazine, I named my column "Balanced Viewpoint" because I thought it was important, in NRMLA's role as an industry advocate, to always acknowledge the views of others whom might not see things the same way. Politics, after all, is based upon the art of compromise and NRMLA is very much a political organization.

The initial impetus for forming NRMLA was to develop a vehicle for the ongoing exchange of ideas with elected officials, political appointees and career government staffers. Each has its own perspective, it's historical observations, its priorities, its biases and its concerns. To effectively advance our cause, we must consider all perspectives.

NRMLA's efforts to comprehend, consider and address concerns of all HECM stakeholders, including lenders, policymakers, counseling agencies, elderly advocacy organizations, think tanks and, most importantly, older homeowners, requires us to consider notions put forth by others that might seem uninformed or hurtful on the surface, but are the result of their experience, research or financial and programmatic realities. It is by considering others' concerns that we establish our credibility as an organization that is pragmatic and collaborative and dedicated to helping the reverse mortgage industry establish its role in our economy. It is this credibility that entitles us to our seat at the policy table.

The reverse mortgage industry is reeling from policy changes implemented by political appointees who arrived at the Department of Housing and Urban Development last summer, faced immediate budgetary issues, had not yet established vehicles for input and collaboration with stakeholders, but were compelled to act immediately. We all know the result of that.

Now that the political leadership at HUD has been in place long enough to roll up their sleeves and delve into programs —and an experienced FHA Commissioner is finally on the scene—there is growing appreciation of the important role HECM can play in funding longevity and deeper consideration of a broader set of options for the program's future. There is also more engagement with HECM stakeholders, more attention being given to work coming out of the think tanks and more focus on how to make the HECM program work for all – consumers, industry and the government, alike.

Peter Bell

As HUD's leadership continues to grapple with the future of HECM, it is critical for industry participants to stay informed, pay close attention and recognize the concerns this administration is trying to balance.

Key among those concerns is the federal budget deficit, the future outlook of which is somewhat disconcerting, partially attributable to recent tax cuts resulting in the federal government taking in a lot less revenue. In this environment, all discretionary programs that have a cost associated with them are candidates for the chopping block.

HECM, therefore, must be self-sustaining; the revenues generated from mortgage insurance premiums and collections must equal or exceed the costs of payouts for claims. It's important for participants in the reverse mortgage business to understand this basic dynamic.

Historically, HUD has utilized two "levers," adjusting mortgage insurance premiums (MIPs) and principal limit factors (PLFs), to bring the program in line and achieve a breakeven performance that doesn't require a credit subsidy if and when budget projections indicated the program would have a cost.

A balanced viewpoint does not lead to a conclusion that the government just ought to accept the costs of subsidizing HECM because we are helping our nation's seniors in a time of need, an opinion I sometimes read in industry-participant's blogs. That argument just won't fly in this political environment.

Instead, we must be sensitive to the budgetary constraints and figure out alternative ways to make HECM operate in a self-sustaining manner. Are there changes in program procedures, resolution of loans in default, disposition of properties acquired through foreclosure and other aspects

***Balanced Viewpoint** continued on page 32*

The Biz

EVERYTHING NEW YOU NEED TO KNOW

People are talking about...

NRMLA Praises Senate Confirmation of Brian Montgomery As Next FHA Commissioner

By a vote of 74 to 23, the United States Senate, on May 23, confirmed Brian Montgomery as the next Assistant Secretary for Housing/Federal Housing Administration Commissioner.

"The Senate confirmed a highly qualified housing leader with deep subject matter expertise, and experience working in the administrations of both political parties, to serve as the Commissioner of the Federal Housing Administration," said National Reverse Mortgage Lenders Association's President and CEO Peter Bell.

Montgomery served as FHA Commissioner from 2005 to 2009, during President George W. Bush's second-term and the first six months of the Obama Administration. He previously served as vice chairman of The Collingwood Group, a Washington, DC-based advisory firm focused on business consulting, risk management and compliance within the financial services industry.

Earlier in May, Bell published an op-ed in *National Mortgage News* urging Senate leaders to schedule a final vote on Montgomery's nomination, after he was confirmed by the Senate Banking Committee with bipartisan support on November 28, 2017.

CT Governor Signs Reverse Mortgage Counseling Bill

Connecticut Governor Dannel Patrick Malloy signed reverse mortgage counseling legislation into law that emulates existing rules mandated under the Federal Home Equity Conversion Mortgage program. The new law takes effect on October 1, 2018. The final version of Senate Bill 150 signed into law as Public Act 18-38 gives borrowers the choice to be counseled face-to-face or over the phone.

As originally introduced, the bill would have required either in-person counseling or in-person origination. On February 27, NRMLA submitted a letter to the Aging Committee informing state lawmakers that "under the FHA-insured HECM program, neither in-person counseling nor in-person origination is required. In addition, lenders are prohibited by federal statute from paying for a borrower's counseling, or signing the counseling certificate."

The new law also requires financial institutions, including state and federally chartered banks and credit unions, to inform prospective reverse mortgage clients of their right to be counseled, to provide clients with a list of five counseling agencies approved by the Department of Housing and Urban Development, and to retain a copy of the counseling certificate signed by the client (or client's representative) and the counselor attesting that the client was counseled in-person or over the phone. It also prohibits a financial institution from paying for the counseling session.

NRMLA East Highlights

If you were unable to join us in New York City for the 2018 Eastern Regional Meeting, May 21-22, here are some highlights.

Secondary Market Enthusiasm Continues

Investor appetite for HECM Mortgage-Backed Securities remains strong despite a recent decline in monthly issuances, according to secondary market executives who shared their insights on current HMBS issues and trends.

Nearly all HMBS issued in FY 2018 came from non-bank institutions, said Ginnie Mae Account Executive John Kozak. The top three issuers—Reverse Mortgage Funding LLC, American Advisors Group and Finance of America Reverse—accounted for 68 percent of HMBS volume. The current dominance by non-banks is a sharp contrast to 2010 when depositories, led by Wells Fargo and Bank of America, issued 88 percent of all HMBS.

The panel's moderator, Joe Kelly of New View Advisors, commented that issuances of new HECM loans slipped from just over $700 million in December 2017 to $400 million in March and April 2018.

Panelists—which included Kozak, Vanessa Warren of Brean Capital, LLC and Michelle Williamson of Nomura—attributed the decline in HMBS issuances to HECM program changes that took effect on October 2, 2017, when principal limit factors were dramatically reduced and upfront mortgage insurance premiums increased.

At the same time, "tail" volume—or securitizations generated from draws of existing HECM loans—which averaged $225 million over the past year, helped cushion HMBS issuers' cash flows during origination downturns.

The dip in net volume so far has not dampened secondary market enthusiasm, and Kelly pointed to the emergence of new non-FHA proprietary reverse mortgages as an opportunity to offset the drop in HECM production. "One or two proprietary securitizations per quarter would probably make up for the decline in HMBS issuance," said Kelly.

Helping Your Clients Understand Property Repair Requirements

When reverse mortgage borrowers contact the company servicing their loans, most often it's because they have a question or concern about completing property repairs. That's why NRMLA invited Leslie Flynne of Reverse Mortgage Solutions and Ryan LaRose of Celink to close out the Eastern Regional meeting with a discussion of the topic.

Speaking for Celink, LaRose said about 15 percent of all new loans require mandatory repairs that range from a few hundred dollars to fix peeling paint, to upwards of $75,000 to replace a roof and deck.

While borrowers have up to one year from the closing date to complete the repairs, servicers encourage borrowers to finish the work as soon as possible. Flynne said it's acceptable for the borrower, or a family member or friend, to complete the work, but an FHA-approved inspector must certify that the work has been completed and the property meets FHA standards.

"If the borrower doesn't complete the repairs on time, we have to freeze all disbursements from their loan until the work is completed," said LaRose. "The exception to that is if they have a full-funded LESA, we can still make tax and insurance payments." Read the full article at https://www.nrmlaonline.org/2018/05/24/helping-your-clients-understand-property-repair-requirements

NRMLA Article: Reverse Mortgages Can Help Caregivers Pay for Parents' Long-Term Care Needs


Advice for adult children of aging parents who need help at home

(BPT) - Helping a parent stay active and healthy at home can be achieved with careful planning. The rewards of personally caring for, or managing the care of, a loved one who needs help are innumerable. It's an opportunity to give back and to offer a return on the loving investment they

As part of our ongoing consumer outreach efforts, NRMLA distributed a feature article in May that helps educate families who are struggling to pay for their parents' homecare needs about public and private resources, including home equity, which can help reduce financial burdens.

The article, *Advice for Adult Children of Aging Parents Who Need Help at Home*, has so far been published by 1,079 print and online news outlets.

The article highlights that an eight-hour-a-day, five-day-a-week professional caregiver costs about $40,000 a year, while 24/7 care can be as much as $150,000 a year. If a parent depends on family for care, it can take that caregiver away from his or her job and earnings, affect business opportunities and reduce future Social Security income.

Besides Medicare and Medicaid, another possible source of funds may be a parents' home. "For many Americans, the equity they have built up in their homes is their single largest financial asset, typically comprising more than half of their net worth," commented NRMLA.

NRMLA provided links to the Advice For Children of Seniors page on ReverseMortgage.org and to the Family Caregiver Alliance, the nation's oldest nonprofit caregiver advocacy organization, which allowed NRMLA to share its helpful tips for new caregivers.

The Biz continued on page 8

The Biz continued from page 7

The Press is talking about...

What you need to know about reverse mortgages

http://www.richmondregister.com/community/savvy-senior-what-you-need-to-know-about-reverse-mortgages/article_26ce297e-585d-11e8-b69d-73ed900b75dc.html

Savvy Senior

Nationally syndicated columnist, Jim Miller, aka "The Savvy Senior," informed an inquiring couple that reverse mortgages can be a "viable financial tool" but there's a lot to know and consider to be sure it's a good option. "It's also important to understand that with a reverse mortgage, you, not the bank, own the house, so you're still required to pay your property taxes and homeowners insurance. Not paying them can result in foreclosure." Miller, whose column appears in 400 newspapers and magazines, advised his readers to use the reverse mortgage calculator on NRMLA's consumer site, ReverseMortgage.org and to review the self-evaluation checklist at ReverseMortgage.org/consumerguides

Seniors Guide to Reverse Mortgages and Insurance

https://www.insurancequotes.com/home/seniors-guide-to-reverse-mortgages-and-insurance

InsuranceQuotes.com

During an interview with Jason Hargraves of InsuranceQuotes.com, NRMLA's Executive Vice President Steve Irwin provided a thorough explanation of the types of insurance coverage that reverse mortgage borrowers must maintain for as long as their loan is active.

Homeowners, said Irwin, must secure and maintain a replacement cost policy that covers 100 percent of the improvements to the property in the case of a loss. If the property is a condominium, they need an HO6 policy, which covers everything from the walls of the condominium in.

"If the borrower so chooses to have additional coverage, that is fine, but that is the minimum," said Irwin. If the home is in a flood plain designated by the Federal Emergency Management Agency, the homeowner must also secure a flood policy at least equal to the value of the homeowner's policy, or for the $250,000 maximum allowed under the law.

In Washington they're talking about...

President Nominates Michael Bright to Head Ginnie Mae

President Trump nominated Michael Bright, the acting president and chief operating officer of Ginnie Mae, to head the agency full-time.

Ginnie has been without a permanent head since January 2017 when Ted Tozer left the agency after seven years as president. Previously, Bright served as director of Financial Markets at the Milken Institute, an independent economic think tank based in Santa Monica, CA, and as senior vice president at PennyMac, a publicly-traded mortgage company headquartered in Westlake Village, CA.

For four years, Bright worked in the office of U.S. Sen. Bob Corker (R-TN), where he advised on a range of Senate Banking Committee issues, including monetary policy, Dodd-Frank Act implementation, global market liquidity, U.S.-Chinese economic relations and housing finance. Bright also spent two years in large bank supervision at the Office of the Comptroller of the Currency.

Prior to coming to Washington, Bright spent six years as an interest rate derivatives trader and market-maker for both Wachovia Bank and Countrywide Financial. He holds a B.A. in international relations from Johns Hopkins University and a M.A. in the same discipline from the Johns Hopkins School of Advanced International Studies.

NRMLA Responds to CFPB's Requests for Information

Responding to the Consumer Financial Protection Bureau's efforts to evaluate and improve its business practices, NRMLA submitted multiple comment letters in April and May on our members' behalf. The first two letters offered suggestions for making Civil Investigative Demands (CIDs) and Adjudication Proceedings more efficient and less burdensome.

CIDs are sent to businesses and individuals whom the CFPB has reason to believe may have information relevant to violations of federal consumer protection laws. NRMLA highlighted the time constraints that businesses have to respond to CIDs.

"Given the grave and serious nature of a petition to modify or set-aside a CID, both the 10 (ten) day "meet and confer" deadline and the twenty (20) day petition filing deadline provide a CID recipient with too little time," commented NRMLA. At a minimum, the recipient of a CID should have 30 business days, not ten calendar days, to respond.

Furthermore, CIDs should only be issued when the Bureau has a high degree of certainty that a violation of federal law has occurred. "While this approach would reduce the burden of a CID on all companies, this change in process is especially necessary for small companies where the receipt of a CID can be both financially and operationally crippling," added NRMLA.

In a third letter, NRMLA questioned the Bureau's legal authority to publish un-redacted consumer complaints on its web site and further noted that individuals and financial institutions regulated by the CFPB may be limited by privacy laws from responding to complaints in a public forum.

NRMLA stated that, "While our members report that reviewing data in the Bureau's complaint database can be useful and helpful, the manner in which the CFPB gathers and reports such information makes the overall consumer complaint process much more burdensome upon industry participants compared to the benefits of having the information available."

While the Dodd-Frank Act authorized the CFPB to establish a toll-free telephone number, a web site and a database to collect, monitor and respond to consumer complaints, and then report such information to Congress and the president, "there is no mention of providing information on an un-redacted basis to the public," said NRMLA.

Beginning in January, the CFPB published 12 Requests for Information asking the public to comment on a range of topics. Members can view the complete comments by logging into the NRMLA Comment Letters page on NRMLAonline.org, where you can find NRMLA's comment letters to federal agencies dating back to July 2016.

FHA Extends HECM Foreclosure Timelines for Hurricane-Impacted Areas of Puerto Rico and U.S. Virgin Islands

Due to extensive damage caused by Hurricane Maria in Puerto Rico and the U.S. Virgin Islands, the U.S. Department of Housing and Urban Development extended foreclosure timelines through August 16, 2018, for properties encumbered by Home Equity Conversion Mortgages in those Presidentially-Declared Major Disaster Areas, according to FHA Info #2018-21.

The extension is applicable only to those counties declared eligible for Individual Assistance by the Federal Emergency Management Agency (FEMA). It applies to both the initiation of foreclosures and foreclosures already in process on HECMs that become due and payable for reasons other than the death of the last surviving borrower and eligible non-borrowing spouse. This guidance is effective immediately.

And now you're up to date.

Dan Hultquist and Jim Cory

Live Well Financial

Expanding NMLS and CRMP Educational Opportunities for NRMLA Members

By Darryl Hicks

MUCH OF THE ADVOCACY WORK THAT NRMLA DOES on behalf of its members and the reverse mortgage industry is handled through committees. Among the most active committees is the Education Committee, whose mission is to enhance educational opportunities for reverse mortgage professionals through curriculum development.

The Education Committee is currently co-chaired by Jim Cory, CRMP, who entered the reverse mortgage space over 20 years ago and serves as senior vice president of Operations at Live Well Financial, San Diego, CA, and long-time educator and author Dan Hultquist, CRMP, who recently joined Live Well as vice president of Education and Organizational Development.

Although they no longer originate reverse mortgages, both Cory and Hultquist are licensed through the National Mortgage Licensing System, or NMLS, which means they both must complete a minimum of eight hours of federal continuing education credits each year.

In early 2017, Cory and Hultquist requested permission from NRMLA's Board of Directors to identify an NMLS-approved course provider that offers web-based training and could deliver an 8 Hour SAFE course designed by the Education Committee.

With the Board's support, the Education Committee reviewed several candidates and settled on Loan Officer School, widely recognized throughout the mortgage industry as a top training organization. Education Committee members spent much of the summer designing a course that was eventually approved by NMLS and offered for a limited time in late October and early November.

Dan Hultquist, CRMP

Jim Cory, CRMP

The response from reverse mortgage professionals, both members and non-members, was so positive that Loan Officer School agreed to maintain its relationship with NRMLA. By the time you read this interview, the Education Committee will be nearing completion of a new 8 Hour SAFE course that will be submitted for review to NMLS and then rolled out by late summer or early fall.

Reverse Mortgage magazine sat down with Cory and Hultquist to learn more about the Education Committee, its work with Loan Officer School, and potential future projects.

Reverse Mortgage: ***Why was it important for NRMLA to offer a web-based 8 Hour SAFE course and for the Education Committee to lead this effort?***

Dan Hultquist: Since 2009, when SAFE mortgage licensing began, reverse mortgage professionals have had to complete eight hours of continuing education. Unfortunately, most of the content doesn't apply to their area of expertise. The reason the committee was needed was because eight hours of technical content each year requires a lot of work and varied knowledge. It helps that the committee is comprised of originators, trainers, counselors, servicing experts and senior management.

Of course, NMLS credits have been offered at NRMLA events for many years. However, many loan originators who need credits don't regularly attend the regional or national events.

Another reason to provide more options for CE coursework is to assist those who need to complete continuing education credits each year as a Certified Reverse Mortgage Professional (CRMP). Some loan originators can kill two birds with one stone, including the ethics requirement, which has been primarily offered at NRMLA events.

RM: ***There are a lot of NMLS course providers in the mortgage business. What stood out about Loan Officer School?***

Jim Cory: Loan Officer School is a more entrepreneurial education site that has both the flexibility and desire to provide additional content that other providers were not interested in. Several of the other well-known course providers have historically ignored reverse mortgage content we wanted because we are a niche market. So, strategically aligning ourselves with only one provider, a flexible provider that understands our needs, was a great move for all parties.

RM: ***Please give our readers a sense of what's involved putting together an 8 Hour SAFE course.***

Dan Hultquist: It's not easy. The content from year-to-year needs to be significantly different. We can't simply re-issue the same old slide decks. We also must generate course modules that fulfill the NMLS theme requirements – three hours of federal law and regulatory changes, two hours of ethics, two hours of non-traditional mortgage content, and a one-hour elective that can cover most any topic. We broke down the course into eight one-hour segments, and then committed to a target number of slides and case studies for each topic.

RM: ***Last year's effort was well-received, but there's always room for improvement. What changes—both in content and delivery—would you like to see implemented for 2018?***

Jim Cory: The most important areas slated for improvement is helping Loan Officer School with the content earlier in the calendar year and creating detailed notes for each talking point. Basically, we need to "train-the-trainer" better this year. We also plan on having committee members, or CRMPs, as stand-by panelists for each webinar. We need an expert to be available during each session to address questions that are not specifically clarified by the slide decks and notes.

Talking Heads continued on page 13


On Sale Now
NATIONAL REVERSE MORTGAGE LENDERS ASSOCIATION
2018 Annual Meeting & Expo
October 28-30, 2018
Hilton San Diego Bayfront • San Diego, CA
NRMLA®
Learn more at NRMLAonline.org

Talking Heads continued from page 11

RM: ***Can you give us a sneak peak of the topics that will be covered this year and what your sense of timing is for the course's release?***

Dan Hultquist: Two modules that fulfill the two hours of non-traditional mortgage content are *HECM financial planning* and *The NEW HECM for Purchase*. This should help loan originators more effectively communicate with advisors and real estate professionals. We also have one hour of federal law devoted to compliantly explaining the *13 key concepts every HECM prospect should understand.* The timing of the course release will depend on NMLS approval and Loan Officer School, but we hope to release the course a little earlier this year.

RM: ***Is there an exam at the end of the eight-hour course?***

Jim Cory: No. The webinar courses from Loan Officer School use cases studies, as well as periodic attendance checks to confirm that attendees are present during the course sessions. One additional advantage of the webinar sessions is that an eight-hour course actually lasts only eight hours. Other methods of delivering CE courses often take far longer than eight hours to complete due to what I have seen as a general failure to accurately time the quizzes and tests.

RM: ***Why should NRMLA members get their NMLS credits from the association, instead of their current educational provider?***

Dan Hultquist: The other course providers may, or may not, add a few sentences of reverse content this year. But we already know the basic age and eligibility requirements of the HECM program. So, we are doing our best to offer more original, and relevant, topics. If the goal of a NRMLA member this year is to generate more reverse mortgage business, then it only makes sense to enroll in courses, built by NRMLA members, designed to help you achieve that goal.

RM: ***What advice would you give to NRMLA members who are considering their continuing education needs for 2018?***

Talking Heads continued on page 32

The Private Reverse Mortgage Market

Spurred by recent HECM program change, lenders work to develop proprietary equity release products. By Jessica Guerin

REVERSE MORTGAGE VOLUME MAY NOT BE WHAT IT once was. The market has seen a substantial decline since its peak in 2009, hit hard by Financial Assessment and, most recently, principal limit factor reductions that have left lenders scrambling to turn a profit.

But as they say, when one door closes another opens. Some lenders are rolling up their sleeves, doubling down on their efforts to create private reverse mortgage products designed for borrowers with higher home values who aren't served by a HECM.

Rather than lament the weakened state of the HECM market, they've decided that this is an opportunity to build a new market – one that caters to the millions of American homeowners who could use their equity to build a more financially stable retirement.

A Slow Start

The proprietary reverse mortgage is not a new concept. In fact, private equity release products existed more than 30 years ago, predating the HECM. But these products were expensive and some had maturity dates, making the loan due after just ten years.

Over the years various iterations were developed, but none were able to gain much traction. In 2007, the private market peaked at $100 million in originations per month, but when the financial crisis decimated non-agency securitization, private equity products all but disappeared.

In 2014, lenders began to revisit the private reverse mortgage market. Generation Mortgage Company released its jumbo product, followed by Tulsa, OK-based Urban Financial of America (now Finance of America Reverse) with HomeSafe and Orange, CA-based American Advisors Group with AAG Advantage.

Today, the size of the proprietary market remains small. Michael McCully, partner at New View Advisors, based in New York City, says an estimated $5 to $6 billion has been originated to date, and just $3 billion have been securitized. It's a fraction of the HECM space, he says, where $80 billion in HECM mortgage-backed securities have been issued.

But the market for jumbo reverse mortgages that allow borrowers with home values that exceed FHA's lending limit is sizable. There are more than 1.2 million homes worth more than $800,000 occupied by homeowners 62 or older, according to the U.S. Census Bureau. And, says the Urban Institute, the percentage of homeowners who are carrying mortgages into retirement has nearly doubled in the past 30 years. Still, the market has been slow to grow.

The Right Time

It appears that the tide is turning as three lenders announced the release of new proprietary products this year. Certainly, many agree the timing is right.

HUD's latest changes to the reverse mortgage program have left lenders feeling too exposed, convincing them to focus their efforts on the growth of a private market.

FAR President Kristen Sieffert says the adoption of more product offerings is essential. Being 100 percent reliant on a single product, she says, is too risky for any industry.

"We've seen how the volatility within the HECM program makes it hard to stick to a strategic plan each year," Sieffert says. "In order for us to succeed as an industry, we definitely need to have a more diverse set of offerings beyond just the HECM product."

AAG CEO Reza Jahangiri agrees and says several factors have created the perfect climate to advance the proprietary market.

"We're moving into innovation mode, trying to make the product better and better from a consumer standpoint, and that's going to correlate to more volume," he says.

"And, with the most recent program changes, the disparity between the private product and the government product has gotten tighter. With the new rates on the proprietary side and higher LTVs, there's less distance there."

McCully says this point is meaningful. "There's an indifference point, where proceeds from the non-agency product are equal to or greater than the proceeds from a HECM. That indifference point has come down quite a bit from 2013. It's now close to where it was with the original PLF curves and maximum claim amounts (MCAs) from the early- and mid-2000s," he says.

As private reverse mortgage loans come closer to the LTVs and interest rates offered by the HECM, non-agency products become competitive and a more appealing option for seniors with high-value homes.

HomeSafe by FAR

Finance of America Reverse has been instrumental in leading the charge on the proprietary front. Backed by the Blackstone Group, the lender has been channeling its efforts into the continued development of its HomeSafe product.

Designed for homeowners who qualify for loan values up to $4 million, HomeSafe has a lump-sum draw and no mortgage insurance premiums. Like a HECM, it has a non-recourse feature and can be used in the purchase of a new residence.

When it successfully completed its first round of HomeSafe securitizations, FAR proved to the industry that the investor appetite was there, signaling to other lenders that the private market has real potential. The securitization also allowed FAR to improve the product, dropping the interest rate from an average of 7.75 percent to a range of 5.99 percent to seven percent, and increasing the LTV so borrowers could access more funds.

HomeSafe's success spurred a collaboration with leading reverse lender AAG. In March, the two companies announced that AAG would distribute HomeSafe through its wholesale channel and, under the name AAG Advantage, through its retail outlets.

"The increased volume will give us the opportunity to tweak the product and potentially add new products to our proprietary suite that will benefit not only our borrowers, but FAR, AAG and our large network of partners on the wholesale side," Sieffert says.

Jahangiri says coupling FAR's innovation with AAG's sales power makes sense right now.

"Teaming up and collaborating can lead to better outcomes, especially at a time when we need to be working to grow the pie versus battling it out for market share," he says.

"We have to come together as an industry to figure out how to get seniors to look at home equity as a retirement planning tool. There are millions of people who have the need to maintain or increase their quality of life in retirement."

FAR continues to diversify its offerings, announcing recently the release a HomeSafe iteration called the Flex, a fixed-rate loan allowing borrowers to take just 60 percent of the funds upfront, and then access the remaining 40 percent over a five-year term.

RMF's Equity Edge

Reverse Mortgage Funding is joining the pack with the recent announcement of its proprietary Equity Edge product. Targeting homeowners with property values of $700,000, Equity Edge is unique in that it's available to borrowers as young as 60.

RMF President David Peskin discussed the product in front of a packed house at NRMLA's Eastern Regional Conference this spring. "We're looking to fill voids in the HECM market as it stands today to make it a more mainstream product," he said.

Peskin pointed to several issues with the HECM that RMF is hoping to solve with Equity Edge, including high

Proprietary continued on page 16

Who Is the Proprietary Borrower?

Homeowners who seek a proprietary reverse mortgage are typically higher net-worth individuals 65 and older with home values that exceed the FHA lending limit, which is $679,650 in most areas of the country.

Right now, the bulk of these borrowers are California homeowners with higher-end properties, according to Chris Mayer, CEO of Longbridge Financial. "That's for two reasons: In other high-home-value states, like New York and Massachusetts, it can be very hard to get approval for proprietary products, and the second is that there is a lot of growth in home values there," Mayer says. "Some of these borrowers are middle-class homeowners who make a solid living, but housing likely dominates their entire retirement portfolio."

Because jumbo products cater to seniors with higher home values who might presumably have more resources at their disposal, they may be looking to tap their equity for strategic reasons instead of dire need. They could be interested in using their equity to avoid drawing from other assets in a down market or to delay taking Social Security. They may be working with a financial planner to research their options.

Originating loans for these homeowners often requires a special touch, says Mike McCully, partner at New View Advisors. "One has to have more confidence dealing with more sophisticated borrowers. The loan officer is less likely to be working with a borrower whose back is against the wall. This borrower may have more alternatives, and the loan officer has to speak a more sophisticated language to close the loan."

McCully says successfully selling to these borrowers will require a commitment on behalf of the lenders and the loan officers. "I think that with the way HECM is right now, loan officers will be encouraged by management to learn it, figure out how to market it and get out there and do it."

***Proprietary** continued from page 15*

upfront costs for those who only want to access a small portion of their equity, and the disqualification of those who have good credit but too much debt. Peskin also said RMF sees great potential in the builder market, and that Equity Edge will allow for lender credits and seller concessions in purchase transactions to attract borrowers.

RMF will begin offering Equity Edge through its retail channel in California, Florida, New Jersey, Oregon and Virginia, with plans to expand its reach next quarter.

Longbridge's Launch

Longbridge Financial has also announced plans to enter the proprietary space. CEO Chris Mayer says the company will release a fixed-rate product this summer that will attract borrowers with its low upfront cost.

Mayer says private products give lenders the ability to cater to a sector of the market that is not served by the HECM.

"Ten percent of homes are above $679,000, by one estimate, and so there's a significant market that we miss if we don't have products in the jumbo market," Mayer says. "There are a lot of condos – that's also a significant market."

Mayer says in the past, proprietary reverse mortgages were generally too expensive to gain much traction. "The private label loans that were in the market were very expensive – 7.5 percent on fixed-rate loans when mortgage rates were below four percent. So it was a very expensive product that really only served people who had no other options," he says.

"It's less niche today because you're now seeing rates below six percent at a point where mortgage rates are in the upper fours, so the product is priced much more attractively. And we now have multiple rating agencies willing to look at it. It's created the right circumstances for the product to come back."

Opportunity Ahead

With new proprietary products coming to market, there is a sense of excitement in an industry that has been battered by constant regulatory change. HECM volume continues to slump, but there may be great opportunities for originators who can master the sale of these non-agency products.

Sieffert says she's optimistic about the growth of this market.

"I think that there's absolutely huge potential for the jumbo market. Home prices continue to rise, there are more and more seniors who are falling into the category where the HECM just doesn't provide sufficient proceeds to meet their financial needs, so having these alternative options for them to tap their home equity is absolutely necessary."

Mayer agrees. "I think the future of the proprietary market is really bright. I think we're going to see a lot of innovation; I think we're going to see companies leapfrog each other a number of times as people find new and interesting things." RM

Why Proprietary?

By Mark Olshaker

"AS I GOT OLDER AND RETIRED, LIVING ON A FIXED-income, I started looking at a reverse mortgage, and it really made a lot of sense. I evaluated my own situation and a proprietary reverse mortgage seemed perfectly tailored to me."

Lou Corbo offers this assessment from the home he has lived in for 45 years in Newport Beach, CA, one block from Newport Bay and two blocks from the Pacific Ocean. "It's a lovely place to live. The weather. . . everything. It's just magical."

Lou spent most of his career with the Southland Corporation, the world's largest operator, franchisor and licensor of convenience stores. He was in operations for ten years, then spent the rest of his time developing property and leases for 7-Eleven stores in California, Arizona and Hawaii. Recently having turned a remarkably young 81, Brooklyn-born Lou is the father of a son and a daughter and the proud grandpa of four grandchildren. His wife passed away seven years ago, and he now shares his life with his significant other, Charlene.

With California real estate prices soaring for more than a decade, anyone owning a property in a prime coastal location for a considerable length of time likely has seen extraordinary gains in value. "I had an enormous amount of equity to pull out," Lou explains, which is why he opted for Finance of America Reverse's HomeSafe proprietary reverse mortgage, rather than a traditional Home Equity Conversion Mortgage (HECM). Greg Saffer, broker-owner of Premier Lending Group in Orange, CA, arranged the loan.

"Greg's a great guy," says Lou. "I've referred him to several people I know." Greg called Lou on his birthday to extend his best wishes.

In addition to steering his senior friends in Greg's direction, Lou does his own educating on reverse mortgages. "It's often a misunderstood product. People don't always grasp it. There are two things going against it: a higher rate of interest and the costs of securing the loan are greater. But all of the proceeds are tax-free. I got a six percent fixed-rate on a jumbo, I've paid off all my debts and I have money left over. I take the minimum amount for my age out of my 401(k), and my money is conservatively invested. When you take into consideration the six percent loan, the house appreciating in value each year, I'm still making three to four percent on my money."

Lou Corbo and Charlene

With the value of Lou's home, the lump-sum draw feature, lack of mortgage insurance premiums and higher loan-to-value ratio, the HomeSafe reverse was the right financial instrument for Lou. He has always been analytical about financial matters. "I took out a conventional loan to send my son to Stanford, and then to medical school," he says. "I thought I could handle it better than saddling him with a mountain of student loan debt right when he was trying to get on with his life." That perspective is part of his overall philosophy. "I'd like to be able to give some of my legacy to my children while I'm still alive."

And Lou and Charlene have a lot of living to do. They love to travel and have taken several trips to and around his ancestral homeland of Italy, as well as other overseas desitnations. "Last year, we went to Sicily and rented a villa in Taormina. We took day trips to places, like Catania and Syracuse. We absolutely loved it." They also recently visited Washington, DC, and were knocked out by the museums, culture and history. They didn't even seem to mind the heat and humidity of the nation's capital, often considered oppressive to those conditioned to the near-perfect climate of the Southern California Coast.

***Borrower Chronicles** continued on page 18*

Borrower Chronicles continued from page 17

"We usually have one major trip planned every year," he notes.

When home, they keep busy with community involvement and activities connected to the water. "We go out to Santa Catalina Island, down to Laguna Beach and places like that. I also have family in Southern California."

The Newport Beach lifestyle can be costly, he acknowledges. "Additional money is always going out, especially in California; just going out to eat, for instance. And don't tell me there's no inflation – the price of food, gasoline, real estate, certainly, and taxes. But the reverse mortgage has relieved me of any debt, enhanced our life with travel and allowed us to do what we want."

What is it about California that keeps seniors so active and taking on life to its fullest?

When *Reverse Mortgage* caught up with 75-year-old Frances Goodwin of Alameda, CA, directly across the bay from San Francisco, she had just returned from the gym where she spends two or three hours, five days a week.

"I was taking three classes at a time there," she reports, "until my physician and my acupuncturist told me to cut back."

But not too much. For her 70th birthday, she went on a Caribbean cruise with family and friends. Part of the trip involved a visit to the cruise line's private island off the coast of Haiti. "They had a zip line there and my cousin thought I should try it. I wasn't sure at first, but she kept encouraging me. So I did. It was a half-mile course that takes you over trees and the ocean. I wasn't afraid at all; it was exhilarating. I wouldn't mind doing it again if I get the chance."

Frances has always been a physical fitness devotee, but in the 13 years she's been retired she has the time to pursue her workouts as she liked. For 33 years, she was busy as the office manager for the Alameda District Office of the International Union of Operating Engineers, the mechanics and people who run heavy equipment at construction sites. She and her husband Lyle, who was in business refurbishing business machines, moved to Alameda 26 years ago when they were ready to downsize from their home in the beautiful Oakland Hills. Four years later, they bought a condo a couple of blocks from the water, where they lived happily until Lyle passed away in 2015.

"I decided it was time to get some equity out of the condo. I wanted to enjoy some of the fruits of my labor," she says. That was when she began thinking about a reverse mortgage.

Her condo is part of a complex of ten two-story buildings, each building containing ten units. Frances's apartment is a second-floor unit. But obtaining a Home Equity Conversion Mortgage for a condo is not as straightforward as securing one for an individual house. Each condominium homeowners' association must apply to FHA for approval and meet a checklist of requirements, and her association had not gone through the process. Therefore, she was not eligible for a HUD-backed reverse mortgage.

It was one of her two stepsons, a business consultant in Birmingham, AL—the other stepson is a retired UPS executive in California—who led her to a HomeSafe reverse mortgage after doing considerable research. "He investigated the market and then turned me on to Finance of America," she says.

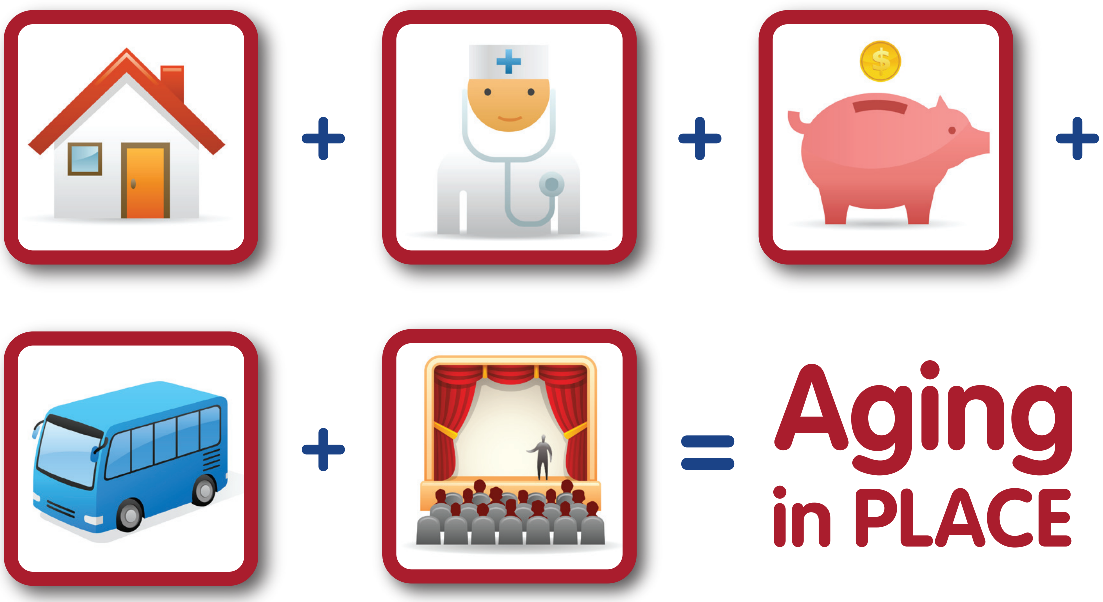
She worked with Robert Commerford of Finance of America Reverse and found the process "seamless. I couldn't praise them enough. I appreciated Robert's expertise and that he knows how to treat people. He made it very easy. I applied in the beginning of March, went through the paperwork and counseling, and I had my money May 1st."

What did she do with that money? "I parked it in the bank." She has a pension and Social Security payments and simply wanted the reassurance and peace of mind that her home equity would bring.

In the years since Lyle's passing, Frances is now "looking to become more social," active in her community and "maybe even start dating."

Lou and Frances each looked to a proprietary reverse mortgage from Finance of America Reverse based on their own individual, specific situations. The result, however, is the same. As Frances puts it, "I just want to live a good life." RM

Aging in Place ADVOCATE



Aging in Place Across America

A Day of Home Modification

Understanding Aging in Place

A clearer vision of your clients' needs

By Marty Bell

WHAT IS IT LIKE TO BE OLDER?

As we age, things that were once so easy gradually become difficult. What was once second nature now requires planning. What was once a routine becomes a task. We spend most of our lives progressing, and suddenly we are digressing. The tiniest everyday tasks are now giant pains in the ass.

Over time, the body and the mind both lose some functionality and we reach a juncture where tasks that had been natural and routine become problematic, and emotions we once controlled can run rampant. This is not attractive, nor is it easy to confront, but it's true.

We all want to remain independent. That's our American spirit. We want privacy and do not want outsiders hovering over us unnecessarily. We want to feel that we don't need others' help, and that we can get things done by ourselves. At the same time, we want to remain socially interactive. Once we were a part of a family, a company, an organization, and we don't want to completely lose our sense of belonging to something.

As we age, we need assistance. This is not always easy to admit. We may not need fulltime attention. We can maintain some privacy. But there simply are things we could do independently when we are younger that we cannot do when we are older. And there is nothing wrong with that. It's okay. It does not mean our lives are being invaded. It does not mean we are any lesser human beings.

The assistance can be with regular daily activities as simple as dressing and showering, with practical matters such as finding transportation or tracking our finances, or with health problems. We may need assistance replacing things that were once a vital part of our lives that are no longer as accessible—jobs, activities, friends, even family. Or we may need a group setting that we cannot create ourselves – a community, a club, a chorus.

Aging in place is a term that became part of the American lexicon about a decade ago and has grown more familiar. We hear reverse mortgage professionals use it frequently. At its simplest, aging in place means remaining in your home of choice for as long as you can instead of living out your life in an institutional care facility. This by itself addresses the seniors' single biggest fear: losing independence.

But then what? How do you live that life at home? What assistance are you going to need? How do you fulfill both your practical needs and emotional needs? What is the system to provide you access to all of this? Who is there to help?

In October 2013, the National Aging in Place Council gathered 25 thought leaders in various jobs that serve seniors for an Aging in Place Summit. The main takeaway from the two days of discussion was that aging in place could be outlined in five primary areas of need: housing, health and wellness, personal finance, transportation and community involvement. Each of these areas would have subtopics to consider. Housing, for example, would include all the housing options (size, location, rent or own, single-family or multi-family), remodeling for the aged, homeowner responsibilities, costs. But, we concluded as a group, if we can persuade aging Americans—and their families—to focus on these five areas, assess and then address their specific needs, we could tackle many of the issues and even some of the fears of aging.

And so, we set out to spread this message, to make a broader definition of aging in place a part of the American conversation. To help seniors understand the approach, we created a template, *Act III: Your Plan for Aging in Place*, with which seniors and their families think through the five key areas and assess their own needs. What do they have and what are they missing?

But once you complete your assessment, what do you do with it?

The goal of the National Aging in Place Council has been to evolve aging in place from a vague term into a system we can all utilize to deal with aging's most common issues and needs.

To that end, last November, in partnership with the

Stony Brook University School of Social Welfare, we offered a course to train specialists in Aging in Place. On 12 Saturday mornings, for three hours each, spread over five months, 25 students participated. Most of their training was in social work. They had experience in health delivery, care and using Medicare and Medicaid. But they had little knowledge of housing options, financial planning, transportation or dozens of the services that could enhance the aging process for their clients. At the final session, those of us who organized the curriculum, listened to the students evaluate it. What they had learned was the value of planning aging, of preparing for the unfortunate surprises that are common in later life. Now, with wider knowledge and awareness, they could help their clients plan.

It would seem that someone trying to sell a customer who prefers to live independently a reverse mortgage loan would benefit from this same trove of information. Reverse mortgage loan originators may bring a knowledge of personal finance to the table that is comparable with the social workers knowledge of care. But is that really enough? Couldn't we better serve our clients if we had a more comprehensive knowledge of their practical needs as they go forward, of the anxieties they must deal with, of the obstacles they must hurdle?

To help achieve that, this month we add a new regular section to this publication. In *Aging in Place Advocate,* you will learn about the needs of aging adults and their families and approaches to serving those needs. You will read about creative efforts around the country to educate and help older folks. And you will find access to resources that can help your clients address their needs and help you help them age in place. RM

A Day in the Life

Turn this house into a home

By Jessica Hoefer

8:15 am: "Home modifications and universal designs aren't just grab bars and ramps, although, that's a large part. It's about transforming a house into a home, allowing for comfort, mobility and independence," said Solid Rock Enterprises' Founder and President Chris Moore.

Solid Rock specializes in universal design remodels and Moore, a renaissance man, handles everything from marketing to sales to operations to customer service. With 32 years of experience in building, remodeling and consulting services, Moore is the first Certified Aging in Place Specialist (CAPS) for Roanoke Valley, VA. He holds an Executive Certificate in Home Modification, is a National Association of Home Builders (NAHB)-approved education instructor, a Certified Environmental Access Consultant and a Certified Graduate Remodeler (CGR). With his pedigree it's little wonder Moore would start his morning attending a meeting for an advisory council for a nonprofit hospice that he serves on or spending his lunch hour speaking to a seniors group at a local church.

9:30 am: While working in the field, Moore has the freedom to change his routine from day-to-day. Today, he is overseeing a multi-generational remodel, for Sarah and Tom Anderson, who are planning to move in with Sarah's parents. The Anderson's will inhabit the second floor, while Sarah's parents will live on the first. Currently in the design phase with a $300,000 budget, the house will feature a zero-step entry from the attached garage into the house, three-foot wide doors throughout the main level, an accessible kitchen and master suite, curbless showers, comfort height commodes and roll under sinks for Sarah's father who is wheelchair bound. The second-floor features living quarters, as well as separate laundry, kitchenette and stacked closets with a removable floor, allowing for an elevator, if required.

11:00 am: Moore then shifts focus to a smaller $100,000 remodel project. Mrs. Graves, a double amputee in her 80s hired Solid Rock to build a covered ramp at the rear entrance of her bungalow. Moore and his team will then remove the temporary ramp at the front of the home making it aesthetically pleasing, a concern for Mrs. Graves. After the ramp, Moore anticipates opening the kitchen to include a sunroom and raising the floor to meet the rest of the house. The bathroom will be enlarged for accessibility, adding a curbless shower and a separate tub with a lift. Plans are to then "borrow" one of the bedrooms to create a sitting room with a roll-in closet and a laundry area, which is being relocated from the basement.

Chris Moore

12:30 pm: From Mrs. Graves' basement to a chilly basement room in a local church, Moore's belief in education and planning often finds him presenting on aging in place and home modifications to senior groups amidst the echoes of otherwise empty church halls. "I believe that everyone should be able to live and enjoy their home for as long as possible, which is why I focus on universal design and aging in place remodeling jobs," he tells them. Presenting to these groups not only allows Moore to educate his community, but to encourage proactive planning. Because of this, Moore doesn't seem to mind using his lunch break to present to the group. But there is some consolation in the cookies and coffee they provide.

2:00 pm: Don't be misled, not all of Moore's project costs are in the six-digits. He does a significant amount of smaller modifications. During an afternoon consultation, Moore provides a comprehensive safety and accessibility assessment for Mr. and Mrs. Ray's American four-square, looking at the entire home in terms of present and future health of the Rays, then Moore makes his itemized list of recommendations. The assessment runs $450 and the cost is credited toward any renovations the Rays have Moore address. The most common are, unsurprisingly, grab bars, tub cuts, ramps and widening doorways. Some days Moore spends all day on these types of modifications. But today is just a consultation with recommendations for wider doorways and possibly a master suite on the first floor.

A newly modified kitchen with raised toe kicks, non-slip flooring and tubular lights

A modified master bathroom with a curbless shower, trench drains, a countertop medicine cabinet and roll under sink.

3:00 pm: Next on Moore's agenda is an assessment for the Randall's—former caregivers for Mrs. Randall's mother with Alzheimer's, a role Moore is all too familiar with having cared for his own parents—who want to age in place in her childhood home and are proactively planning for needed home modifications Moore plans to transform the kitchen with tubular skylights, track lighting, accessible appliances, non-slip flooring, raised toe kicks—the inset at the bottom of a cabinet/counter that allows someone to stand or for a wheelchair to fit beneath—and special features, such as removable cabinet fronts and pull-down shelving. Having trained under a Czechoslovakian master carpenter and learning the value of high-quality craftsmanship and unparalleled attention to detail, "this kitchen will not only be safe and accessible, it will be beautiful," said Moore.

Solid Rock has already removed the once wall-papered wall separating the hall bath from the master bath to create one large bath. They added a three-foot pocket door—doors that slide into a pocket inside the wall rather than swinging open—from the hall and a three-foot door from the bathroom, a curbless shower with trench drains, sinks that can be converted to standard or roll under, a countertop height medicine cabinet and a custom designed sliding linen closet over a laundry chute, bringing the total project cost to $120,000.

5:00 pm: Occasionally, Moore spends his days in front of a computer doing estimates, writing proposals and answering phones, but today was spent out in the field doing what he loves, helping people.

"Sometimes simple is all they need. But I firmly believe in the importance of planning," said Moore. "If everyone built using universal design we wouldn't see as many crisis situations and reactionary projects."

There will always be a need for home modifications, but Moore intends to educate as many people as possible to ensure they are living their best life in the best home possible. RM

Aging in Place Across America

Making a difference in communities

San Diego: Successful Aging in Place

"Successful Aging in Place" is now a free monthly class, sponsored by the San Diego chapter of the National Aging in Place Council, which offers insights from professionals who each share their expertise concerning specific aspects of aging in place successfully. The year-long course meets monthly at a local senior center for a total of 11 sessions. During the first session, the chapter presents an overview of the five pillars of NAIPC—housing, health and wellness, personal finance, transportation and social engagement—and provides participants with the NAIPC *Act III Planning Guide*. For the remaining ten sessions, the chapter brings in speakers who address topics particular to one of the five pillars (two speakers for each pillar).

In early 2017, the San Diego chapter approached a local senior center activities director and presented the "Successful Aging in Place" course overview. The activities director felt there was a great deal of value in the course and so they scheduled eight sessions. The sessions have consistently seen an attendance of 25 to 40 people for each class. After successfully completing its eight-class run, the senior center invited the chapter to continue classes through 2018. The chapter then decided to extend the course from eight to 11 sessions.

The senior center not only offers the chapter a venue for conducting its classes, but they also handle marketing by posting course information in their monthly newsletter, on their website and in their advertising for the *San Diego Union Tribune.*

While most of the speakers are chapter members, some are brought in from outside of the chapter on a volunteer basis to present to the class. Professions represented by the San Diego chapter include home modification specialists, in-home healthcare providers, transportation services, retirement solutions, VA and Medi-Cal benefits specialists, reverse mortgage authorities, senior real estate specialists, estate planning attorneys, housekeeping and meal providers, as well as mobility-accessibility equipment sources.

The Successful Aging in Place Class' 2018 class offerings include:

1. Introduction to the Master Plan for Aging in Place
2. Grace and Grit: Insights to the Real-Life Challenges of Aging
3. Futureproof: Adapting Your Home to Changing Needs
4. Brain Food: Nutrition for Brain Health
5. Emergency Response Services/Transportation Options
6. What is a Fiduciary and Do I Need One?
7. Social Connectedness
8. Universal Design for Aging in Place
9. Healthcare Options
10. Dispelling Myths About Hospice
11. Addressing Care Needs

The San Diego chapter has, and continues to see, such enthusiasm for its "Successful Aging in Place" course that it's re-launching the series at another local senior center, and scouting locations for one more.

Naples: How to Hire Help in the Home

On March 7, the Naples, FL chapter of NAIPC launched its first official chapter event—*How to Hire Help in the Home*—to great success, at local chapter member Avow's nonprofit hospice community center. The event was sponsored by six-chapter members and had 60 attendees.

The chapter attracted the attention of local seniors, professionals and senior organizations through a three-week newspaper ad about the event, flyers and email blasts.

The event, which focused on practical tips for guiding those aging through their "long-term plan," offered a panel presentation by four industry experts, followed by a Q&A.

How to Hire Help in the Home panelists covered:

- Critical considerations related to resale value and practicality when choosing to modify vs. move.
- How to vet and interview potential service providers.
- General safety and privacy practices when inviting "strangers" into your home.
- Key elements of a contract or service agreement.
- Common insurance scams and liability pitfalls.
- Differences between registry and agency hired personal caregivers.

At the conclusion of the event, the chapter collected data on marketing, retention, organization involvement and subject matter, via a survey provided to attendees. The chapter intends to use the analytics to better communicate, accomplish, educate and evaluate the needs of the community, as well as to help plan a similar meeting in the Lee County area.

Orange County, CA: Improving a Chapter

"We do not quit playing because we grow old, we grow old because we quit playing."

—Oliver Wendell Holmes

The Orange County chapter of NAIPC recently tried a new approach to its monthly chapter meetings. Instead of the usual format, the chapter invited Nanciann Horvath, Improv for Health, to come and do a demonstration. "The meeting with the Improv was especially enjoyable because it was something that engaged all of us," said former chapter chair Ellen Skaggs.

"The presenter had a positive energy and kept everyone involved, while we played simple games using conversation engaging techniques." This practice is commonly used in nursing homes and by visiting therapists during home visits.

Each session starts with an introduction to improvisation, the main rule, which is to never negate, and an explanation of the benefits of how improv can help in any situation – especially when someone needs to think quickly or deal with new life events. As Improv for Health's website says, "Life is ten percent what happens to a person, and 90 percent how they react to it."

Subjective goals of the exercises include:

- Reframing your life.
- Thinking outside the box.
- Adapting easily.
- Thinking fast on your feet.
- Increasing GNH (Gross National Happiness).
- Helping you live in the moment and not holding on to past hurts.
- Stretching beyond your comfort zone.
- Adding a better and lighter perspective to your life. (Statistics provided to the chapter during Horvath's presentation say that heart rates are raised to a positive level after each exercise.)

Other objective and clinical benefits include;

- Lower blood pressure and heart rate.
- Increased immune systems, cognitive skills, energy and brain health.
- Better sleep.
- Faster healing.
- Lowering depression.

In the Improv exercises the OC chapter participated in, one person was asked to be the caretaker of the alphabet

Aging in Place Across America continued on page 32

Resource Guides for Aging in Place

THE NATIONAL AGING IN PLACE COUNCIL IS A SENIOR support network working together to solve the problems of those aging in place. There are members in all 50 states and chapters of members in 17 communities.

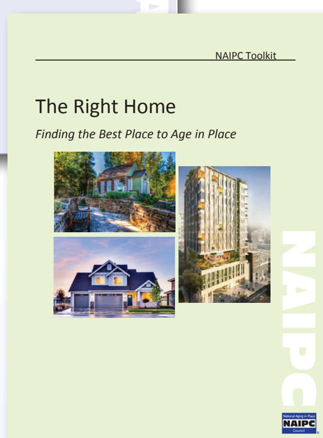
NAIPC provides a series of toolkits and resources that help members educate clients and keep them up-to-the-minute on trends and developments in the aging services sector. The toolkits and resource guides also provide chapters with programming content for meetings

Each toolkit walks you through step-by-step processes for conducting meetings and includes presentations, agendas, a guide for recruiting speakers and a breakdown of the required tasks.

Resource guides list resources available to NAIPC members and offers them "how to" guides on those specific resources.

Available toolkits include:

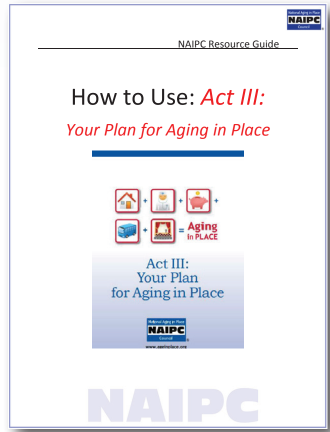
1. *Organizing Your Community for Aging in Place* and
2. *The Right Home: Finding the Best Place to Age in Place.*



Available resource guides include:

1. *NAIPC Resource Guide – Spring 2018 Edition*
2. *Act III: Your Plan for Aging in Place*
3. *How to Use: Act III: Your Plan for Aging in Place*

As people age and face cognitive, mobility and confidence issues, they find themselves in an information avalanche. Where do they find and access what they need? A successful system for aging in place requires the participation of an entire community to create a delivery system that's collaborative and presents one voice for aging in the community. The steps in this toolkit will guide you in facilitating the creation of the delivery system your aging community needs.



Too many people still think aging in place means staying in the home they are now in. That might be the case—and it might not. One of our priorities in NAIPC has been encouraging older adults (and their families) to plan to age in place. A primary consideration for anyone planning for the future is, am I in the right home? Is this the best place for me to age? And if not, what are the alternatives? To determine if someone is in the right home, they should consider functionality, location and accessibility, availability of services and affordability. This toolkit examines a menu of housing options.

Act III: Your Plan for Aging in Place is a dynamic tool used by NAIPC members, organizations, senior centers and other facilities as a method to connect with, educate and train the aging community. Act III is a personal assessment tool that asks questions about housing, health and wellness, transportation, social engagement and education and entertainment, and was designed to help users be proactive instead of reactive when it comes to planning ahead for aging in place.

Planning is a skill, it requires training. Act III trains users to plan correctly and efficiently, no matter what season of life they are in. But Act III is more than just a planning guide it can also be used as an educational tool for presentations, the basis for classes and curriculums and as a recruiting tool for new members. RM

The Impact of a National Brand

Mutual of Omaha prepares to enter the space

By Mark Olshaker

IN ALMOST ANY DISCUSSION OF THE CHALLENGES facing the reverse mortgage industry, the departure of Bank of America, Wells Fargo, MetLife and a few other large name brands inevitably comes up. Those brands represented stability, volume, trust, viability and a ready-made consumer base for a business that still struggles to define itself and prove its value to potential senior clients. That business had its best years when those three major players were in the market, and it has had to swim hard just to keep up with the current ever since.

The situation finally may be turning around with the May announcement that Mutual of Omaha Bank is moving into the HECM space by buying Synergy One Lending and its Retirement Funding Solutions (RFS) line, as reported in *Reverse Mortgage Daily*, *Business Wire* and other publications. The deal is currently awaiting regulatory approval.

Reverse Mortgage decided to gather reactions from some leading industry experts and observers on what this development is likely to mean.

A Long-Term Play

"The short answer is: This is great news for the industry," Joe DeMarkey declares. DeMarkey, a principal with Reverse Mortgage Funding LLC of Bloomfield, NJ and co-chair of the National Reverse Mortgage Lenders Association's board of directors, was in charge of product development and industry relations for MetLife's reverse mortgage division. "Mutual of Omaha is a well-respected company with a very credible brand. They recognize that a reverse mortgage is a valuable financial planning tool for seniors, and that incorporating the home into a retirement plan is important."

"Mutual of Omaha's entry into the reverse mortgage market is really significant and encouraging, especially during a year when things have been down for a lot of players," states Jamie Hopkins, associate professor of Taxation at The American College of Financial Services in the Retirement Income Program, co-director of the New York Life Center for Retirement Income, and one of the most astute analysts and observers of the reverse mortgage industry. "This is more than just looking at profitability. This is clearly a long-term play."

Mutual of Omaha Bank, with more than $8 billion in assets, is a full-service bank subsidiary of the Mutual of Omaha insurance and financial services company, founded in 1909.

On May 3, MofO Bank chairman and CEO Jeff Schmid confirmed the purchase of Synergy One Lending of San Diego, which opened in 2015 and originates HECMs through Retirement Funding Solutions (RFS). Synergy One will operate as a wholly-owned subsidiary of MofO and do business under its own trade names. Sometime in the future, it is possible that the well-known Mutual of Omaha brand will be attached to HECM origination.

"The impact of two high performance teams working as one provides an undeniable opportunity to grow market share by executing every day on behalf of our customers. The combined company is fully aligned on vision, culture and purpose as we aim to build the best mortgage enterprise in the market, while maintaining our core values and commitment to serving others," Synergy One president and CEO Torrey Larsen said in a statement released by the company.

"We are excited by the potential this acquisition offers both companies to expand and serve more customers in the mortgage and reverse mortgage markets," Schmid said.

While MofO's entry is welcomed, this seems to be the beginning, rather than the culmination, of an ongoing narrative.

Cheryl MacNally, chief operating officer of Washington,

Mutual of Omaha continued on page 28

Mutual of Omaha continued from page 27

DC's Mortgage Assets Management, LLC, is a NRMLA board member who previously ran the Wells Fargo reverse program. She asserts, "The industry in general needs to continue its course of establishing credibility and show graphic evidence of the real value proposition of the reverse mortgage. The demographics are increasingly compelling."

Cheryl MacNally

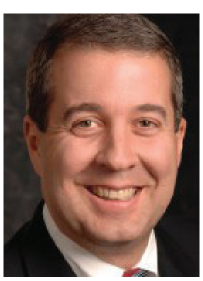
Synergy One Lending is licensed to originate mortgage products in 45 states. In the 12 months ending in April 2018, RFS originated 3,277 HECM loans, placing it in the top five HECM lenders.

"Mutual of Omaha was not high on my list of organizations I would have predicted getting into reverse mortgages, Hopkins says, "but it is a logical move. It has the perfect base of older and well-established clients, it has name-brand recognition and it is very well respected. When you actually look closely at both companies, it makes a lot of sense. They probably looked at Synergy One and their track record over the last five years and said, 'We like that model.'

"From an acquisition perspective, we see a strategy that worked. Synergy One and Retirement Funding Solutions have been at the forefront of pushing relationships with financial advisors and building out a workforce that connected with them."

HUD Changes and Generational Lending

The newly-formed entity enters the field at a time when HUD-instituted rules and changes are having a cumulative effect on the reverse mortgage business sector. The industry was still adjusting to 2014 Financial Assessment requirements when, in 2017, principal limit factors (PLF) were decreased and mortgage insurance premiums (MIP) were raised. However, executives at the Nebraska-based bank saw some of the changes as positive factors, making the HECM a safer investment for originators and investors.



Joe DeMarkey

As DeMarkey sees it, "There's no doubt that most of the changes FHA has made since 2013 have addressed fundamental flaws with the product that needed to be addressed for a Mutual of Omaha to enter the market. One of the most important changes that FHA made was the requirement that lenders must underwrite the borrower's ability and willingness to meet their loan obligations. That was critical for a large, respected financial institution, like Mutual of Omaha to even consider entering the industry. In fact, Mutual of Omaha even mentioned the changes that FHA made starting in 2013 in their press release."

"A bank or any large-scale financial services company getting into the space shows that the proactive changes FHA has made are showing and having an effect, and that's a good thing," says MacNally. "And the forward business is struggling, and these institutions have put a great deal of resources into infrastructure, so it's natural to look for other sources of revenue."

Michael McCully

Michael McCully, a partner with New View Advisors LLC of New York and a nationally recognized expert on reverse mortgage securitization agrees: "Due to the HECM program changes this fiscal year, lenders have had to retool and adapt. But in the long run, we think these are improvements that make reverse mortgages more like a traditional bank product."

One goal of the acquisition was for MofO to be able to offer a broad-spectrum of financial products and solutions to borrowers, depending on their specific situations and needs. Some are calling this a "generational lending" approach, with one company serving the borrowing and credit line requirements at each stage of a customer's life. This would then have a synergistic effect on all aspects of the company's business through cross-promotion and referrals. For example, it is anticipated that a satisfied HECM borrower would recommend the company to an adult child seeking a mortgage on his or her first home.

"Mutual of Omaha has a large customer base who are serviced by a team of advisors," DeMarkey says. "This entry into the reverse mortgage industry will help more of their customers make smart, informed decisions on how to achieve a successful retirement plan by incorporating their home."

"As an industry, we should want established financial institutions putting their stamp of approval on reverse mortgages. Until 2011, when a customer walked into a Bank of America branch, they saw reverse mortgage brochures in the waiting area," notes McCully. "You can't replace that kind of branding. Many consumers will only do business with their local bank branch."

"This is a trend we've been talking about for a long time; it's been a question of when something like this would happen. It won't be the last move like this, and it won't be the last acquisition of a reverse mortgage company by a large financial institution," Hopkins comments.

New Messaging

"I think it's kind of sad, but kind of true, that it's still all about credibility," says MacNally. "Who is controlling the messaging and what are they saying? Mutual can take what others have been advertising for years and change it to fit their brand and the message will be received more strongly."

McCully has been wary of the current approach. "Between HECM's reputation as 'high cost,' misconceptions about how reverse mortgages work, and the enduring stigma surrounding the product, reverse mortgages have a credibility problem. Plus, for every borrower attracted to a celebrity spokesperson, many more are likely turned off. To reposition reverse mortgages as a mainstream financial services tool, the industry needs to move away from this form of endorsement." He sees the MofO entry as turning the messaging in a new direction, as does MacNally:

"It's all in people's perception. The industry has been doing a lot of work to change that. Mutual getting in should definitely help."

"You might now see a significant evolution in the advertising, marketing and education surrounding the product," Hopkins predicts. "Ads that sell with a celebrity might work well for one company but might not necessarily be good for the industry as a whole, because that kind of ad gives people the feeling that you can't just stand on the merits of the product. For a long time, I've advocated trying to do more education of the public about HECM, and this move could start that trend."

Jamie Hopkins

McCully adds, "It's a shame HUD can't run an advertising campaign for HECM. If HUD could distribute well-produced content promoting HECM as a way to help America's aging homeowners, it would do wonders to establish reverse mortgage credibility."

On More Radar Screens

The big hope—and expectation—is that Mutual of Omaha's action will lead more medium-to-large-size institutions into the sector. McCully says, "Mutual of Omaha's entry is bound to help the industry. For example, New View Advisors has been talking to another established financial institution considering a return to reverse mortgage lending, and we're now able to say, 'With Mutual of Omaha entering the space, you're not going to be the only one. The spotlight is not going to be on just you.'"

"Other peers of Mutual of Omaha will take notice what they just did," DeMarkey says. "Other large, well-branded institutions coming into the space would not surprise me at all."

Like most developments, this one will not exist in a vacuum, but will be set against the context of the political and regulatory environment. "Since 2010, there have been continuous changes and modifications to the product and we've seen sort of a purging. That has to happen before you rebuild," MacNally says. While she "would love to see more banks and depositories get in, and insurance companies take another look," she warns, "There are nuances to this program versus forward mortgages, and new originators and brokers will still have barriers, including appropriate agency approvals, capital requirements and full FHA authorization as issuers, that are more stringent now."

The big hope—and expectation—is that Mutual of Omaha's action will lead more medium-to-large-size institutions into the sector.

"Another possible effect is that Dodd-Frank regulations have been rolled back," Hopkins observes. "This has freed up some credit unions to branch out to their customers in various ways. They may now be asking themselves, 'What do we want to do?' Reverse mortgages might start cropping up on new peoples' radar.

"This [move] opens the door for other conversations. Companies that weren't looking at the reverse mortgage market a year ago might now consider it."

And that could lead to the outcome the industry has been pursuing all along. As McCully sums it up, "Volume and credibility are related." RM

Member Profiles

Who's Who in Reverse Mortgages

Member News

CRMP Honored With Service Award

Congratulations to Chris Bruser, CRMP, of Retirement Funding Solutions, for receiving the President's Award from the Tampa, Florida chapter of National Association of Insurance and Financial Advisors (NAIFA).

Bruser joined NAIFA in 2011 and was elected to the Board of Directors last year where he served as Special Events Chair. This included being the Chairperson for this year's signature event, the 30th Annual NAIFA-Tampa/Epilepsy Services Foundations Golf for Kids Classic. This tournament raised close to $10,000 for children with epilepsy and their families in the five counties comprising the Tampa Bay metropolitan area.

Celink Promotes Cotter to VP, Financial Systems and Automation

Celink, the nation's largest subservicer of reverse mortgages, promoted Patricia Cotter to vice president of Financial Systems & Automation. In this new position, Ms. Cotter's efforts will be focused on improving systems, formalizing processes, implementing controls, and growing automation both within the accounting department and between accounting and other departments at Celink. Ms. Cotter has nearly 30 years of accounting experience which includes system analysis, design, and implementation in both private and public sectors. CFO Rebecca Green commented, "Patty's innate ability to systematically dissect an issue, process a transaction and develop a solution, along with her thorough understanding of broader implications, make her a natural fit for this important new role."

ReverseVision Integrates With Allegiant

ReverseVision announced it has completed an integration with title and settlement services provider Allegiant Reverse Services, based in Roseville, CA, which conducts Home Equity Conversion Mortgage closing services. Through the integration of ARS's Order Source order management system and ReverseVision's RV Exchange, ARS settlement agents can place title orders and track files directly from the RVX platform. The integration is the latest in an ongoing series of integrations completed by ReverseVision and other reverse mortgage service providers across the industry.

LRES Names New Chief Strategy Officer

LRES Corporation, a residential and commercial real estate services company that provides nationwide valuations, REO asset management, and HOA solutions for the mortgage and real estate industry, promoted chief strategy officer Mark R. Johnson to company president. As the chief strategy officer, Johnson implemented actionable strategic priorities based on changing market conditions, evolving technical advances, and his deep understanding of the industry's competitive landscape. Johnson has more than 20 years of executive experience with Fortune 500 companies in the mortgage industry, and has earned a reputation for consistently meeting or exceeding annual strategic goals and budget forecasts. Prior to LRES, he served as division president of Nationstar Mortgage Holdings, and as division president and chief operating officer of Lender Processing Services (now known as Black Knight Financial Services).

Profiles of Member Companies

American Advisors Group (AAG)

American Advisors Group (AAG) is the nation's leader in reverse mortgage lending, licensed in 49 states. The company, founded in 2004 by CEO Reza Jahangiri, is headquartered in Orange, CA. We are dedicated to helping American homeowners leverage their home equity as an asset to help fund retirement.

AAG is accredited by the Better Business Bureau, has a 97 percent customer satisfaction rating and is a proud member of the National Reverse Mortgage Lenders Association (NRMLA). Jahangiri serves as the association's co-chairman and co-chairs NRMLA's Policy Committee.

Fraser Tod, ftod@aag.com
866-964-1109 • Please visit AAG.com/Wholesale

Celink

People – We are a team of committed and ethical reverse mortgage servicing professionals and subject matter experts.

Platform – ReverseServ™ is Celink's proprietary reverse mortgage servicing platform.

Process – Celink manages thousands of line of credit requests, files hundreds of claims to HUD, and may process between two to 5,000 monthly prepayments, foreclosures, due & payables, and T&I defaults.

Partners – Celink has long-term and mutually profitable relationships with very reputable names in the reverse mortgage industry.

Passion – Celink is dedicated to its clients, their borrowers, and the reverse mortgage industry-at-large.

Contact: Katie Rizzo, Director of Client Relations
517-703-1857 • www.celink.com

Finance of America Reverse LLC

FAR is the nation's #1 Wholesale Reverse Mortgage Lender and one of the largest issuers of GNMA securities. FAR's commitment to customer service is more than "just business." We strive to foster a personal rapport as our staff treats you and your customers as one of the family.

From our exclusive HomeSafe® jumbo to HECM products, you'll receive the tools and exceptional service to help you grow your business.

Join the FAR family where you can expect best-in-class training, competitive pricing and a variety of lending platforms.

Jonathan Scarpati, VP
516-445-9465 • jscarpati@fareverse.com
www.farwholesale.com

HighTechLending

HighTechLending, dba AmericanSenior, is a FHA, Full Eagle Mortgage Bank, holding GNMA and FNMA approvals and specializing in retail, reverse and wholesale platforms. Based in Irvine, CA, we have over 50 branches and are licensed in 19 states nationwide. Since it's founding by Don Currie and Erika Macias-White in 2007, HighTechLending has become a Top 10 HECM lender nationwide, and the second largest in California. With over 35 years in the mortgage industry, Don Currie's vision is continuing to expand its national reverse footprint with confidence and integrity and always maintaining the perfect branch platform thanks to its exceptional staff, efficient operations and commitment to seniors.

Contact: Adrian Prieto, VP Wholesale and Branching
888-369-1573 • www.HTLWholesale.com

Liberty Home Equity Solutions

For over a decade, Liberty Home Equity Solutions, Inc. (Liberty) has been committed to helping seniors gain financial independence and security through Home Equity Conversion Mortgage (HECM) loans. Based in Sacramento, CA, Liberty is one of the nation's largest and most experienced lenders, focusing exclusively on providing HECM loans to senior clients and wholesale business partners. We have helped change the lives of over 51,500 clients, and have provided education and lending solutions to over 1,000 business partners across the U.S.

www.libertyhomeequity.com
For career opportunities call 916-589-1853
For wholesale opportunities call 866-871-1353

© 2017 Liberty Home Equity Solutions, Inc.
NMLS # 3313 www.nmlsconsumeraccess.org. For a complete list of licenses, visit https://libertyhomeequity.com/licensesnmls/.

Longbridge Financial, LLC

When you partner with Longbridge, your firm will be part of an exclusive group of high-quality lenders that do business with us. Our approach to the business is different; our Gold Program includes an industry-leading pricing plan that pays for both the drawn and the undrawn portions of the HECM ARM loan. This allows you to originate low-draw loans that might otherwise be uneconomical, expanding your market and better serving the needs of your customers.

Peter Sciandra, 214-701-0973
www.longbridge-financial.com

LRES

LRES is a national provider of property valuation and REO asset management services for the real estate, capital market and finance industries. At LRES, we specialize in helping our clients effectively manage compliance and financial risks associated with valuation matters. We are the preeminent valuations provider for the Reverse Mortgage industry and deliver peerless service as we strive to be your business partner of choice. LRES has experienced significant growth, regardless of market conditions, thanks to an experienced staff, advanced technology, solid business planning, efficient operations, and the support of every client we serve.

Aaron Roaf, 714-872-5862
aroaf@lres.com • www.lres.com

National Field Representatives

Reverse Mortgage Field Services

Dealing with reverse mortgages is complex. NFR is your source for information, expertise and guidance when it comes to mortgage field services. For over 15 years, Reverse Mortgage Servicing executives have relied on NFR to deliver field services with integrity and professionalism. We have earned the reputation as a trusted partner meeting the real-world challenges facing reverse mortgage servicers. Our team members know family members may not fully understand a reverse mortgage and our coordinators are trained to deal with each situation gently and with compassion. NFR understands the importance of protecting your professional reputation.

Contact: Margie Schagen, mschagen@nfroline.com
Tel: 800-639-2151 x2220 • www.NFROnline.com

PRC

Premier Reverse Closings (PRC) is a national, full-service, reverse mortgage title and settlement company that has closed more than 175,000 reverse mortgage transactions. PRC is experienced in all facets of the reverse business; ranging from teaching CRMP courses to closing and notary initiatives. PRC is a well-respected industry partner committed to our clients, our industry and senior borrowers.

Angel Booth, Toll-free: 800-542-4113
abooth@prclosings.com

Reverse Mortgage Funding LLC (RMF)

Reverse Mortgage Funding LLC (RMF) is an independent, reverse-only company. We don't have competing corporate priorities or distracting lines of business. Everything we do is focused on making reverse mortgages better, in a proactive and nimble way that benefits everyone. Known for product innovation, exceptional service and unparalleled secondary market expertise, RMF delivers a wide array of products and superior pricing. Whether you are new to reverse or a seasoned originator, RMF has a variety of platforms that help our partners succeed. Partner with us today, and together we'll create opportunities for a brighter future.

For wholesale opportunities:
Call 877-820.5314 or visit partners.reversefunding.com
For career opportunities: Email careers@reversefunding.com

Balanced Viewpoint continued from page 5

of the program that can effectuate savings? Are there product modifications or variations that can help assure the program's long-term financial viability?

This is what NRMLA has concentrated on over the past year. We have made several recommendations to HUD's leadership and are working respectfully with key policy-makers to (hopefully) see them implemented. We believe in the continued importance of the HECM program and that there are sensible opportunities to enhance its financial viability. But, we can only achieve our objectives if we make our case with a balanced viewpoint that is sensitive to the broader set of political and budgetary concerns that the decision-makers face. RM

Aging in Place Across America continued from page 25

and had to go around the room. Each person who was approached had to come up with a word using a letter, A to Z, in 30 seconds. As Skaggs tells it, this is much harder than it seems, as each individual must keep track of the letters and keep other words from interfering with yours as the pace increases.

The second exercise involved a children's story book randomly opened to a page and one sentence read aloud, "A little boy on a stool was thinking..." Participants then had to add to the story, but to make it challenging, the added portion had to start with the first letter of their name.

Each exercise went around the room so not a single chapter member was left out. It elicited engagement and quick thinking and there was lots of conversation and lots and lots of laughter. RM

Talking Heads continued from page 13

Jim Cory: This eight-hour course will only be provided on certain days during the CE season. So, plan ahead and block off time for both four-hour webinars when the schedule is released. Keep in mind, the Education Committee is only providing content for federal credit. You will want to also register for the state supplement CE courses that Loan Officer School provides. Lastly, if you are a CRMP, or want to become a CRMP, take this course to fulfill your ethics requirement. If you are a compliance officer recommending course providers this fall, we highly encourage you to consider the only one that is committed to offering reverse content.

RM: ***In addition to creating the 8 Hour SAFE course, what other work would you like to see the Education Committee focused on over the long-term?***

Dan Hultquist: We'd like to continue our involvement with NRMLA's Reverse Mortgage Education Week to help improve the public's perception of this great product. Internally, education will always be critical because of regulatory changes, but we also need experts on the front lines. Therefore, one of our long-term goals as a committee is to allow every NRMLA member the opportunity to be a reverse mortgage expert. This may come in the form of additional NRMLA printed material, and possibly more online resources for originators.

RM: ***Dan, you're one of the industry's most recognized trainers. What is the most common question you get asked by loan originators? What areas of the reverse mortgage process do loan originators need to improve their knowledge skills?***

Dan Hultquist: I still get many questions related to the HECM line-of-credit growth and how to compliantly sell it. It is important to make the distinction that LOC growth is not a form of "earnings," "interest income" or a "return on their investment." The reason we cannot say this is because the LOC is not an asset which is earning anything other than an increased capacity to borrow. It would be more compliant to express the LOC as "pledged funds," where the undrawn portion will naturally increase over time. RM

CRMP®
Certified Reverse Mortgage Professional

Serving America's Seniors with Care

Don't miss out on the business advantages of being a CRMP.

Harlan Accola, Fairway Independent Mortgage
Bruce Anderson, Legacy Mortgage
Mehran Aram, ARAMCO Mortgage
Janine Atamian, Premier Title & Escrow
Craig Barnes, Reverse Mortgage Funding LLC
Clayton Behm, Retirement Funding Solutions
Henrietta, Belcher-Stack, WSFS Bank
Brian Belluomini, Acrobat Mortgage
Fernande Marie Bencze, Alliance Reverse Mortgage
Douglas Bertsch, American Pacific Reverse Mortgage Group
Pamela Boyer, Reverse Mortgage Funding LLC
Jesse Brewer, Resolute Bank
Christopher Bruser, Retirement Funding Solutions
Kyle Buck, Retirement Funding Solutions
Randall Buffam, Arrowhead Capital Mortgage
Susan Caffine, Reverse Mortgage Funding LLC
Galen Call, American Pacific Reverse Mortgage Group
Tammy Campanella, Reverse Mortgage Funding LLC
Lance Canada, Victorian Finance, LLC
David Carter, Reverse Mortgage Funding LLC
Robert Paul Charles, The Federal Savings Bank
James Peter Christopoulos, Silex Financial Group
Lyn Coffin, The Mortgage Network, Inc.
Eric Colburn, Alpha Mortgage Corp.
Ellen Connors, Shamrock Financial Corp.
Launi Cooper, Retirement Funding Solutions
John Correll, Lineage Lending
Jim Cory, Live Well Financial, Inc.
Jeff Cota, CrossCountry Mortgage, Inc.
Roberto Crespo, Columbus Capital Lending, LLC
David Darling, Premier Home Equity
Randy Davis, Dollar Bank
Jerry Delmato, Retirement Funding Solutions
Phil Dixon, Columbus Capital Lending, LLC
George Downey, Harbor Mortgage Solutions
Jacob Droge, Open Mortgage
Rex Avery Duffin, Sun American Mortgage
Brandy Edwards, Reverse Mortgage Funding LLC
Leonard (Pudge) Erskine, Reverse Mortgage Works
Mark Anthony Erskine, Reverse Mortgage Works
Matthew Evans, Certified Reverse Mortgage
Nancy Everitt, Finance of America Holdings
Richard Fitzpatrick, American Financial Network, Inc.
Jeff Flanery, Cambria Mortgage
Cesar Flores, Reverse Mortgage Funding LLC
Nancy Foster, The Mortgage House, Inc.
Marshall Clayton Gallop, Reverse Mortgage Funding LLC
Greg Gianoplus, Alpha Mortgage Corp.
Jaime Girard, Reverse Mortgage Funding LLC
Dave Gomer, Senior Funding Associates
Phil Goss, Churchill Mortgage Corp.
Jill Gromm, Alliance Reverse Mortgage
Michael Gruley, 1st Nations Reverse Mortgage
David Guelff, American Capital Corporation
Tony Guillen, Liberty Home Equity Solutions
Chris Handy, Geneva Financial, LLC
Larry Hanover, Millennium Mortgage Services
Christina Harmes, C2 Financial Corporation
Scott Harmes, C2 Financial Corporation
Jane Harrington, M&T Bank
Susan Haviland, TowneBank Mortgage
David Heilman, Success Mortgage Partners
Melinda Hipp, Open Mortgage
Robert Hogg, Fairway Independent Mortgage
Dan Hultquist, Live Well Financial, Inc.
Robert Charles Jayne, InterContinental Capital Group
Christine Jensen, Fairway Independent Mortgage
Dean Jones, Senior Funding Associates
Karen Keating, Tradition Title
J. Burgess Kegan, Retirement Funding Solutions
Jim King, McGowin-King Mortgage LLC
Brett Kirkpatrick, Harbor Mortgage Solutions
Mace Kochenderfer, New Mexico Reverse Mortgage
Rebecca Koontz, Senior Reverse Mortgage
Kent Kopen, United American Mortgage Corporation
Pat Kubert, Success Mortgage Partners
John Paul Leer, KleinBank
Shane Lester, Reverse Mortgages of Arkansas
David Levitt, 1st Reverse Mortgage USA
Laurie Libby, American Advisors Group
Tim Linger, HECM Senior Home Financing
Jamie Longe, Liberty Home Equity Solutions
Robin Loomis, NOVA Home Loans
Teresa Maines, CoastalStates Reverse Mortgage
Jon Maiolatesi, Success Mortgage Partners
Hernando Manzano, The Reverse Mortgage Group
Michael Markoff, Nations Lending Corporation
Mario Martirano, American Advisors Group
Daniel Matthews, American Nationwide Mortgage Company
Barbara McIntyre, Reverse Mortgage Funding LLC
Cindy Ann McKeannery, Fairway Independent Mortgage
Michel McKnight, American Pacific Reverse Mortgage Group
Joe McParland, Helping Hands Community Partners
Bruce McPherson, Retirement Funding Solutions
Edward Mendenhall, The Federal Savings Bank
Sue Milligan, Bank of England
Robert Mills, Greenleaf Financial, LLC
Christopher Mollison, On Q Financial, Inc.
Colleen Moore, Golden Equity Mortgage
Lisa Moriello, loanDepot
Bill Nass, Gershman Mortgage
Lisa Nass, Gershman Mortgage
Mary Nelson, V.I.P. Mortgage
Tim Nelson, V.I.P. Mortgage
Greg Newman, Nations Lending Corporation
Vickie Nguyen, Guild Mortgage
Edward O'Connor, FirstBank
Anissa Palmatier, Reverse Mortgage Funding LLC
Alina Passarelli, People's Home Equity
Beth Paterson, Greenleaf Financial, LLC
Nina Penny, Mohave State Bank
Susan Perry, Capital Funding
Richard Pinnell, Vitek Mortgage Group
Daniel Porter, Mikana Financial
Karen Rayfield, Retirement Funding Solutions
Loren James Riddick, People's Home Equity
Eric Rittmeyer, Fidelis Mortgage
Rick Rodriguez, Nationwide Equities Corp.
Castulo Romero, HomeBridge Financial Services, Inc.
Teresa Rose, Senior Security Funding
Paul Scheper, Loangevity Mortgage
Jim Schwegman, American Advisors Group
Ken Seal, Neighborhood Mortgage, LLC
Clay Selland, Signet Reverse Mortgage
Bruce Simmons, American Liberty Mortgage, Inc.
Richard Simpao, Lineage Lending
Ellen Skaggs, New American Funding
Sean Skaggs, New American Funding
Glen Smart, NOVA Home Loans
Phil Stevenson, Columbus Capital Lending, LLC
Rick Sweeney, Open Mortgage
Neil Sweren, Atlantic Coast Mortgage
Susan Tamashiro, Platinum Financial, LLC
Malcolm Tennant, Access Reverse Mortgage Corp.
Pamela Tennant, Access Reverse Mortgage Corp.
Peter Tentler, Liberty Home Equity Solutions
David Tourtillott, Homestead Mortgage, LLC
Parker Turk, Sun American Mortgage
Christina Uva, Reverse Mortgage Funding LLC
Alain Valles, Helping Hands Community Partners
George Vrban, Columbus Capital Lending, LLC
Minh Vu, Golden Equity Mortgage
Bonnie Wallace, Citywide Home Loans
Lynn Wertzler, Greenleaf Financial, LLC
Peggy Whalen, Helping Hands Community Partners
Patricia Whitlock, FirstBank
Ken Wieland, TNBANK
Cory Williams, Springwater Capital
Rick Williams, All Reverse Mortgage
Patty Wills, Open Mortgage
Josh Wilson, Senior Mortgage Advisors
Todd Woodcock, Access Reverse Mortgage
Rob Wyatt, Reverse Mortgage Advisors
Jay Zayer, ARAMCO Mortgage

Why don't you join us? Go to nrmlaonline.org

EQUITY*edge*

THE REVERSE MORTGAGE REINVENTED

More than a jumbo mortgage, Equity Edge Reverse Mortgage™ from Reverse Mortgage Funding LLC (RMF) as the lender, is a cutting-edge loan geared towards filling the gaps in the current HECM program.

60 is the new 62

60 IS THE NEW 62

Reverse mortgages are no longer reserved for those 62 or older.

MORE ACCESS TO FUNDS

Potentially access even more equity than traditional reverse mortgages on the market today.

LOWER UP-FRONT COSTS

Since there is no mortgage insurance premium, Equity Edge may have lower up-front costs than a traditional reverse mortgage.

CONDOS & TOWNHOUSES

Can lend to non-FHA-approved* condos and townhouses

To find out how RMF's innovative, new product can help you write more business, contact **877.820.5314** or visit **partners.reversefunding.com**.

TRUSTPILOT ★★★★★ May 2018

96% Customer Satisfaction

BBB ACCREDITED BUSINESS A+

RMF
REVERSE MORTGAGE FUNDING LLC

Source: RMF Customer Satisfaction Survey 2017

Equity Edge Reverse Mortgage™ ("Equity Edge") is Reverse Mortgage Funding LLC's proprietary loan program, and it is not affiliated with the Home Equity Conversion Mortgage (HECM) loan program, which is insured by FHA. Equity Edge is available to qualified borrowers who may also be eligible for HUD, FHA's HECM program or are seeking loan proceeds that are higher than HUD, FHA's HECM program limit. Equity Edge is available only for eligible properties in the following states: California, Florida, New Jersey, Oregon, and Virginia. Upon a maturity event, any non-borrowing individuals with an ownership interest in the property, including non-borrowing spouses, will have 90 days to purchase the property from the estate or, if the non-borrower inherits the property, pay the loan in full using any sources of funds available to them. Any non-borrowing individual, including a non-borrowing spouse, should have a plan to pay off an Equity Edge reverse mortgage upon the borrower's death or any other maturity event. If the non-borrower is unwilling or unable to purchase the property or pay the loan in full, **there is no protection for the non-borrower (including a non-borrower spouse) to maintain an interest in the home or to continue residing in the home past the maturity event and the non-borrower may be evicted upon foreclosure**. The FHA HECM program has protections in place for certain non-borrowing parties, so a reverse mortgage applicant with certain non-borrowing parties should strongly consider a FHA-insured HECM loan (see HECM guidelines or ask an RMF representative for details). Under the Equity Edge reverse mortgage loan program, a maturity event occurs when the last surviving borrower no longer lives in the home as his or her primary residence for at least 12 months, the property charges (including taxes, insurance, HOA dues or any other property charges) are not paid, required repairs are not completed or the property is not maintained, or any other maturity event, as specified in the Security Instrument, occurs.

***This material has not been reviewed, approved or issued by HUD, FHA or any government agency. The company is not affiliated with or acting on behalf of or at the direction of HUD/FHA or any other government agency.**

EQUAL HOUSING LENDER NRMLA MEMBER