May-June 2017
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Reverse Mortgage

The official magazine of the National Reverse Mortgage Lenders Association

Reverse Legacy

The role of children in the reverse mortgage process

NRMLA

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NRMLA

Columns

Monthly Features

Scribes

Meet This Month's Contributors

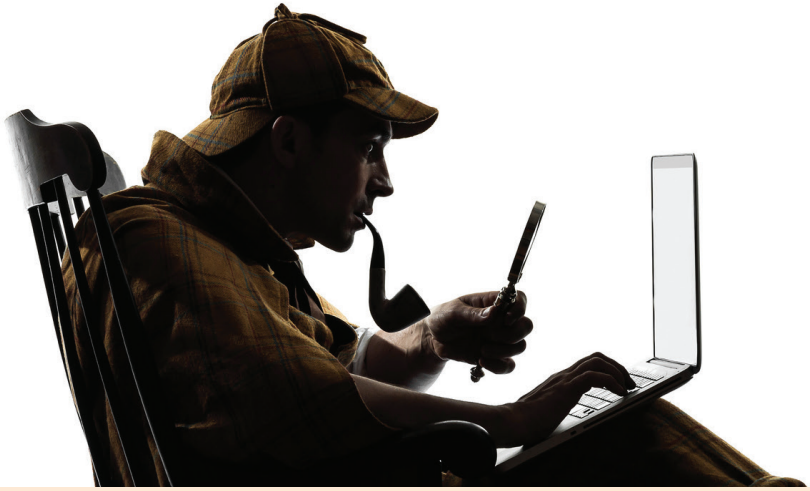
Marty Bell (*In Reverse*, p. 3 and *Meet MIDEX,* p. 24) is the Editor of *Reverse Mortgage* and *Tax Credit Advisor* magazines, the Senior Vice President, Communications & Marketing at NRMLA and the Executive Director of the National Aging in Place Council.

Peter Bell (*Balanced Viewpoint*, p. 5) has a 39-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.

Darryl Hicks (*Talking Heads*, p. 10 and *HighTechLending's Platform,* p. 26)) is the Vice President, Communications for NRMLA, where he writes our Weekly Report and administers our CRMP program. He roots for the Steelers and the Phillies and reads mysteries as he rides the Metro to work each morning.

Mark Olshaker (*Reverse Legacy*, p. 15), 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 in all, including the *New York Times* Number 1 bestseller *Mindhunter* and most recently *Law & Disorder* both with former FBI Agent John Douglas. He has also produced many documentary films the latest being *Who Killed the Lindbergh Baby?* for NOVA on PBS. Olshaker is a former reporter for the *St. Louis Post-Dispatch*, who now resides in Washington and has built a large following for his MindhuntersInc.com crime blog, which argued Amanda Knox's innocence from the get go. His latest book is *Deadliest Enemy: Our War Against Killer Germs*, with Dr. Michael Osterholm and recently published by Little Brown.

New View Advisors (*Financial Assessment Works*, p. 22) is a strategic advisory firm for Ginnie Mae HMBS Issuers, HECM originators, and institutional investors that participate (or are looking to participate) in the reverse mortgage industry. RM



Ace Reporter

IN OUR COVER STORY THIS MONTH, STAFF WRITER Mark Olshaker interviews the children of reverse mortgage borrowers about their relationships with their parents and their roles in the origination process (*Reverse Legacy,* p. 15) Over the past couple of years, this peripatetic reporter has written most of our Borrower Chronicles, as well as about counseling, financial assessment, academic research and just about everything else we cover. But that is just a hint of Olshaker's dexterity.

On March 24, a piece Mark co-authored with Michael T. Osterholm, the director of the Center for Infectious Disease at the University of Minnesota, entitled "The Real Threat to National Security: Deadly Disease" appeared on the OpEd page of the *New York Times*. The piece warned, "While the Trump administration is proposing significantly increased military spending to enhance our national security, it seems to have lost sight of the greatest national security threat of all: our fight against infectious disease."

Visit your local bookstore or booksite today to find these gentlemen's collaboration *Deadliest Enemy: Our War Against Killer Germs*. And this October, Netflix will be offering a new dramatic series called *Mindhunter*, based on Mark's collaboration with John Douglas, who created criminal profiling while leading the Investigative Support Unit at the FBI Academy (the inspiration for *Silence of the Lambs*.), a one-time Number 1 Best Seller in the *Times*. The series, produced by David Fincher and Charlize Theron and starring Jonathan Groff, has been renewed for a second season before an episode has been shown publicly.

Mark and I met during the Anti-Vietnam War years in the offices of the George Washington University student newspaper where we served as the movie and theater critics. Unconventionality was the convention of the time and he was frequently seen wearing a Sherlock Holmes cap and smoking a pipe. But he wasn't just feigning interest in detection; he has had a remarkable career publishing ten non-fiction books and five novels, mostly focused on crime and infectious disease, and producing over a dozen documentaries including Emmy winners. Though the hat you will most likely see him wear today may be that of the Washington Nats, we're honored to have Mark's unique skill set now investigating on our behalf.

At NRMLA's Eastern Regional meeting in New York in April a panel consisting of our Executive Vice President Steve Irwin, outside counsel Jim Brodsky and Nick Larson of LexisNexis announced a new relationship that provides members access to a new tool to help us maintain integrity in the industry. You can get a sneak peek at *MIDEX* on page 24.

On page 22, you will find a very positive and encouraging report from our friends at New View Advisors on the results of the first year-and-a-half of Financial Assessment.

Hope you'll enjoy our stories and also follow the chilling stories of the FBI's criminal profilers when Mark Olshaker's *Mindhunters* arrives in your home.

Marty Bell, *Editor*

Balanced Viewpoint

Let's Help Ourselves and Build Trust in What We Do

By Peter Bell, President & CEO of NRMLA

TRUST. THAT IS THE ONE ESSENTIAL ELEMENT necessary if the reverse mortgage is ever to find its footing and gain acceptance as a mainstream personal finance product. Unfortunately, earning the trust of the public at large has been elusive for this industry. Consumers, reporters, public officials—even many financial service professionals—remain dubious about reverse mortgages.

At NRMLA, many of our activities are aimed at trying to overcome this deficit of acceptance. Many activities, from our Code of Ethics & Professional Responsibility, our consumer website and "Roadmap to a Reverse Mortgage," our Certified Reverse Mortgage Professional (CRMP) designation, consumer information pamphlets, industry education sessions, press outreach, our new partnership with LexisNexis to maintain a platform, MIDEX, whereby lenders can verify the integrity of business partners, vendors and prospective employees, and the NRMLA working group on consumer experience, have all been undertaken to help address this deficit of trust.

Trust, after all, is earned through displaying a combination of key core values including integrity, transparency, education and customer service. We try to do what we can on the association level to foster these values and communicate our industry's commitment to them through the media and our government relations efforts.

Many industry participants share this concern and work diligently to develop these core values among their personnel, provide clear information to consumers helping to achieve a level of transparency and dedicate significant resources to consumer education and customer care. But, some industry participants don't.

Instead, they sink to using inappropriate tactics to gain market share, leaving a stench that everyone else in the industry—or anyone looking at this industry from the outside—is obliged to smell. As we've been developing this issue of *Reverse Mortgage*, an edition highlighting many of the positive things going on to help build consumer confidence and acceptance among prospective borrowers and their adult children, we are also dealing with issues of concern arising from complaints to NRMLA's Ethics Committee.

Peter Bell

This past week, I was shown an "urgent" notice sent by a mortgage broker to a homeowner who is currently a HECM borrower telling her in no uncertain terms that she must call immediately to verify her occupancy. While we all know a Certification of Occupancy is a requirement for HECM borrowers, in this case, the request did not come from the loan servicer, but rather from a third-party whom had no involvement in her current loan and was just trying to trick her into calling so they could try to sell a HECM-to-HECM refinance.

How can we ever overcome a deficit of trust and gain consumer confidence if some members of our industry continue to use tactics that are intended to "trick" people into following up with them? It's generally the scammers who have to trick people into doing something. Companies of integrity do not have to resort to such means.

An important story in this issue of the magazine provides details on the new NRMLA/LexisNexis MIDEX partnership. I urge all NRMLA members to read this article and become familiar with the MIDEX tool. Start using it to examine backgrounds before starting new business relationships or hiring personnel and to report individuals or companies that you have observed behaving inappropriately.

We must work together if we are to thrive, and that includes tackling head on some of the thornier behaviors we observe in the market place. We know the need is there for our product; we just have to develop the demand. Displaying integrity and earning trust are critical if we are to generate consumer acceptance and develop that demand. RM

The Biz

EVERYTHING NEW YOU NEED TO KNOW

People are talking about...

Home Equity Grows by $170.7 Billion

Home equity levels for homeowners aged 62 and older increased by 2.8 percent in the fourth quarter of 2016 to $170.7 billion, boosting their total housing wealth to $6.2 trillion.

The growth in home equity, coupled with a 2.4 percent increase in home values for the same age group, drove the NRMLA/RiskSpan Reverse Mortgage Market Index to a new all-time high of 221.75. The RMMI is a quarterly measure that analyzes trends in home values, home equity and mortgage debt held by homeowners aged 62 and older dating back to 2000.

Helping Your Clients Who Are in Default

HUD's Office of Housing Counseling provided NRMLA with a list of housing counseling organizations that have been specially trained to provide default counseling services. The list includes:

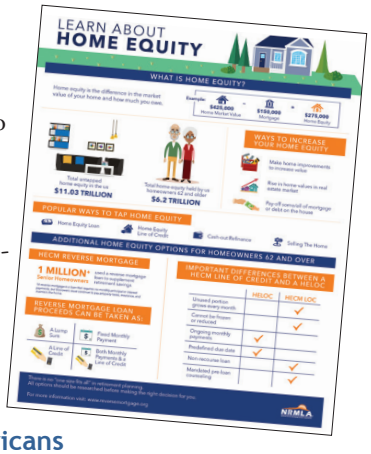
- Greenpath, 888-860-4167
- Money Management International, 866-765-3328
- National Foundation for Credit Counseling, 866-363-2227
- NeighborWorks America, 888-990-4326
- Housing Option Provided for the Elderly, 773-262-7801

The next time one of your past clients calls you in need of assistance because their loan is in technical default for non-payment of property taxes or insurance, please refer them to this list.

NRMLA Explains Home Equity in Advance of Financial Literacy Month

To help commemorate Financial Literacy Month in April, NRMLA released, "An Introduction to Housing Wealth: What is home equity and how can it be used?," a three-part article that explains home equity and its uses, methods for tapping it, and the special home equity options available for homeowners aged 62 and older.

"Financial Literacy Month is an opportunity for consumers of all ages to evaluate and elevate their understanding of the concepts essential for responsible money management, such as savings, credit, interest and debt," said NRMLA President and CEO Peter Bell. "From planning a household budget to developing a comprehensive retirement funding strategy, financial literacy is crucial to our ability to plan for the future."



The article and infographic (on the right) can be downloaded from NRMLA's consumer education website reversemortgage.org. Members are encouraged to share this information with your clients and their family members.

Less than 20 Percent of Americans "Very Confident" About Retirement Savings

Six out of ten American workers feel very or somewhat confident about having enough money for a comfortable retirement, though just 18 percent feel very confident, according to the 2017 Retirement Confidence Survey published by the nonpartisan Employee Benefit Research Institute and Greenwald & Associates.

The survey also suggests that many American workers are stressed about their financial security. About three in ten workers reported feeling anxious about preparing for retirement and around half of those said that financial stress impacted their productivity at work.

Of the U.S. workers who've tried to figure out how much money they'll need to retire, two out of five are betting on more than $1 million. This is the 27th annual RCS, the longest-running survey of its kind in the nation, canvassing both current workers and retirees.

Divorce Rates Climb for America's 50+ Population

While divorce is less common for younger adults, so-called "gray divorce" is on the rise among U.S. adults aged 50 and older, with the divorce rate doubling since the 1990s, according to the Pew Research Center. According to analyst Renee Stepler, among all adults 50 and older who divorced in the past year, 34 percent had been in their prior marriage for at least 30 years, including 12 percent who had been married for 40 years or more. Research indicates that many later-life divorcees have grown unsatisfied with marriage and are seeking opportunities to pursue their own interests and independence for the remaining years of their lives.

But divorce at this stage of life can also have some downsides, added Stepler. Gray divorcees tend to be less financially secure than married and widowed adults, particularly among women. And living alone at older ages can be detrimental to one's financial comfort and, for men, their satisfaction with their social lives.

LET US KNOW WHAT YOU'RE TALKING ABOUT.

This new forum is the place for readers to share their opinions with fellow colleagues about the direction of the reverse mortgage business and other retirement trends. Submissions should be limited to 100 words or less and submitted to Associate Editor Darryl Hicks, at dhicks@dworbell.com.

The Press is talking about...

A Smart Way for Seniors to Tap Home Equity

(http://www.cbsnews.com/news/smart-way-for-seniors-to-tap-home-equity)

CBS MarketWatch, Kathy Kristof, March 29, 2017

"Honestly, about this time last year, I was contemplating having to file for bankruptcy," Mississippi retiree Richard Blackmon told award-winning financial journalist Kathy Kristof. "I can't rave enough about this program," said Blackmon, whose debts that built up during his working years were draining his bank account and leaving him increasingly stressed about money. Retirement experts Wade Pfau, professor of retirement income at The American College, and Steven Sass, of Boston College's Center for Retirement Research, believe reverse mortgages can be a valuable tool. "And the smartest way to use them is to secure the loans early in retirement, ideally long before you need to tap them," wrote Kristof.

Can a Reverse Mortgage Stabilize a Wobbly Retirement-Income Stool?

(http://www.startribune.com/can-a-reverse-mortgage-stabilize-a-wobbly-retirement-income-stool/416170784/)

Janet Kidd Stewart, Tribune News Service, March 18, 2017

"It (reverse mortgage) took a lot of pressure off of us," commented Jerry Watson, who described his motivations for using the HECM for Purchase program to syndicated writer Janet Kidd Stewart. In her latest "The Journey" column for Tribune Content Agency, Stewart wrote that the reverse mortgage allowed the Watsons to buy their dream retirement home on a golf course, essentially doubling their budget without worrying about monthly mortgage payments. "It was like going to a car dealership after saving up for a Kia and learning you could drive home in a Cadillac," Watson told Stewart.

More Than 40 Percent of Americans Are Wrong About Their Retirement Preparedness. Are You Among Them?

(http://time.com/money/4699560/retirement-preparedness-40-get-it-wrong/?&tc=eml)

Walter Updegrave, Time/Money, March 15, 2017

Retirement columnist Walter Updegrave examined a new study from the Center for Retirement Research at Boston

The Biz continued on page 8

The Biz continued from page 7

College that concluded 19 percent of Americans were overconfident about being prepared for retirement. "While they believed they were on track to a secure retirement, CRRBC's analysis suggested that these households were actually at risk of having to lower their standard of living after they retired," wrote Updegrave. Alicia Munnell, director of the CRRBC and a co-author of the study, says in the case of home ownership people may not think to factor their house into their post-career income projections. That's because they may not plan to tap their home equity in retirement or may not be aware of how much extra income downsizing or taking out a reverse mortgage might provide. "In terms of mental accounting," she said, "they may not be factoring it into their retirement income calculations."

In Washington they're talking about...

Draft HECM Handbook Soon to be Published

While addressing NRMLA's Eastern Regional Meeting in New York on April 3, FHA officials said they hope to publish a draft copy of the new HECM Handbook by the second or third quarter of 2017, at which time members and other industry participants will be invited to submit feedback. Assuming there are no delays, a final version of the HECM Handbook will be published later this fall. Existing HECM regulations contained in Handbook 4235.1, along with new program changes contained in the recently published final rule, are being transitioned to FHA's Single Family Handbook 4000.1.

FHA Monitoring Refi Activity

FHA continues to monitor refinance activity, which has steadily increased from 2.6 percent of all originations in 2012 to 11 percent in 2016, and 12.9 percent so far in 2017. "We continue to have concerns about churning,

whether the refinance provides a meaningful benefit to the borrower, and the quality of appraisals," said FHA Senior Policy Advisor Karin Hill, while speaking at the Eastern Regional Meeting. As a reminder, in October 2015, NRMLA published Ethics Advisory 2015-2, which includes requirements for ethical refinancing of HECM reverse mortgage loans and anti-churning considerations.

FHA's Loan Review System to Go Live on May 15

The Federal Housing Administration announced in Mortgagee Letter 2017-08 that the implementation date for its Loan Review System will be May 15, 2017. LRS will be used to manage Title II Single Family Loan Reviews, Title II Single Family Mortgagee Monitoring Reviews, and Mortgagee self-reporting of fraud, misrepresentation and other material findings. The HECM statute, section 255 of the National Housing Act (codified at 12 USC 1715z-20), falls within Title II. FHA has conducted webinars and created a landing page on the HUD.gov web site for people who want more information.

Building Acceptance of Reverse Mortgages

Improving reverse mortgage financial literacy, reducing borrowing costs and expanding product options are among a list of recommendations put forth by the Washington, DC-based Urban Institute to help ease barriers to home equity extraction in a new study, titled "What's stopping seniors from accessing the wealth stored in their home equity?"

"Seniors are sitting on a mountain of housing wealth. Homeowners ages 65 and older could access more than $3 trillion in extractable primary residence home equity, but only six percent of senior homeowners are interested in tapping into their home equity to help meet retirement financial needs," according to the study's authors, Karan Kaul and Laurie Goodman (who discussed some of her initial findings at NRMLA's 2016 Annual Meeting in Chicago). "At the same time, nearly 37 percent of senior homeowners are concerned about their financial situation in retirement."

Aversion to debt and continued improvements to health and medicine are allowing more seniors to work and earn well into old age, reducing the need to depend on home equity extraction, the authors added. To help reverse the trend, the Urban Institute proposed improving reverse mortgage financial literacy by introducing the product to people at a younger age.

And now you're up to date.

Jean Noble

Chief Marketing Officer, Reverse Mortgage Funding

The Evolution of HECM Marketing

By Darryl Hicks

ONE OF THE MOST CRITICAL MEMBERS ON ANY management team is the chief marketing officer. An excellent CMO masters the new digital channels that dominate our lives, navigates quickly in the moment while charting new courses into the future—and at the same time drives revenue while keeping a close eye on costs.

And most importantly, a CMO puts the customer at the center of everything they do.

Jean Noble is among the best marketing professionals in the reverse mortgage business. In 2002, she got her start working for Senior Lending Network in Melville, NY, where she helped develop one of the most effective branding campaigns ever, the television ads featuring actor Robert Wagner.

Today, she oversees Reverse Mortgage Funding's marketing efforts.

Reverse Mortgage magazine sat down with Noble to talk about how marketing strategies have changed and what companies can do better.

Reverse Mortgage: ***How has your approach to marketing reverse mortgages changed over the past 15 years?***

Jean Noble: That's easy. There have been major shifts. Digital marketing wasn't something that we thought about 15 years ago. We directed someone to a toll-free number and had them speak with a loan officer. Today, people consume information through online searches, social media sites and YouTube. It opens up the world to so many different opportunities and forces us to be more nimble. From an overall marketing message perspective, I honestly think we did it wrong. Even today, people don't feel the product to be reliable, relatable or trustworthy. They automatically discount the merits of the product without a question. This past year, we've done quite a bit of research and discovered that when we mention 'no monthly mortgage payment' as a feature of the program, people automatically think that's too good to be true. We lose credibility from the get-go. So, we've made a conscious effort to remove that from our vernacular.

Jean Noble

RM: ***HECM has changed so much since 2013, culminating with the introduction of Financial Assessment in April 2015, that I am curious how this has impacted your messaging?***

JN: Financial Assessment was fortuitous. It allowed us to go after the financial advisor marketplace and educate them on the merits of the product. With these new safeguards in place they are beginning to notice and listen. These 'influencer' networks—financial advisors, realtors and builders—will drive the future of the business. As a member of NRMLA's PR Committee, we see the impact that Financial Assessment is having on positive and neutral news coverage. At the end of 2016, 94 to 95 percent of the press coverage of reverse mortgages was positive or neutral.

Talking Heads continued on page 12

RMF

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EQUAL HOUSING LENDER NRMLA MEMBER BBB ACCREDITED BUSINESS

Talking Heads continued from page 10

That's great. It shows that people are taking a more serious look at reverse mortgages. The message we need to tell people is that this is not a loan of last resort. Rather, this is a product that allows you to do many different things. It can be an alternative to a home equity loan or it can pay for home healthcare if you don't qualify for long-term care insurance, fund home improvements, help you purchase a new home, or serves as an alternative liquidity vehicle for times when it doesn't make sense to sell investments.

RM: ***How do you know where to spend your marketing dollars each year? Do geographic markets and client profiles change much over time?***

JN: The average reverse mortgage client has $60,000 to $70,000 in debt and wants to pay off a mortgage or a home equity loan. We use geotargeting to help us understand product penetration rates – prospects in these markets are more receptive to our offers. Reverse Market Insight has some great tools to help with that. Once you identify your target market and where you want to geotarget, there are additional research tools, like MRI (Market Research Insight), that can help you effectively deploy your marketing dollars wisely.

RM: ***What advice would you give to someone who's just getting started in the reverse mortgage business? What resources exist to help companies create a reverse mortgage marketing plan? How much should a lender allocate for marketing during that first year?***

JN: There is no time like the present for a company to get into this space. The demographics speak for themselves. A forward mortgage company that wants to get into reverse needs to look for a wholesale partner that offers a full range of support: sales training, operations training, product training, marketing tools, technology and obviously great customer service and pricing. There are a lot of good companies that offer these tools. In today's interest rate environment, we have seen a substantial increase in inquiries from forward mortgage lenders. As for a marketing budget, that's a hard topic. You need to think about how many sales people you have. You want to generate enough leads for each person, so that they are successful. You also want to make sure you don't generate too many leads. And then you need to think about your cash flow since the life cycle can be quite long. You need to figure out what you're comfortable with in terms of an investment strategy. Lastly, I would recommend that you don't start off with HECM for Purchase, because these loans take longer and can be more complicated. And while you're building your business, it's never too early to start building a network of financial advisors.

RM: ***Survey after survey shows Americans are worried that they won't have enough retirement savings to last until they die, and yet last year less than 50,000 people got a reverse mortgage. How can we change people's perceptions about equity extraction?***

JN: I think people are using home equity more than we believe. They just aren't using a reverse mortgage. If you examine the home equity marketplace, you'd be surprised at the number of people over age 55 who are taking out home equity loans. If we had a five to ten percent penetration rate, like the HELOC business, we'd see a tremendous boost. Comparing reverse mortgages to a home equity line makes total sense. If you talk through the benefits, in many cases the HECM Line of Credit is a better solution.

RM: ***If the penetration rate for home equity loans is that high, why not reverse?***

JN: Exactly. We convened a focus group last week that compared different loan products. We described the features of Product A, which was a home equity line of credit, and the features for Product B. We asked them which product they liked better. Product B won in nine out of ten cases and it was the reverse mortgage line of credit. Once we unveiled the product, people scratched their heads and said, 'wow, I didn't know this product could do that. I thought the bank takes your house. Or, I know somebody who had a terrible experience. If this product is all that it's cracked up to be, why can't I just walk into a bank and get it?' We heard that three or four times in one day.

RM: ***It seems like there is a negative perception about reverse mortgages that we have dealt with for many years and may always have to contend with.***

JN: One person from the focus group said, 'my brother-in-law's cousin got a reverse mortgage and got foreclosed on, which is just horrible.' The moderator asked the person, 'do you know why?' The person said they thought it had to do something with property taxes. And the moderator said,

'well, this is a loan product and if you don't meet your loan obligations, then just like any other loan, you can get foreclosed on.' Don't bury that information in your advertising footnotes. This is a loan. You have to pay it back. You have to pay your property taxes. You have to meet your borrower obligations, or you will be forced to pay the loan back.

RM: ***How often do you assess your marketing plans? Is there a benchmark for success that you look for? Which advertising medium do you like most?***

JN: We look at our marketing plans every day and sometimes twice a day. I think the environment that we're in, whether we're advertising digitally or even on television, you can get some instant gratification and see what's happening out there. So, you need to make adjustments whenever you can and be smart about it. In terms of what I like best, I am a real fan of returning back to the basics and making personal connections. If you're a field sales person, I think seminar marketing is still a great tool. Anytime you can have a face-to-face interaction to talk through the product and truly educate them is a win-win. Often, there will be realtors and financial advisors in the audience. I would also say going back to television is a great thing because there is so much competition on the web. Television lets us explore new message strategies, whereas on the web everybody is fighting for key words and ad placements.

RM: ***I thought television advertising was something only the largest reverse mortgage companies could afford?***

JN: Yes and no. You can run local ads for reasonable rates and oftentimes cable providers and television stations have production teams that are happy to design a testimonial script. Another emerging opportunity is "native" advertising. That's a fancy word for advertorial. It can be a great way for people to learn about the product and its different uses.

RM: ***Are you talking about the newspaper articles written by loan officers that appear in newspapers?***

JN: Yes, but you see a lot of it on the web too, especially on Bankrate.com, where people pay for a 300-word article. But those can be expensive. Try local newspapers, newsletters and blogs. If you're working with a digital media agency have them help you build out a content strategy. Association marketing is fabulous. Associations have newsletters and they are always looking for fresh content. Don't be afraid to throw your hand up in the air and say, 'hey, I am a subject matter expert on reverse mortgages can I provide content for your newsletter, web site or blog?'

RM: ***Being a national company, do you market reverse mortgages differently depending on the region or is the message and mode of marketing (i.e., television, print, internet) consistent across the U.S.?***

JN: It's pretty consistent across the U.S. We break things down into different personas – HECM customers, HELOC customers, HECM for Purchase customers, financial advisor customers. So, from a regional perspective we know there are certain areas of the country where H4P is more well-received, which influences how we promote that product.

RM: ***Many loan originators believe financial planners can be a valuable business partner, much like realtors and builders. On the other hand, I have yet to speak with a borrower who has used a reverse mortgage as part of a comprehensive retirement plan. What's your opinion?***

JN: We love this marketplace. We dedicate a lot of time, energy and resources to educate financial advisors on the different uses of home equity during retirement. At RMF, about 20 percent of our field business comes from financial advisors, so we're seeing the benefits. Financial advisors are educating themselves about reverse mortgages and getting comfortable with the program options. I think it will be a big opportunity for us two to three years down the line. It makes sense to invest the time and the energy to develop a relationship with a financial advisor because they have multiple clients and can be a good referral partner.

RM: ***From your experience, what's the best way to develop that type of relationship?***

JN: Network locally through a BNI (Business Network International) group or take the Financial Planning Association, for example, they have local and regional chapters. Go to chapter events, network, maybe sponsor something. Appear in a newsletter. Build a relationship at the local level. Someone who goes to a single-day event is looking for education and opportunities to be better at their craft and is more open to listening to new ideas. That's a good first step. Step two may be following up with a phone call or email or sending an informational packet. And hopefully the relationship builds from there. RM


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Reverse Legacy

The role of children in the reverse mortgage process By Mark Olshaker

IN THE LAST ISSUE OF *REVERSE MORTGAGE*, Laurie Goodman, co-director of the Housing Finance Policy Center at Washington, DC's Urban Institute, described the importance of intergenerational communication and collaboration in the HECM process. "When someone says, 'I really want to leave something for my kids,' I respond, I suspect your kids would rather have you enjoy the quality of life you've earned." She went on to stress, "It's so important to have these conversations so that everyone involved understands the tradeoffs. And very few families have those conversations."

But in the ones that do, the results tend to be highly beneficial for both generations, since aging in place is not just about the senior; it is about the entire family. Likewise, it involves not just housing, but also healthcare, finances, retirement expectations and lifestyle and family dynamics.

Most months in these pages we tell the stories of reverse mortgage borrowers and how the financial product impacted their lives. But this month we set out to talk with adult children who helped their parents secure a reverse mortgage: What went into the decision? And how did it affect the lives of both generations, and what they wanted from each other?

It is perhaps not coincidental that many of the adult children interviewed work in some aspect of the housing, mortgage or finance business and tend to understand instinctively the principles through which the HECM serves as a multifaceted retirement tool. In fact, some of those we reached out to wanted to tell their own stories.

"It's so important to have these conversations so that everyone involved understands the tradeoffs. And very few families have those conversations."

"You'd Better Take Care of Me When I Get Old!"

Diana Kerstin Connelly's parents met crossing the Atlantic on the Cunard line's RMS Queen Elizabeth. Her mother was American and her father a Swede from Stockholm. They were married for 30 years, living in Fremont, CA, east of San Francisco Bay, and then divorced for 30 more, before her dad passed away last August.

As the ocean cross might suggest, Marcia Wennberg was an adventurous soul. After the divorce, she moved to Birmingham, AL, and worked as an exploration travel leader, visiting many exotic locations and ports.

Diana Kerstin Connelly and her mom Marcia Wennberg, 2006

After she'd seen the world, Marcia moved back to Fremont and bought a house right next to her former husband's. The arrangement was amicable and when Diana and her sister Leslie Anne Mader would visit, their parents would be together to see them.

Today, Leslie lives in Colorado and Diana lives in Pacifica, on the ocean side of the San Francisco Peninsula, south of the city. She runs Intergraphics, a multilingual graphics services company and her husband, Joseph Connelly, Jr., worked in international shipping and is now involved in international travel for accredited students. Diana and Leslie were both devoted to their parents, but neither daughter was in a position to take fulltime care of them.

"Mom helped us buy our house, and then we paid her back," says Diana. "She was a real firebrand. She told me, 'You'd better take care of me when I get old!' When she retired, she still enjoyed traveling, plus she was involved

***Reverse Legacy** continued on page 16*

Reverse Legacy continued from page 15

with bridge clubs, book clubs, going to museums, going out with her friends; all kinds of things.

"Unfortunately, at a certain point, she started going downhill very quickly and suffered a number of falls.

"Both our parents had been good about getting their living trusts in order. Dad designated Leslie to be his health power-of-attorney and both of us took care of his finances. Mom did the opposite, with me responsible for health and both of us for finances. Dad took out a reverse mortgage himself several years ago for part-time help, and then Mom did."

In the years since, the value of Marcia's house has gone up considerably, along with much of California's real estate. She had expressed a strong wish to live in her home as long as possible, and when she got to the point that she could no longer care for herself physically or mentally and needed 24-hour attention, Diana and Leslie, as powers-of-attorney for her and successor trustees for her estate, decided their best course was a HECM-to-HECM refinance. "This allowed us to pull out another $120,000 for her care," says Diana. "The whole idea was to keep her at home as long as possible and make her happy."

Diana cites former NRMLA board member and Certified Reverse Mortgage Professional Dean Jones as "a marvelous asset. He has an elderly mother himself and stuck with us through everything.

"I wish I could do it by myself, but now she's in a wheelchair and I can't. We don't really care if we see any money from our parents at the end of the day..."

"I think it's important that people stay fluid in these situations. I wish there was a book on how to navigate them. There were a lot of hoops to jump through with the reverse mortgage, but there are so many ways it can help, including hospice care for my dad."

Diana says she has ongoing conversations with Marcia's doctors and visits her frequently. "I wish I could do it by myself, but now she's in a wheelchair and I can't. We don't really care if we see any money from our parents at the end of the day. If I needed help, my mom would have moved heaven and earth to give me whatever I needed. So I want to do as much as I can for her."

"You Know What Is Best for Me."

Karen Tarby of Glendale, AZ, lives a full life that encompasses being a single mom to 11- and 13-year-old daughters and working fulltime as payroll processor for a construction engineering company. Her parents have been divorced since she was 12 and her sisters take care of her mother back east while she looks out for their father Joseph Clark here in Arizona.

"We are each other's family," she declares, "and we're lucky to have each other." He spends a lot of time with Karen's girls and even visits with her ex-husband when they are with him.

"You know what is best for me," Joe said in turning his financial affairs over to her.

"Whenever there is something to be done, I lay out the scenario and ask him for questions," Karen says. "As soon as he's satisfied, he'll say, 'Just do it.'"

Joe is in good health and plans to stay in his house. Karen considered a refinancing for him to decrease his debt, much of which had been accumulated from previous medical bills. She called Mai Yahn, senior mortgage advisor for Fairway Independent Mortgage Corporation in nearby Phoenix. Mai went through all the pluses and minuses of a traditional mortgage, but says, "Since I'm experienced with both types and, able to offer HECMs, it was my obligation to provide [her] with the differences."

"Mai came out and she was amazing," Karen recalls. "She took the time to explain all the differences, and we decided to do a reverse."

Both women acknowledge what Mai calls the "paperwork issues," the "hurdles" and the "maddening process."

"It was a little challenging to be honest," says Karen. "This should be a more streamlined process. We gave them everything they asked for and then there would be, 'Okay, but we forgot this. . .' If an elderly individual does not have someone to be his or her liaison, I don't see how they could do it. The people this product is aimed at are senior citizens. Often they don't drive, they don't have computers or printers or scanners, they can't get to a notary. At the end, everything finally got through thanks to Mai and a woman at the title company. But I really had to be my dad's advocate."

Karen achieved her goal for her dad and with the first HECM draw, reduced his debt considerably. "By the second year, he will be debt-free and then we'll be able to afford for him to have help at home and make sure his estate is in order. Right now, there are days when it is exhausting, trying to manage two households – mine and his."

Both the commitment she has put into her father's wellbeing and the stresses she had to go through to secure his HECM speak to the great advantages of involving family members in the decision and the process.

"What's the Catch?"

Rob Kanyur is another Phoenix area resident, and another senior loan officer at Fairway. He spent the first 17 years of his career in forward mortgages and since then has been devoted exclusively to reverse. "That's what I live and breathe and dream about," he declares.

Rob and his wife Suzanne have been married 24 years and have five children, ranging from 20-year-old Robby down to seven-year-old Ashlyn. And they are close to Suzanne's father and stepmother, Donald and Cheryl

Don and Cheryl Coleman, volunteering for USO at Phoenix Sky Harbor Airport

Coleman, who live in a stand-alone townhouse in North Phoenix. The Colemans trusted Rob and tended to follow his financial advice.

Don was an aerospace engineer who had once worked for NASA and then enjoyed a lucrative career with Honeywell. He and Cheryl had a solid retirement fund and manageable mortgage payments. They looked forward to paying off that mortgage and becoming debt-free.

***Reverse Legacy** continued on page 18*

Reverse Legacy continued from page 17

"Paying off your mortgage is an emotional victory," states Rob. "But it is not necessarily a practical one. It makes sense to harness the equity in your house.
"When I started doing reverse mortgages, Cheryl became interested, but Don was suspicious. 'What's the catch?' he wanted to know."

"I guess I was a little more jumpy than she was," Don admits.

Rob explained the entire HECM picture, with particular focus on the line of credit. "That was the hook for them – having a safety net that grows by four to six percent a year. And if they ever needed care, they would be able to manage it financially. We got Cheryl's son Alan on board, too. He did his own research and was very excited. He came to the conclusion that it would be a phenomenal retirement planning tool for them. It eliminated their mortgage, it preserved their capital under management and it reduced their tax obligations.

"They had a wonderful experience with HUD counselling. It gave them a sense of security and relief that the line of credit is there if needed."

"We're just beginning to realize some of the benefits this will bring us, like having the cash available if we need it and not having to pay it back..."

If it sounds as if Rob knows so many details because the Colemans are his in-laws, that may be true, but there is another reason: "I keep in touch with all my past reverse mortgage clients at least once a month," he says.

After they closed on their HECM, the Colemans took out some money for home improvements and went on the river cruise they'd always dreamed of.

Cheryl says, "We're just beginning to realize some of the benefits this will bring us, like having the cash available if we need it and not having to pay it back. And our line of credit will grow over the years. It's just a really good feeling. And we're still getting used to it."

"You Have to Educate People Seniors Trust"

Faye McManus of Tempe, AZ, works with Rob Kanyur in marketing and business development. Her parents, Martin and Barbara Kazan, were living in Las Vegas and paying $1,500 a month in rent. They had no pensions or 401(k) accounts, but did have cash savings and funds in a brokerage account. Faye didn't think this was the best retirement situation for them.

"I said, 'You need to buy a place and not rent. I'm single and can't take care of you. Come here and buy something.'" Her husband, an options trader, had left her after 25 years of marriage.

Before she started working with Rob, Faye had heard two women from Wells Fargo give a presentation at a senior center on reverse mortgages. "It sounded too good to be true," she recalls. "I asked them all about it and I came away thinking this is a no-brainer!" Faye has a background in mortgages, banking and financial fraud investigation, and listening to her speak for even a few minutes is enough to realize how sophisticated she is about financial options and strategies.

"I talked them into buying a two-bedroom condo with very nice amenities in Scottsdale that was already FHA-approved. I suggested they pay cash, which meant borrowing $75,000 from their brokerage account and 'pay themselves back' into the account with a reverse mortgage. There wasn't a HECM for Purchase option at that point. If they were taking out the reverse today, she says, she would have advised a HECM line of credit. "You can offset taxes by paying on the line of credit, and then pull the money back out again as you need it.

"They argued and argued with me until I said, 'See how many years of rent $75,000 covers. But if you put that money into a purchase, you'll have a roof over your head for the rest of your life.'"

She also advised them to take out a home warranty. "That's the smartest thing a senior can do," says Faye, "especially here in Arizona, because you're going to be running your air conditioning a lot and eventually, it will break. That costs them $40 a month, and with the HECM, they are now saving $1,100 a month over renting.

"I'm passionate about reverse mortgages. It provides a comfortable lifestyle and the parents can live there until the remaining one dies. And the real estate taxes are deductible. It can preserve your assets and you know a bad market is not going to eat up your equity."

She has many times confronted the issue of seniors objecting to a HECM because they want to leave their house free and clear to their children. "If there is more than one child, it is unlikely any of them are going to move

in. They're more likely to sell it and split the proceeds. But with a reverse mortgage, you can protect any other assets, and most heirs would rather have a cash inheritance than property."

Faye notes that when both of her parents pass away, she and her two siblings can simply walk away from the condo if they wish. "Or, if rents keep going up as they have been, it might make sense for the three of us to buy it at 95 percent of market value and rent it out."

The key to making the process work, she believes, "You have to educate people seniors trust. And that is usually their children. Whether you're close to your parents or don't even want to deal with them, a reverse mortgage is a great thing that gives everybody peace of mind."

"A Pretty Remarkable Outcome"

Southwest of Greater Phoenix, Paige Draper lives in Tucson with her husband Scott and their 12- and 15-year-old daughters. Paige works for a real estate title company as business development director and Scott is battalion chief for Northwest Fire District. On March 27, the family celebrated the fourth "transversary" for Paige's mother, Patricia Courtier. And therein hangs the tale.

Patricia Courtier and her daughter, Paige Draper

Patricia, a divorcee, worked as a surgical nurse and was highly valued in her position as first assistant to the lead surgeon in the operating room. But by 2012 her COPD (chronic obstructive pulmonary disease) had become so severe that she was forced to retire from her beloved career. Before long, her physician told her it was end-stage. Her only hope would be a lung transplant.

"There were various requirements," Paige recalls. "And one of them was finance. A transplant candidate needed

***Reverse Legacy** continued on page 20*

Reverse Legacy continued from page 19

to be financially stable enough to afford and take the anti-rejection medicine and whatever care she might need. It was highly unlikely she would have any income other than Social Security, so we had to come up with a strategy." The challenge was compounded by the fact that Patricia wanted to leave her Tucson townhouse free and clear to her only child. Paige, though, emphatically wanted her mom around rather than inheriting the house.

Paige had attended a seminar class put on by Sue Pullen, another senior mortgage advisor at Fairway. Afterward, Paige started talking to Sue, who got her past what Paige had considered the stigma of reverse mortgages. Paige and Patricia met with Sue, and had all of their questions answered. A reverse mortgage on the townhouse would provide the financial stability needed to qualify for the lung transplant and follow-up care and treatment. The counselling session they both attended confirmed Paige's instincts.

The operation was a success, but even more gratifying was that within a year, Patricia was back at work in Tucson operating suites even though she'd been told the chances of her ever being able to work again were extremely dim.

"It was a pretty remarkable outcome," says Paige. "A miracle, truly. At her annual checkups, each test came back better and better. She is so diligent about her medication and things are going very well for her. We've been spending great family time together. And we are really thankful we could keep her in her house."

"Children Should Want to Be Involved."

Mark Holland is a Realtor in Rhode Island, with parents living in Council Crest View in Portland, OR. When David and Elizabeth Holland moved into a new residence and sold their previous home, they anticipated securing a line of credit, but found that even though they owned a substantial amount of property, they didn't have the income to meet the lending requirements.

At that point, Mark—the middle of eight children, seven of whom were born on a Thursday, "and the other one only missed by an hour"—started investigating possibilities. His dad David was trained as an accountant, had spent his career in an industrial designer and real estate investor and had an avid interest in finance, so he was sophisticated enough to evaluate all the information Mark brought to him.

"A reverse mortgage with a line of credit seemed a good match for their needs, and they wouldn't be liable for anything other than property taxes, insurance and upkeep," Mark says.

But the process of obtaining the HECM was not always smooth, so Mark was glad he could help. "It's a fairly difficult instrument to understand with all its variations. I believe adult children should want to be involved and understand the loan. We ended up going with the most competitive package.

The late Elizabeth Holland, Mark and David Holland at Rose Gardens, Portland, OR

"It was a necessary supplement to their income and played an essential part in their lives." The house has continued to increase in value so Mark and his siblings will probably pay back the loan and put it on the market at the appropriate time.

Since the Hollands took out the HECM, Elizabeth has passed away and David continues to live in the house with assistance. "The reverse mortgage pays for the help he needs to live, and he much prefers remaining where he is," Mark comments. "The HECM in general is a very useful tool for seniors staying in their home."

"Grace, Dignity and Independence"

Angela Zimmerman of Farmingdale, NY, has been honored for her 35 years in health and human services. She currently serves as coordinator of Family Support Long Island, an initiative at Molloy College in Rockville Center that aids and supports families with young children. And she is one of six children of Dorothy and the late Paul Zimmerman. Paul was an electrician and contractor, and Dorothy worked with Farmingdale Cares childcare program. "She always worked with kids," says Angela.

She also cared for Paul when he was stricken with leukemia and was also on kidney dialysis.

"By the time Dad died, they had nothing left. We all

wanted Mom to be able to stay in the house. We wanted her to live with grace, dignity and independence. We went to an attorney who worked with senior citizens and he recommended we look into a reverse mortgage. He sent us to Ed O'Connor at FirstBank.

Angela has nothing but superlatives to describe Ed's involvement. "He was just amazing. The authenticity that this man brought to the relationship was real. He laid out the choices, implications and opportunities of a reverse mortgage for seniors to use their resources, and that was empowerment. He never pushed us; there was no pressure. He said, 'These are your choices, and here's what the costs are,' so we went into this with our eyes open. He created the space for us to make informed decisions."

Once her mother's HECM was in place, Angela says, "It allowed her to get her footing to get on with a new chapter. It allowed her to recoup her life, to live independently and the space to make her own choices moving forward. I think this is just so important."

Recently, Ed, who is a Certified Reverse Mortgage Professional, worked with Angela to refinance Dorothy's HECM.

She may not stay in the house indefinitely. As Angela explains, "I think we'd all like her to live with us, and at some point, she probably will move in with one of us. But the reverse mortgage has given her the space for the transition.

Putting on her social services professional cap, Angela reflects, "As we get older, there are so many things we can't control. So to give people a sense of control and choice over significant parts of their lives really matters. The reverse mortgage gave my mother the choice to do what she wanted to."

"The Greatest Thing"

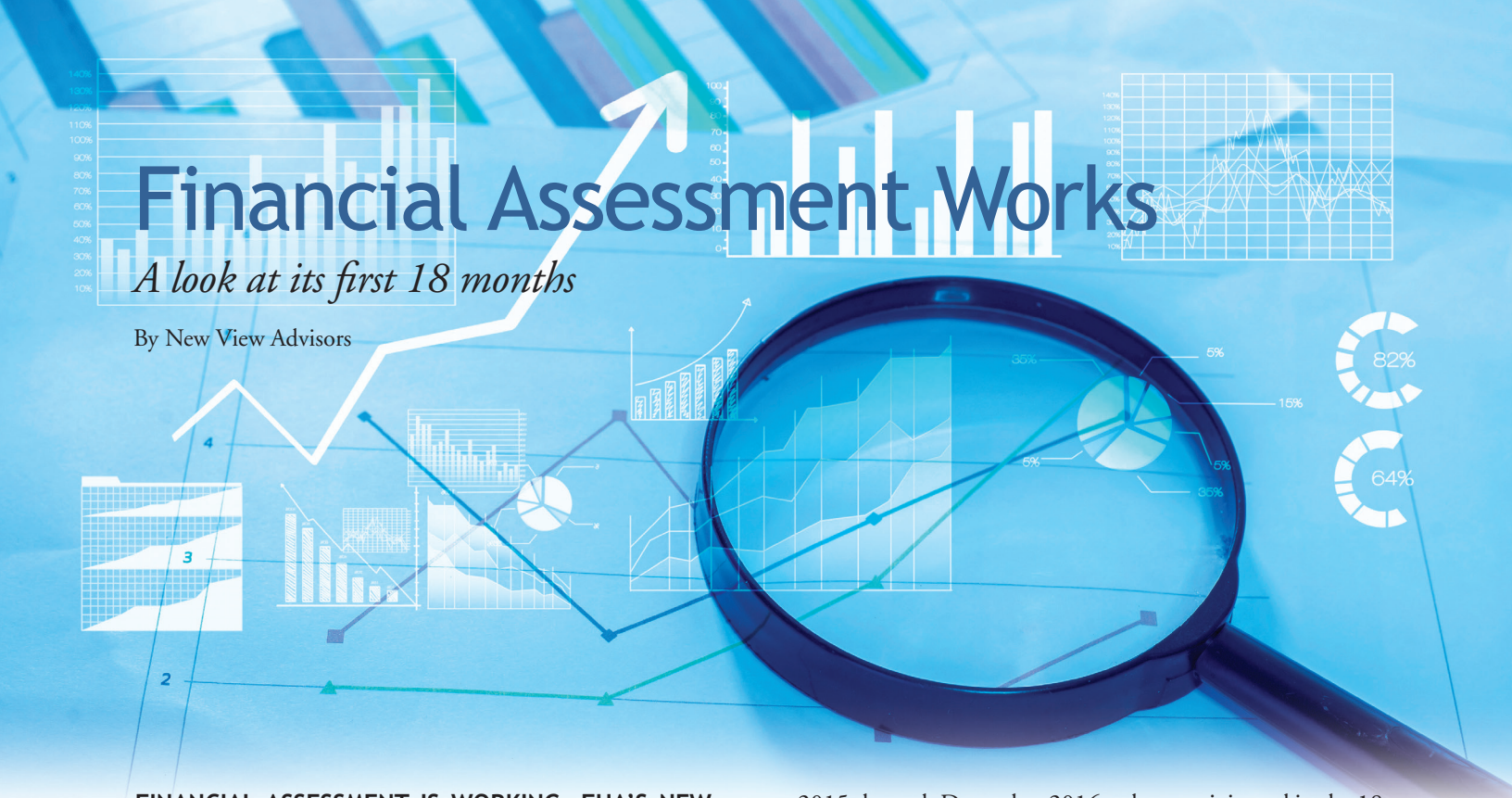
The last words go to Jeb and Dorothy Rosebrook, two more of Rob Kanyur's clients. "Our children think it's wonderful," says Dorothy. "They're 54 and 50 and they feel it's the best thing we've done."

Her sentiments are echoed by Jeb: "It's very important that people in our situation who take a reverse mortgage let their kids in on everything, and as a result of that, in our case, they were absolutely in favor of this and think it's the greatest thing we've ever done." RM

Financial Assessment Works

A look at its first 18 months

By New View Advisors



FINANCIAL ASSESSMENT IS WORKING. FHA'S NEW policy of requiring Financial Assessment ("FA") of the borrower's ability to pay has cut tax and insurance default by two-thirds and serious defaults almost in half, according to an analysis by New View Advisors.

FHA's objective for the new Financial Assessment regulations was to reduce the persistent defaults, especially Tax and Insurance ("T&I") defaults, plaguing the HECM program. As FHA put it, "… an increasing number of tax and hazard insurance defaults by mortgagors led FHA to establish a requirement for a Financial Assessment of a potential mortgagor's financial capacity and willingness to comply with mortgage provisions." Financial Assessment requirements became effective for HECMs with case numbers issued on or after April 27, 2015. Since then, HECM lenders must make a Financial Assessment of the borrower's ability to meet their obligations, including property taxes and home insurance.

T&I and other defaults can lead to foreclosure and result in significant losses to FHA, HMBS issuers and other HECM investors. Defaults rose steadily during the financial crisis and have remained a thorn in the side of the program.

It's been nearly two years since FA began, so we should be able to measure the effect of this policy by comparing the default rates of loans originated just after and just before the FA rule was implemented.

With this in mind, New View Advisors looked at a data set of over 85,000 HECM loans, comparing loans originated in the immediate post-FA period from July 2015 through December 2016 to loans originated in the 18 month pre-FA period from October 2013 through March 2015. After July 2015, there were few (if any) loans originated under the pre-FA guidelines. As the guidelines took effect in April 2015, the second quarter of 2015 includes a mix of FA and pre-FA loans.

The data shows a strong reduction in T&I defaults in the post-FA period. After 18 months, the pre-FA data set shows a T&I default rate of 1.17 percent, and an overall serious default rate of 1.80 percent. By contrast, the post-FA data set shows a T&I default rate of only 0.39 percent, and an overall serious default rate of 1.03 percent. For the purposes of this analysis, we define serious defaults as T&I defaults plus foreclosures and other "Called Due" status loans.

Based on this result, we should give the Financial Assessment concept high marks for reducing defaults, however, this is a mid-term grade that needs to be tested further as the post-FA portfolio ages.

Average loan size and subsequent draws are also higher for the post-FA market. This is not surprising since homeowners of more expensive homes generally have better credit and ability to pay. Also, FHA now limits the amount that can be lent in the first 12 months. As the recent month of HMBS issuance shows, subsequent draws and HMBS "tail" issuance are a driving force in the industry's profits.

Given these trends, estimates based on unit counts of HECM endorsements overstate the negative impact of Financial Assessment. Measuring by dollars lent, and not just at initial loan funding, is the true metric by which we should measure industry growth. RM

HUD FINANCIAL ASSESSMENT UPDATE

"We're All Still Here"

PHIL CAULFIELD, THE ARCHITECT BEHIND THE CREATION AND ONGOING ADMINISTRATION OF Financial Assessment, opened his presentation at NRMLA's Eastern Regional Meeting in New York, April 3-4, by praising the executives, underwriters and loan originators in the audience. Borrowing a quote spoken earlier in the program by industry veteran Elly Johnson, Caulfield said, "We are all still here." Financial Assessment has been in place for almost two years. "It's a tribute to everyone in the audience that this process has gone as well as it has," commented Caulfield. "We started out literally with nothing and in just two years, which is a very short time in government, we've come far."

To help measure the impact of Financial Assessment, Caulfield shared some statistics with the audience:

- FHA is closely monitoring the pull-through rate, or the percentage of loans where a case number is assigned and the loan is later endorsed for insurance by FHA. The pull-through rates, said Caulfield, are flattening out. In February 2016, 6,256 case numbers were created in FHA Connection (FHAC) and 62.5 percent of those applications became insured loans. Six months later, in July 2016, 6,403 case numbers were created and 61 percent later insured. "What these numbers don't show," said Caulfield, "are the applications that don't get taken because in your preliminary review you're removing people who you know are not going to pass the Financial Assessment. That may be the case, but that also means that lenders are becoming more familiar with Financial Assessment."

- FHA endorsed 4,578 HECMs in January 2017.
  - Only four, of which, had case numbers assigned prior to April 27, 2015 (date FA took effect) and 882 had case numbers issued on or after October 3, 2016.
  - LESAs were required for about 12 percent of the cases
  - Almost 60 percent of the loans where a LESA was required exceeded the residual income standard.
  - Voluntary fully funded LESAs accounted for one percent of the loans, while only one loan had a partially funded LESA.

- An analysis of the same data set showed that 23 percent of the HECMs had a residual income shortfall. FHA is now seeing the effect of the revision to some compensating factors that took effect for case numbers issued on or after October 3, 2016.
  - The "HECM Sufficient to Pay Off Debts" was a frequently used compensating factor, either alone or in conjunction with "Imputed Income from HECM."
  - The requirement that residual income be at least 80 percent of the standard appears to have resulted in reduced usage of this compensating factor.
  - For case numbers issued on or after October 3, 2017, Imputed Income from HECM, is by far the most widely cited.

- Two issues regarding FHAC have come to light that will be addressed with changes.
  - The first is that the HECM Financial Assessment Update screen does not currently allow for a negative number in the monthly income field. It became apparent that where there are carry-over losses from a previous year, the income reported to IRS can be negative.
  - The second issue is in regard to the use of the Non-Borrowing Spouse Income Compensating factor. The intention was to edit the FHAC to ensure that the family size was at least two people. However, the edit was inadvertently added to the Property Charge payment History Compensating Factor. FHA's Office of Single Family Housing will be correcting this oversight. "In the meantime, should you run into this, my advice is don't check that compensating factor. In your loan file make sure it's clear that these people met the property charge compensating factor criteria," said Caulfield. RM

Meet MIDEX: A Tool of Integrity

NRMLA teams with LexisNexis for more watchdogging By Marty Bell

PERHAPS THE BEST METAPHOR FOR THE POLITICAL divide in our country is simply a glass of water. At least half the folks always seem to see the glass as half empty. Today, with the convenience to express your darkest feelings without revealing who you are on the internet, 24 hours of time to fill with gab on many cable stations and a tendency to reduce political policy debate to the mine-is-bigger-than yours level, even more glasses are less filled.

Trust is a rarity in a cynical era. And yet when your business revolves around a product that involves people's earnings and savings (sometimes their last remaining savings), and when you are preaching to older people who may have lost full confidence in their own judgment, earning trust is what you strive for.

NRMLA has a history of creating tools to confirm integrity and build trust in reverse mortgages and the companies that deliver them. So we have a Code of Ethics and Professional Responsibility that members are all required to sign and expected to adhere to. This, as outside counsel Jim Brodsky elegantly explained at our Eastern Regional meeting in April, commits us to shared goals, values and rules. We have an Ethics Committee to review and consider reported actions not in keeping with the rules and values and the ability to take action. We have a "Dirty Dozen" of advertising avoidances. We have a comprehensive Certified Reverse Mortgage Professional program that includes annual continuing education and tri-annual background checks. All of these are self-imposed forms of industry discipline created to build and sustain public trust in addition to the layers of multi-agency government regulation.

And yet, despite it all, we still hear *those* stories. You know the ones. The promises made across the kitchen table that cannot be kept. The phone call instructing the consumer it is critical that they call back immediately. The refi that only benefits the salesperson. The latest scam to dance around the newest regulation. The behavior that taints us all and makes us cringe. It is likely extremely minimal. But, as a HUD Inspector General warned us at a conference eight years ago now, "When seniors are involved, even one abuse is far too many."

And so the National Reverse Mortgage Lenders Association continues to search for tools of integrity.

Enter MIDEX

The Mortgage Industry Data Exchange (MIDEX) is a tool created by LexisNexis Risk Solutions (LexisNexis), a company that provides customers of many industries (healthcare, insurance, financial services, hospitality and travel, retail) with, among other things, a means to assess the risk and opportunity of purchasing products and services. Nick Larson, the company's Manager of Market Planning, views MIDEX as "the Better Business Bureau of the mortgage business." MIDEX collects billions of public and non-public records to provide a thorough and dependable source of the past history of the transactions made by a company or individuals you are considering doing business with.

Another view of MIDEX might be as the mortgage industry scoreboard. On the positive side, companies utilize it to help assure transparency, chronicle customer experience, and share their values as demonstrated by actual transactional reporting. It also provides an outlet where those who experience mistreatment or dishonesty can post complaints as well as name those involved, so that others may consider and evaluate those complaints, and make better informed business decisions about whether or not to deal with such individuals and companies.

At NRMLA's Eastern Regional meeting in New York in April, we proudly announced a new a partnership agreement with LexisNexis that entitles member companies to a discounted enrollment in and subscription to the Mortgage Industry Data Exchange. NRMLA's Executive Vice President Steve Irwin encouraged members to subscribe to MIDEX and use it to report fraudulent and misrepresentative practices they have experienced in the reverse mortgage space. "This arrangement will help bring MIDEX benefits to our industry and add to the range of remedies available to NRMLA through active enforcement of its Code of Ethics and Professional Responsibility," said Irwin. "It will be used as an important new tool to help close the gap between what NRMLA is permitted to do

LexisNexis® MIDEX®

Sample Report

LexisNexis® MIDEX® combines the deep perspective of industry-contributed incidents of subscriber-verified fraud and/or misrepresentation with expansive public and proprietary data coverage to deliver the real estate industry's most robust third-party credentialing and due diligence perspective available. Efficiently mitigate risk while strengthening compliance with critical state and federal regulations with MIDEX.

MIDEX Comprehensive Report

Display

Doe, Jane
678 Division St
Oklahoma City, OK 73118

Report Created: 3-26-2014 5:13 PM EST
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Person Summary

Name	Doe, Jane	Address	678 Division St Oklahoma City, OK 73118 (Residential)
County	Oklahoma	Phone	405-987-6543 ® (Residential)
LexID	0000-0011-0000	SSN	123-45-XXXX
DOB	10/1976 (Age: 37, Female)	Email	jane.doe@email.com

At a Glance top ^

Name Variations	5	SSN Summary	1
Address Summary	8		
Real Property	0	Criminal/Arrest	4
Judgments/Liens	3	Bankruptcy	5
Person Associates	3	Business Associates	0
MIDEX Public Records	1		
MIDEX License Records	2		

Name Variations, SSN Summary and DOBs top ^

NAME VARIATIONS	SSN SUMMARY	REPORTED DOBS
Doe, Jane Doe, Jayne Doe, Jaine Do, Jane Doe, Jayne	123-45-XXXX Issued in Oklahoma, 1987 - 1988	10/1976 10/1976

View the most recent information on your subject or business and easily navigate to any section of the report using the links in the At A Glance section.

Also includes:

- Real Property
- Criminal Arrests
- Bankruptcy
- Judgment Liens
- Business Associates
- Relatives
- Other Connections

as an association and what you all as members see as necessary to enhance professionalism and high standards of conduct within our industry."

MIDEX is a subscription service that provides subscribers with solutions to such daily business challenges as identity authentication, detection of and defense against fraud, streamlining of due diligence, links between assets and locations. Whether you are trying to pinpoint suspects, criminals, debtors or just suspicious behavior, you have access to the relevant data you need.

In just one search, MIDEX delivers insight into the professionals with whom you do your business.

It reveals public and non-public industry contributed information on alleged incidents of fraud and misrepresentation, access to license and credential information, public and proprietary records to uncover critical information on bankruptcies, liens, judgments, criminal records and alerts to changes in existing reports.

The processes and procedures around the contributing reports and usage of search results are built to protect LexisNexis subscribers and the service concept received a positive review from the Department of Justice in 1994. MIDEX reports do not reveal the source of submission and so LexisNexis rather than the submitter is the prime target of those who may challenge its reports. (The company, formed in 1999, has noted that it has been sued just twice, and that both times it prevailed.)

Among the key values of NRMLA membership as detailed in the Code of Ethics—along with responsibility of offering clients a bona fide advantage, accepting only reasonable compensation, and avoiding cross-selling and deceptive advertising—is the duty to report.

"Despite our ongoing efforts, it will always be difficult to monitor the professional behavior of 2000 members let alone the other 3000 people who may engage in reverse mortgage transactions and are not members," says Peter Bell, NRMLA president and CEO. "This relationship with LexisNexis and access to MIDEX gives us a new and more comprehensive data collection tool to help us maintain the integrity and the reputation of our industry.

"We hope all of our members will take advantage of this relationship. It is to their advantage and, most importantly, in the best interest of their clients." RM

HighTechLending's Platform

Strategy yields high closing rates By Darryl Hicks

ONCE A YEAR, DON CURRIE ORGANIZES A REVERSE Sales Summit for his branch managers, locks them in a room and tells them to share their marketing secrets.

"We talk about what's working and what's not working on every type of marketing medium – telemarketing, direct mail, internet, Google ad words, seminars, social media," said the 55-year old Currie, Founder and President of Irvine, CA-based HighTechLending, Inc.

The average sales person employed by HighTechLending has originated reverse mortgages for ten or more years, so one can imagine the wealth of information being shared.

"I think it's unique that we have sales people who are willing to share with other sales people what makes them successful," declared Currie. "It's an opportunity for us to get together as a group and enjoy each other's company. We share personal objectives and from that everybody benefits."

Currie abides by a simple axiom: If you want phenomenal growth, you need to aggregate phenomenal talent within sales and operations. With only 50 sales people, Currie has grown HighTechLending, Inc. into one of the nation's largest reverse mortgage lenders.

Last year, the company closed 1,146 reverse mortgages, which ranked second in California, seventh overall in the nation, and represented a 36 percent increase in volume from the prior year.

"We attract sales professionals with years of experience, truly an elite group of entrepreneurs who are looking for a platform to hang their hats and do what they do best, which is sell," asserted Currie. "We are also fortunate that we seldom have people leave. We like to joke that HighTechLending is like Hotel California – all of our talent checks in, but seldom checks out."

Don Currie

Currie has big plans for 2017. HighTechLending already originates and services FHA "forward" mortgages. Currie hopes to expand his operations by becoming a Ginnie Mae Issuer of HECM Mortgage-Backed Securities, so that he can service HECM reverse mortgages. The company is also expanding its footprint to the East Coast.

Currently, HighTechLending is licensed in 19 states, west coast to the east and Currie hopes to get his New York license soon. The company has started recruiting sales people for its east coast branches, but Currie is quick to point out that HighTech is "not a training ground for new blood."

"It's not that easy to come to work for HighTechLending," said Currie. "We are looking for seasoned professionals, who enjoy a certain level of autonomy and the ability to produce. We have protected our growth not only by attracting elite talent but by creating a family-oriented culture that entices them to stay."

Currie got his start in the mortgage business 35 years ago when he was achieving his BS Degree in Business-Finance and Real Estate at Cal State-Northridge. He chose mortgages over real estate after being told that newly-

licensed Realtors usually needed six months to recoup their start-up costs and start making money. Being a poor college student, he couldn't wait that long.

In 1990, he opened his own mortgage brokerage and prospered until March 1994 when interest rates rose, business dried up and he was forced to close. He admitted it was a difficult and humbling experience and one that he never wanted to put his employees through again. "I made a commitment to myself and my future employees that I would not allow that to happen to me again," said Currie. He worked at Impac Mortgage for seven years before opening HighTechLending in January 2007 as an "Alt-A" wholesale lender. Alt-A is a classification of mortgages where the risk profile falls between prime (excellent credit) and subprime. The borrowers behind these mortgages typically have clean credit histories, but the mortgage itself generally has some issues that increases its risk profile.

Later that same year, the economy imploded and the mortgage wholesale business disappeared. Currie adjusted by getting his FHA Full Eagle License to originate government-insured forward mortgages and reverse mortgages.

"Even though we do both, the divisions are separate, particularly for operations," said Currie. "I don't want forward underwriters reviewing reverse mortgage files. I want the people working on reverse mortgages to be seasoned veterans and I don't want to force them to change hats between forward and reverse."

Currie said last year's success was partially attributable to HighTechLending's new consumer direct platform, AmericanSenior.com, which caters specifically to Baby Boomers and features extensive information on reverse mortgage benefits, borrower testimonials, frequently asked questions, loan calculator and free information guide upon request. "We all know that reverse mortgages aren't for everyone," he noted. "Sometimes all the client wants is a traditional 30-year, fixed-rate loan. It's nice to know we can offer them both options."

HighTechLending, Inc. was also able to grow by expanding its wholesale division in 2016. "Wholesale now accounts for 30 percent of our business," said Currie. "Our specialty is focusing on the broker community that wants to enter the reverse industry and we mentor them. As we are very protective of our seniors, we control every aspect of the transaction from disclosures, processing, underwriting and funding."

No matter how he attracts new reverse mortgage clients, Currie insists that business be conducted in-person whenever possible to increase pull through (i.e., closing rate).

"We really do believe in face-to-face interviews, which have really helped us with our pull-through rates. Once we take an application, we're closing 85 percent to 90 percent of our loans. Normally when a loan doesn't go through it's because of the financial assessment or the appraisal," continued Currie.

In summing up his business philosophy, Currie commented, "The mortgage industry has never been known for being a lot of fun. But if you have people within your organization who enjoy what they're doing and are professional, then it absolutely can be a joy to be in the reverse mortgage industry." RM

AGING IN PLACE SOLUTIONS

Presented by the National Aging in Place Council

With the focus on the HECM as a retirement planning tool, it is of value to all loan originators to be familiar with the specific needs of today's older adults. NAIPC specifically addresses those needs and offers solutions. If you are in the reverse mortgage business and not a NAIPC member, you are missing opportunities. To learn more or join in the effort, visit ageinplace.org.

The Care Transitions Program

At the 2016 NAIPC Annual Meeting, Teresa Lee, Executive Director of Alliance for Home Health Quality and Innovation, spoke about the discrepancy in patients receiving chronic care vs. those that can afford acute care and a shift towards home-based care. The care coordination and management performed by home healthcare professionals is an evolving area of service culminating in the Home Health Agency of the future, patient- and person-centered care.

With The Care Transitions Intervention—national leader in patient- and family-centered care transitions—patients and caregivers undergo training while working with a transitions coach® to ensure that the patients' needs are met during transitions across all care settings. Based on the culled data those trained by CTI can expect a 20-50 percent reduction in hospital readmissions.

Armed with tips for managing care at home, recognizing red flags, managing medications, access to resources, as well as CTI training every patient and caregiver can become a more informed and effective member of the Home Health Agency of the future.

The Joint Center for Housing Studies' 20 year Projections

Over the next 20 years, the 65+ population has a projected growth of nearly 30 million, with the 80+ population doubling by 2035. The Joint Center for Housing Studies at Harvard University predicts that this growth will translate into an increase of nearly 20 million households headed by older Americans—29.9 million in 2015 to 49.6 million in 2035.

The influx of an aging population means an increased need for "affordable, accessible housing that is well-connected to services well beyond what current supply can meet," says the Joint Center report, "Projections & Implications for Housing A Growing Population: Older Households 2015-2035."

With the home as the perpetual setting for the delivery of long-term care the report dedicates a chapter specifically to housing investments, affordability challenges, the implications of accessible housing, support and care in the home, location and isolation. Other chapters include focuses on disabilities, financial situations, tenure and circumstances, and projections for the older population.

Risk or Reward: Switching Jobs After 50

Late career job changes, a trend that increased steadily between the 1980s and the mid-2000s, can lead to better salaries and work environments, but can also jeopardize individuals' retirement security if plans go awry. However, a new Issue in Brief published by the Center for Retirement Research at Boston College suggests that job changes actually lengthen careers.

Those who switch jobs, wrote the brief's authors, are much more likely to still be in the labor force at age 65 than those who stay put. "Changing employers involves risks and not all older workers can move to a better job. But for those who can, a voluntary job-change is associated with a large and statistically significant increase in the likelihood of remaining in the labor force to age 65, regardless of the worker's educational attainment," according to the brief, *How Job Changes Affect Retirement Timing by Socioeconomic Status*.

Understanding Healthcare Costs in Retirement

Healthcare can be one of the biggest costs in retirement, yet it is notoriously difficult to estimate—and too often people assume Medicare will cover either everything or nothing, neither of which is true. In her article, *The Real Cost of Healthcare in Retirement*, Barron's reporter Reshma Kapadia guides consumers on the real costs of aging, Medicare's role, and what tools are available to help aging Americans pay for healthcare.

Simply being healthy won't save you any money, wrote Kapadia, because longevity is the biggest driver of total healthcare costs, and it's the healthy retirees who tend to end up with higher lifetime costs simply because they live longer.

Even retirees satisfied with Medicare's coverage will still spend an average of $260,000 (per couple) on healthcare from age 65 on, a figure Kapadia quoted from Fidelity Investments. About a third of that is for Medicare premiums; the rest goes to co-payments, deductibles, and drug and medical costs.

The Jetsons had Rosie, we have MERA

IBM Research and Rice University teamed up and designed a prototype IBM Multi-Purpose Eldercare Robot Assistant (IBM MERA) with Watson-enabled technology. Watson is a speech to text, text to speech computer system developed by IBM and in IBM MERA the application is designed to aid the elderly and assist caregivers.

In their newly opened ThinkLab, "Aging in Place environment," in Austin, TX, IBM Research is studying how data collected from the atmosphere, motion and falling, and audio or olfactory sensors can be used to improve care provided by caregivers. In addition to Watson technologies, IBM MERA is intended to help study innovative ways of measuring vital signs, answer rudimentary health-related questions and establish if an individual has fallen with CameraVitals - a technology engineered at Rice.

This futuristic "Multi-Purpose Eldercare Robot Assistant represents the powerful impact that results when leaders in academia and private industry bring their best to bear on pressing societal issues," said Rice Provost Marie Lynn Miranda.

Stopping Senior Scams

The Senate Special Committee on Aging invited representatives from the Internal Revenue Service, Federal Trade Commission and a Pennsylvania-based community organization to a public hearing to discuss efforts by law enforcement agencies to combat financial fraud and protect older Americans from being scammed.

In videotaped testimony before the committee, an 81-year-old man from Portland, Maine, described how he became the victim of an IRS impersonation scam. Philip Hatch described how he received a call from a fraudster posing as an agent of the Internal Revenue Service who told him he owed back taxes and needed to pay immediately, using iTunes gift cards, or he would be arrested. Believing that the caller was an official government employee, Mr. Hatch, a 23-year Navy veteran, complied and ultimately lost $8,000 to this scam artist.

The Senate Special Committee on Aging does not write legislation, but it can offer policy recommendations. The hearing coincided with the release of the committee's comprehensive anti-fraud resource for seniors, "Fighting Fraud: U.S. Senate Aging Committee Identifies Top 10 Scams Targeting Our Nation's Seniors." You can also watch the hearing from the committee's website. RM

Who's Who in Reverse Mortgages

Member News

1st Reverse Mortgage USA Hires Marketing Director

1st Reverse Mortgage USA, a division of Cherry Creek Mortgage based in Denver, hired Dale Jones as director of marketing and communications.

Jones brings more than 20 years of experience to his new position, including roles as the executive director of marketing and communications for university study abroad organization Semester at Sea. While at Semester at Sea, Jones won multiple marketing and communications awards, including an award based on the success of a social media campaign that garnered more than 80 million views during a 24-hour timespan. His background spans interactive marketing initiatives including building and directing marketing teams.

In recently running his own marketing and communications agency, Jones has worked directly with 1st Reverse Mortgage USA on some of its communications programs.

Wallace Joins RMF As West Coast Retail Manager

Geoffrey Wallace has joined Reverse Mortgage Funding LLC as its Western Regional Retail Manager. Mr. Wallace, who has held reverse mortgage positions with leading financial institutions Citibank and Bank of America among others, is based in Sacramento, California and reports to Richard Thorpe, National Sales Leader Distributed Retail. Among his primary responsibilities will be recruiting top industry talent to RMF and building out its sales force on the west coast.

In addition to Citibank and Bank of America, Mr. Wallace comes to RMF after spending time in the reverse mortgage divisions at Urban Financial Group, MetLife Bank, Golden Gateway Financial and Wells Fargo. Throughout his 16-year career in reverse mortgages, he has held various executive level positions, and demonstrated the ability to meet aggressive profitability and growth goals.

Reverse Mortgage USA Hires Industry Vet

Reverse Mortgage USA hired Regina Eldridge as its director of business development, as the recently rebranded firm seeks to build on the traditional "forward" mortgage business of its corporate parent.

The Llano, Texas resident, who most recently served as an account executive for American Advisors Group, has more than 20 years in the mortgage space under her belt, with the last ten in reverse mortgages.

"We are excited and thankful to be able to add Regina to our leadership team," said Jon Maiolatesi, CRMP and Reverse Mortgage USA's director of operations, in a statement announcing Eldridge's hire. "She brings a wealth of knowledge, industry connections, and know-how, as well as an ability to communicate effectively and educate our forward loan partners."

Profiles of NRMLA 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% customer satisfaction rating and is a proud member of the National Reverse Mortgage Lenders Association (NRMLA). Jahangiri serves as the association's Vice 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 2 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

Fidelity Homestead Associates, LLC

Fidelity Homestead Associates, LLC is a National Contractor Management Group that specializes in home repair and restoration for the mortgage industry, with a particular focus on FHA reverse mortgage pre-closing inspections and repairs. We are an accredited business with the Better Business Bureau, and maintain an A+ rating. We are also a member of the National Reverse Mortgage Lenders Association, and can be found in the Vendor Directory on the NRMLA website. We are committed to providing a turnkey service with fast results, regardless of the location of the home or the size of the project.

To learn more about Fidelity Homestead Associates, please visit www.fhawork.com. Please feel free to contact us at Info@fhawork.com or call 844-FHA-WORK.

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.

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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 licensed in states nationwide. As the Top Ten Lender nationwide including #2 in California, HighTechLending, Inc. was founded by Don Currie and Erika Macias-White in 2007 and celebrates its' ten years this year of exceptional service with A+ rating with the Better Business Bureau. 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.

http://hightechlending.net/reverse-wholesale-heros/
Contact us: 888-369-1573

HomeBridge Financial Services

HomeBridge Financial Services, Inc. is one of the largest privately held, non-bank lenders in the United States. In the last 27 years, HomeBridge has grown to include more than 1,500 associates in nearly 100 retail branches across the country. We have over 300 Mortgage Loan Originators who are ready for you to serve their clients' reverse mortgage needs! HomeBridge holds FNMA, GNMA, FHLMC, FHA and VA approvals and funded more than $7 billion in home loans through Q3 of 2016. We're also known for our Customer Commitment, as we concentrate on delivering a positive experience instead of merely completing a transaction.

Ken Sawan-Director Reverse Mortgage
Cell: 330-515-0413 • Email: ksawan@homebridge.com
Web site: www.homebridge.com/kensawan

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, California, 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

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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.

Lien Largent, Toll-free: 800-542-4113, llargent@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

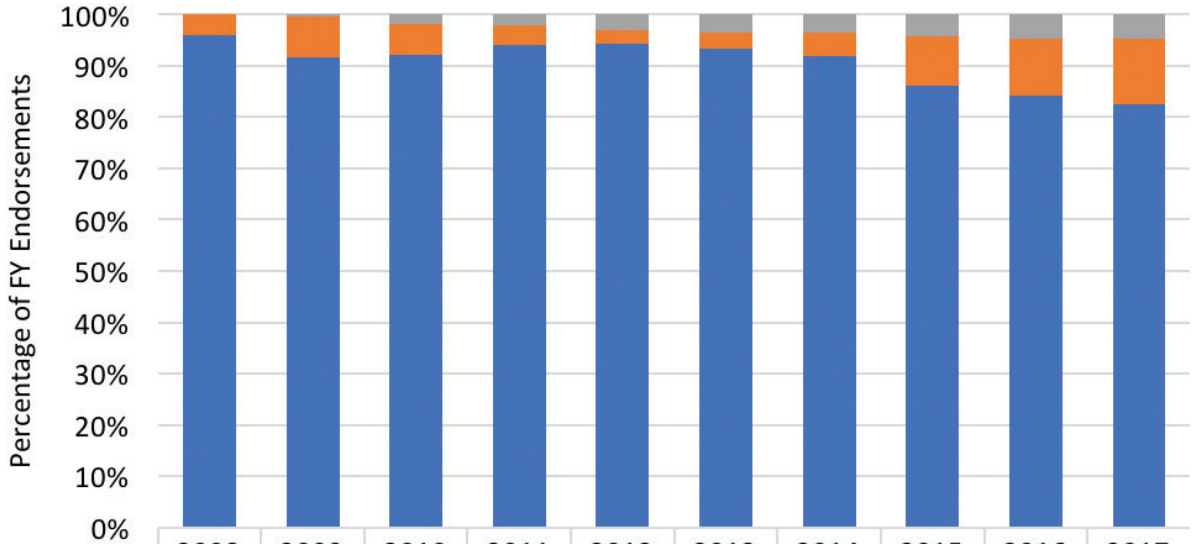
Reverse Vision

ReverseVision is the leading software and technology provider for the reverse mortgage industry, offering products and services focused exclusively on HECMs and related reverse mortgage programs. With nearly 10,000 active users, ReverseVision technology supports more reverse mortgage transactions than all other systems combined. The company's comprehensive product suite includes sales and education tools and a dedicated professional services team. ReverseVision partners with some of the finest and fastest-growing banks, credit unions and lending organizations in the United States to provide its reverse mortgage technology to brokers, correspondents, lenders and investors.

www.reversevision.com • 858-433-4970 • connect@reversevisioncom

HECM Endorsement Portfolio Snapshot

HECM Endorsements by Loan Purpose



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Purchase	0.0%	0.5%	1.8%	2.1%	3.0%	3.5%	3.5%	4.2%	4.8%	4.7%
Refinance	4.0%	7.8%	6.1%	3.7%	2.6%	3.1%	4.7%	9.6%	11.0%	12.9%
Traditional	96.0%	91.7%	92.1%	94.2%	94.4%	93.4%	91.8%	86.2%	84.1%	82.4%

HECM Endorsement Portfolio Snapshot: Volume and Composition

Volume:

1,018,998 HECM insurance endorsements to date (October 1, 1989 through February 28, 2017)

- **$241.6 Billion**

Source: FHA's Office of Single Family Housing

Current composition of portfolio:

382,492 loans have terminated

- **$83.6 Billion**

580,238 loans are actively insured

- **$144.8 Billion**

56,412 loans are assigned to HUD as active notes in inventory

- **$13.2 Billion**

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Bruce Anderson, Legacy Mortgage
Tim Anderson, Responsible Reverse Mortgage
Mehran Aram, ARAMCO Mortgage
Gary Ardesson, Mojave State Bank
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
Judd Brown, PS Financial Services
Christopher Bruser, Retirement Funding Solutions
Craig Bryant, Banc of California NA
Kyle Buck, Northwest Reverse Mortgage
Susan Caffine, Reverse Mortgage Funding LLC
Galen Call, American Pacific Reverse Mortgage Group
Tammy Campanella, Reverse Mortgage Funding LLC
Lance Canada, FirstBank
David Carter, Reverse Mortgage Funding LLC
Robert Paul Charles, The Federal Savings Bank
Eric Christensen, HECM Senior Home Financing
James Peter Christopoulos, Silex Financial Group
Lyn Coffin, The Mortgage Network, Inc.
Ellen Connors, Shamrock Financial Corp.
Angella Conrard, iReverse Home Loans
Launi Cooper, Retirement Funding Solutions
Jim Cory, Live Well Financial, Inc.
Jeff Cota, Pure Mortgage
Roberto Crespo, PS Financial Services
David Darling, Premier Home Equity
Randy Davis, Dollar Bank
Jerry Delmato, Retirement Funding Solutions
Phil Dixon, PS Financial Services
George Downey, Harbor Mortgage Solutions
Rex Avery Duffin, Sun American Mortgage
Brandy Edwards, Reverse Mortgage Funding LLC
Leonard (Pudge) Erskine, Banc of California NA
Mark Anthony Erskine, Banc of California NA
Matthew Evans, Certified Reverse Mortgage
Nancy Everitt, Reverse Mortgage Solutions
Carolyn Fields, Liberty Home Equity Solutions
Richard Fitzpatrick, American Financial Network, Inc.
Jeff Flanery, Cambria Mortgage
Cesar Flores, Reverse Mortgage Funding LLC
Nancy Foster, The Mortgage House, Inc.
Daniel Lane Fullmer, Affinity Mortgage
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, Senior Funding Associates
Jill Gromm, Alliance Reverse Mortgage
Michael Gruley, 1st Nations Reverse Mortgage
David Guelff, American Capital Corporation
Tony Guillen, Liberty Home Equity Solutions
Larry Hanover, Reverse Mortgage Funding LLC
Scott Harmes, C2 Financial Corporation
Jane Harrington, M&T Bank
Susan Haviland, TowneBank Mortgage
David Heilman, Reverse Mortgage USA
Melinda Hipp, Open Mortgage
Robert Hogg, Fairway Independent Mortgage
Dan Hultquist, ReverseVision
Robert Charles Jayne, InterContinental Capital Group
Dean Jones, Senior Funding Associates
Karen Keating, Tradition Title
J. Burgess Kegan, Retirement Funding Solutions
Kurt Kessler, TheReverseMortgageCompany.com
James King, McGowin-King Mortgage LLC
Brett Kirkpatrick, Harbor Mortgage Solutions
Mace Kochenderfer, New Mexico Reverse Mortgage
Rebecca Koontz, Frost Mortgage Banking Group
Kent Kopen, United American Mortgage Corporation
Pat Kubert, Liberty Home Equity Solutions
John Paul Leer, KleinBank
Shane Lester, Reverse Mortgages of Arkansas
David Levitt, 1st Reverse Mortgage USA
Laurie Libby, Liberty Home Equity Solutions
Tim Linger, HECM Senior Home Financing
Jamie Longe, Liberty Home Equity Solutions
Robin Loomis, NOVA Home Loans
Dennis Loxton, Liberty Home Equity Solutions
Teresa Maines, Homeowners Reverse Mortgage Center
Jon Maiolatesi, Reverse Mortgage USA
Hernando Manzano, The Reverse Mortgage Group
Michael Markoff, Nations Lending Corporation
Mario Martirano, Agency for Consumer Equity Mortgage
Daniel Matthews, Direct Finance
Barbara McIntyre, Reverse Mortgage Funding LLC
Michel McKnight, American Pacific Reverse Mortgage Group
Joe McParland, Direct Finance
Bruce McPherson, Retirement Funding Solutions
Edward Mendenhall, Norcom
Sue Milligan, CrossCountry Mortgage, LLC
Robert Mills, Greenleaf Financial, LLC
Colleen Moore, Golden Equity Mortgage
Lisa Moriello, Mortgage Master
Roberto Nascimento, Arlington Financial Corp.
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, CrossCountry Mortgage, Inc.
Edward O'Connor, FirstBank
Anissa Palmatier, Reverse Mortgage Funding LLC
Alina Passarelli, HomeBridge Financial Services
Beth Paterson, Greenleaf Financial, LLC
Nina Penny, Arizona Wholesale Mortgage, Inc.
Susan Perry, Capital Funding
Daniel Porter, Mikana Financial
Karen Rayfield, Retirement Funding Solutions
Loren James Riddick, People's Home Equity
Eric Rittmeyer, Fidelis Mortgage
Rick Rodriguez, Resolute Bank
Teresa Rose, Senior Security Funding
Paul Scheper, Back Bay Funding
Jim Schwegman, Liberty Home Equity Solutions
Ken Seal, Neighborhood Mortgage, LLC
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, PS Financial Services
Rick Sweeney, Open Mortgage
Neil Sweren, Southern Trust 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, Direct Finance
George Vrban, PS Financial Services
Minh Vu, Golden Equity Mortgage
Bonnie Wallace, HighTechLending, Inc.
Lynn Wertzler, Greenleaf Financial, LLC
Peggy Whalen, Direct Finance
Patricia Whitlock, FirstBank
Ken Wieland, People's Home Equity
Cory Williams, Springwater Capital
Rick Williams, Banc of California NA
Patty Wills, Open Mortgage
Todd Woodcock, Responsible Reverse Mortgage
Rob Wyatt, Reverse Mortgage Advisors
Jay Zayer, ARAMCO Mortgage

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RV University (RVU) is perfect for banks, forward originators, brokers, and new hires at existing reverse mortgage firms looking for quality reverse mortgage education and training.

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  1) NMLS credit
  2) CRMP credit
  3) HECM-oriented mortgage education

LIVE 3-DAY TRAINING

- **Day 1:** Multiple training modules around loan structure, regulatory guidelines, and more to establish foundation.
- **Day 2:** Hands-on practical origination scenarios using live technology to best originate reverse mortgages. Topics include proposals, disclosures and more.
- **Day 3:** Focuses on loan sales process. Learn compliant methods for describing loan product to clients, discover methods to apply the loan to a range of borrower scenarios and cultivate referral sources.

Live and online education and training for the mortgage professional.

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