



# REVERSE MORTGAGE PROCESS

1

## BROKER MARKETS FOR REVERSE MORTGAGE

Borrower contacts LO about a reverse mortgage

2

## OBTAIN INFORMATION

DOB, Address,  
Current Est. Home Value  
Estimated lien against home

3

## PRE-COUNSELING PACKAGE

Use Money House LOS system (REX) to create pre-counseling package in English or Spanish.

4

## PROPOSAL REVIEW

LO reviews pre-counseling package with the borrower. Borrower agrees with the quote.

5

## HECM COUNSELING

Borrower arranges and attends HECM Counseling Session. Borrower receives Counseling Certificate

6

## APPLICATION PACKAGE

Use Money House LOS system (REX) to create application package and disclosures

7

## BORROWER SIGNS APPLICATION

Can be wet signed or e-signed

8

## OBTAIN DOCUMENTS

ID/DL, SSN Card  
Copy HOI, Current Mtg. Statement,  
Income Doc's, SS Award Letter,  
Counseling Cert.

9

## FHA CASE NUMBER

LO or Processor submits Case Number Request for with all listed required items

10

## FHA CASE NUMBER ISSUED



11

## TITLE

LO or Processor open or order title/appraisal.  
\*\*If MH processing, MH will order\*\*

12

## APPRAISAL

Appraiser sent to property  
\*\*If MH processing, MH will order\*\*

13

## UNDERWRITING

Once Title & Appraisal are received, file is submitted to underwriting

14

## CLEAR TO CLOSE

Conditions are cleared = CTC

15

HECM is Closed and Senior Borrower's have improved their lives!

See next pages for more details for each of the above steps

David Gold  
South Eastern Region Sales Director  
**The Money House, Inc.**  
8751 Commodity Circle, Suite 17  
Orlando, FL. 32819  
Cell: 407-399-6120  
[dgold@moneyhouseus.com](mailto:dgold@moneyhouseus.com)

The Money House, Inc. is an Equal Housing Lender. This is not a commitment to lend. Information is intended for mortgage professionals only and not intended for public use or distribution. Terms and conditions of programs are subject to change at any time. The company is not affiliated with or acting on behalf of or at the direction of HUD/FHA or any other government agency. This material has not been approved by HUD or FHA. Refer to TMHI's underwriting and program guidelines for loan specific details and all eligibility requirements. © 2019 The Money House, Inc. All other trademarks are the property of their respective owners. All rights reserved. Company NMLS #169716.



### 1. Marketing:

- a. Money House offers marketing help via Webinars and individual feedback
- b. Money House can provide you with generic flyers (some in Spanish)
- c. Best Practice: Stick with what already works for you
- d. Get the Word Out

### 2. Discussion with Prospect:

- a. Money House offers detailed training discussing how best to handle questions and objections
- b. Gather key information (DOB / Ages, Value, Mortgage Amount, Location)
- c. Deep Dive Questions
- d. Educate your Client as to how the HECM can Improve their life
- e. Bucket List

### 3. Pre-Counseling Package:

- a. Money House offers a Webinar on using REX (Money House LOS)
- b. Log into REX and create Pre-counseling package based on info obtained from borrower
- c. Can also use Reverse Vision or other Reverse Mortgage LOS
- d. This set of documents is not to be signed
- e. If you prefer, Money House can provide you with options which you can select from and then have your AE prepare the Pre-counseling package. Email the basic info to your AE to start the process.

### 4. Proposal Review:

- a. HUD (unwritten) Rule to provide three options to the Borrower
- b. Options must include one Fixed Rate, One Open-Ended (adjustable) and one other different option
- c. Option in Left Hand Column of the printed Benefit Comparison is the "Chosen" option and Amortization Schedule and TALC are based on this option
- d. Package also includes amortization Schedule and TALC as well as list of HUD Approved counseling agencies, How to Prepare for the counseling session and booklets from NCOA and NRMLA

### 5. HECM Counseling:

- a. HUD does not allow the originator or lender to be involved with the counseling process other than providing the borrower with the information contained in the pre-counseling package
- b. All interested parties must be counseled
- c. The borrower must choose the Counseling Agency they plan to use and make and pay for their own counseling appointment
- d. The counselor will request a copy of the proposal contained in the pre-counseling package (web site and code is on top of page 3 of the package if prepared in REX)
- e. Session is between 60 and 90 minutes and typically costs \$150 +/-
- f. The borrower will get a completion certificate that they should sign and date the day they receive it from the counselor

### 6. Application Package:

- a. Money House provides training on how to create the application package in Money House LOS
- b. Can be prepared in REX or other Reverse Mortgage LOS
- c. Money House accepts loans submitted via Reverse Vision as a courtesy (RV is not updated)
- d. The Borrower's names should match how they appear on the borrower's legal identification
- e. The LO should sign the application package on the date it is prepared.
- f. Check the vesting of the property to make sure the application is set up properly if it is owned other than fee simple (such as in a Life Estate or a Trust)
- g. If your borrower is using a POA, that needs to be cleared with both Underwriting and your Title Company and the application package must be signed according to HUD guidelines depending on the reason for the POA



## 7. Borrower Signs Application:

- a. Borrower can wet-sign or e-sign (REX does not produce an “e-signable” document so it must be converted).
- b. It is acceptable for the application package to be partially typed and partially hand-written when completing the information
- c. The borrower can sign between the preparation date and when HUD updates the index (typically the following Tuesday morning)
- d. The 1009 Application must be completed regarding Demographics, Assets and Liabilities, Employment and Income, Contact info, etc.
- e. Make sure all forms are completed including Alternate Contact, payment information for the appraisal, Borrower Certification, Customer Identification Certification, etc.

## 8. Obtain Documents:

- a. See the Money House Submission form for a list of most typical documents needed from the borrower (Your AE Can Provide you with a detailed list)
- b. If property is in a Trust, underwriting requires a complete copy of the Trust
- c. If a Power of Attorney is being used, discuss the reason with your AE as POA’s typically require additional items determined by the reason they are being used.
- d. If property is a Condo, HUD Condo Questionnaire must be completed, and remainder of required items must be obtained from the Condo Management

## 9. FHA Case Number:

- a. If Money House is processing, see #13 (*Please Note: if Money House is processing, a fee of \$495 will be netted out of the Broker’s compensation and the Money House processor will perform all typical processing tasks other than talking with and/or getting items from the borrower*)
- b. Complete the FHA Case Number Request Form and upload all required items listed on form into REX or submit via RV
- c. Email the completed form (only) to the email address shown on the Case Request form

## 10. The case number will be issued, and processing starts:

- a. Money House provides training for Processing a Reverse Mortgage
- b. You will be contacted if anything additional is needed
- c. Processing of the Reverse Mortgage file cannot begin until the Case Number is issued and after any State-Mandated waiting period
- d. Case Number is typically issued well within 24 hours
- e. Start Processing the Reverse Mortgage File by collecting required items from the borrower, running credit, verifying employment, verifying payment history for property charges, confirming occupancy and ordering Title and Appraisal

## 11. Title:

- a. Order title from the title company of your choosing
- b. If you have not used them for a Reverse Mortgage closing in the past, provide them with our Closing Cheat Sheet
- c. Money House will place order if Money House is processing

## 12. Appraisal:

- a. The appraisal can be ordered from any of the AMC’s shown on the current Money House approved list
- b. Standard FHA forms must be used
- c. Review appraisal completely before submitting to Money House
- d. If a Reconsideration of Value is needed, do this prior to submitting the appraisal to Money House
- e. Money House will place order if Money House is processing



**13. Underwriting:**

- a. If Money House is processing, the file will go to underwriting once the appraisal and title work are received along with the items provided from the broker and the borrower
- b. If Broker processes, submission can take place once all required items are in the file including the completed Appraisal and Title Commitment
- c. Upload all items into REX and email the Submission Form to the email address shown on the form advising us that the file is ready for submission
- d. Use the submission email as your cover letter and advise us of any others that should be included on file correspondence
- e. Submission can be completed via Reverse Vision as a courtesy, but we do not update RV
- f. Underwriting is typically at 2 - 3 days and once completed, you will be sent an Underwriting Decision via email
- g. Contact your AE or the Money House operations team that are copied on the email with any questions

**14. Clear to Close:**

- a. Submit outstanding conditions by uploading them into REX or RV and emailing the Money House team that you have done so.
- b. Contact either your AE or the Money House team with any questions regarding the conditions
- c. Submit all conditions until the file is Clear to Close - Please do not piecemeal
- d. Once Cleared to Close, complete Money House's fee sheet providing your final Origination Fee and advise if it is different than originally disclosed, invoices that must be paid and/or reimbursed as well as the exact way your borrower wants to have funds disbursed.
- e. Have the title company provide their fees on either the fee sheet or a draft HUD

**15. HECM is Closed and Senior Borrowers have Improved their Lives!**

- a. Money House closer will communicate with title company to balance and confirm vesting and closing.
- b. If you processed the loan, confirm closing appointment
- c. BEST PRACTICE: Attend the closing and ask for referrals!

**16. Start Work on your next Reverse Mortgage File.**

**Note: All Forms can be found by clicking on links below Account Executive's email signature**