



HARBOR MORTGAGE SOLUTIONS, INC.



The Reverse Mortgage Application Process

A 5-Step Checklist

Introduction

You've done your homework by asking all the key questions:

- Am I a good candidate for a reverse mortgage, based on my circumstances, needs and objectives?
- Do I understand **the pros and cons of a reverse mortgage**?
- Have I explored **other cash flow options** and determined a reverse mortgage would provide the best solution for me?

Now you're ready to confirm your eligibility and explore the details you need to know. There are just a few more boxes to tick off your list, and they're all pretty painless. Use this guide to complete your reverse mortgage application.



1. Find your ideal reverse mortgage provider (broker/lender).

The National Reverse Mortgage Lenders Association (NRMLA) maintains a helpful resource for **finding qualified brokers/lenders** in your area. Once you have a list of local providers, call and ask questions like:

- *Do your loan officers hold the CRMP designation?*
- *Do you provide in-home, face-to-face consultations?*
- *How long have you been in the reverse mortgage business?*

You don't have to work with a **Certified Reverse Mortgage Professional (CRMP)** in order to apply for a reverse mortgage, but it certainly helps. CRMPs stand apart from other providers in terms of their experience, continuing education, commitment to the CRMP code of ethics, and other high standards. Working with a CRMP ensures you will get a thorough review of your financial situation, your goals, and the best solution for you from a certified professional.

FAST FACT

Did you know there are only 9 CRMPs practicing in all of Massachusetts and Rhode Island, as of 2016? Harbor Mortgage Solutions employs two of them, with more currently in training.

Source: NRMLA



2. Attend consumer counseling.

As an added layer of consumer protection and education, HUD requires that all reverse mortgage borrowers complete a counseling session with an HECM counseling agency. Sessions last about 90 minutes. In some states (including Massachusetts), in-person sessions are required. At the conclusion of the session, you will be given a **certificate of counseling** that empowers your loan officer to move forward with your application.

You can use this link to [find an HECM counselor near you](#) or simply call (800) 569-4287.

FAST FACT

According to an AARP survey, 95% of reverse mortgage borrowers said they were satisfied with their HECM counseling experiences.

Source: AARP survey, 2006



3. Complete your reverse mortgage application.

If you have your essential records in order, this step won't take long. Otherwise, be prepared to gather and provide the following materials for the property and all borrowers:

- Your HECM counseling certificate (original, dated and signed by all counselees)
- Photo identification (driver's license, passport, or state ID)
- Proof of date of birth (birth certificate, driver's license, or passport)
- Proof of Social Security Number (Social Security or Medicare card)
- Most recent real estate tax bill
- Homeowner's insurance policy (copy of declaration page only)
- Most recent statement for any mortgages, home equity line of credit, or other liens
- Statements regarding income and savings (varies by individual)



4. Property appraisal and underwriting.

A property appraisal will be ordered to determine your home's current market value, and to identify if any repairs are necessary. Generally, needed repairs are made from the proceeds of the loan and must be completed within six months after the loan closes. Your loan officer will explain repair policies and required procedures in detail.

When the loan file is complete, the file is submitted to underwriters. The underwriters may ask for additional information before issuing final approval. There's not much you need to do at this point except wait and be accessible by phone or email. If additional information or actions are required, you will be notified by your broker.

FAST FACT

The reverse mortgage application-to-closing process can take anywhere from a few days to a few weeks, depending on individual circumstances.



5. Go to your closing.

The loan closing will be conducted by a local attorney who represents your lender. After the closing, you'll have up to three business days to change your mind for any reason in order to cancel or rescind the transaction. If rescission is not elected, the loan will become effective on the fourth business day, the mortgage document will be recorded, and the loan proceeds will be available in accordance with the payment plan you have chosen.

Congratulations! You now have access to some of the home equity you've accumulated...without selling the home, or taking on the burden of making monthly payments. Which means your financial resources will be improved—more choices, more independence, and greater peace of mind.

FAST FACT

More than 8 in 10 reverse mortgage borrowers (83%) said their loans completely or mostly met their needs.

Source: AARP survey, 2006

Conclusion

All the planning and paperwork surrounding a reverse mortgage can seem overwhelming. Even with a detailed list of steps to take, personal finance isn't everyone's favorite subject. A lot of people, in fact, put off retirement planning out of fear and frustration.

But understanding your options doesn't have to be a challenge. If you're looking for simple, professional guidance, we're your guys. At Harbor Mortgage, we believe in educating homeowners about reverse mortgages—not selling them. And, we've built our reputation on personalized, high-touch home financing advice and service. In plain terms: we want to meet and learn about you, your situation, and understand what you want to accomplish. In this process, we encourage you to include anyone (family, friends, or professional advisors) who may be helping you evaluate the options.

Most important, we're a family-owned business. We've been working with New Englanders for more than 25 years. We care about our clients and the community. In fact, over the years, we have been leaders in various community service organizations. If a reverse mortgage doesn't make sense, for any reason, we'll be the first to say so.

To Learn More

Please don't hesitate to contact our team, including our Certified Reverse Mortgage Professionals (CRMPs). We're here for you, and always glad to help.



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