



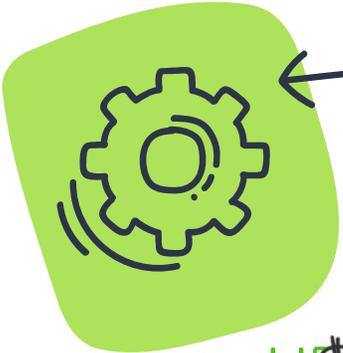
INTRO TO REVERSE MORTGAGE

AGENDA

- Definition of a Reverse Mortgage
- Definition of a HECM
- Qualifications for a Reverse Mortgage
- Amount of Funds Available
- Maturity Events
- Payback of the loan
- Broker Compensation

Please reach out to your Account Executive or our Wholesale Division if you have questions after this presentation.





REVERSE MORTGAGE

62 Years Old

HECM = Home Equity Conversion Mortgage



X Remains on Title

X No repayment



QUALIFICATIONS

- X 62 years old
- X Must reside in home (exception: HECM for purchase)
- X Home must be
 - X Single-family homes, two- to four-unit owner-occupied homes, FHA-approved condominiums and manufactured homes are all eligible.
- X Attend Counseling Session
- X Continue to pay property taxes, insurance, any HOA fees & maintain home
- X Pass Financial Assessment or use a LESA (Life Expectancy Set Aside)



FUNDS (PRINCIPAL LIMIT)

50 – 60% of Home Value

- X The Age of the youngest borrower or Eligible Non-Borrowing Spouse
- X Interest rates
- X Value of home or the FHA lending limit \$822,375 whichever is less





DISBURSEMENT

Fixed Rate

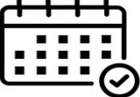


All funds must be taken at time of closing

Adjustable Rate



Line of Credit



Term or Tenure



Lump Sum

MATURITY EVENTS

- X Convey Title (possibly)
- X Sell the Home
- X Residing outside the home for 12 consecutive months
- X Fails to meet mandatory obligations
- X Death of borrower (or eligible NBS)



HEIRS

- X Keep the house
- X They can sell the home
 - X 6 months
 - X Max two 90-day extensions
 - X 12 months
- X Cash for Keys Program



BROKER COMPENSATION

Paid off Unpaid Principal Balance

FIXED RATE

Paid on Backend YSP
only

ADJUSTABLE RATE

Paid on Backend YSP &
Origination



To determine Compensation,

you need to know the Unpaid Principal Balance (the total amount of the loan which includes fees, MIP, etc)

then you multiple that figure by the calculation found on our rate sheet that meets with the rate percentage.

All other info provided in this example is to walk you through the process

BROKER COMPENSATION

Carrie Bradshaw: 75 years old

5 Cap Monthly

Margin: 2.25

Home Value: \$575,000

Liens: \$161,000

UPB \$213,263

Principal Limit Utilization: 62.48%

Paid off Unpaid Principal Balance

YSP = $\$213,263 \times .07375 = \$15,728$

+ Origination Fee: = Total Broker Compensation

*Initial Rate of 2.350%

Expected Rate of 3.280% based off rate sheet 1/12/2021

DOES YOUR BORROWER QUALIFY?

Qualifications:

- ✓ Borrower's Name
- ✓ DOB
- ✓ Address of Home
- ✓ Home Value
- ✓ Liens against the Home

reversebc@mutualmortgage.com



THANKS!

Questions?

Additional Recordings:

- X HECM Essentials
- X How to Read a Rate Sheet
- X LESA
- X HECM 4 Purchase
- X Servicing

reversebc@mutualmortgage.com

mlikis@mutualmortgage.com





NOTE

All information is current as of May 3, 2021
Revisions may occur after this date based
on industry updates.

*BORROWER MUST OCCUPY HOME AS PRIMARY RESIDENCE AND REMAIN CURRENT ON PROPERTY TAXES, HOMEOWNER'S INSURANCE, THE COSTS OF HOME MAINTENANCE, AND ANY HOA FEES.

Mutual of Omaha Mortgage, Inc., NMLS ID 1025894. 3131 Camino Del Rio N 1100, San Diego, CA 92108. Alabama Consumer Credit License 22123; Alaska Broker/Lender License AK1025894. Arizona Mortgage Banker License 0926603; Arkansas Combination Mortgage Banker/Broker/Servicer License 109250; Licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act, License 4131356; Loans made or arranged pursuant to a California Finance Lender Law license, 60DBO93110; Colorado Mortgage Registration 1025894; Connecticut Mortgage Lender License ML-1025894; Delaware Lender License 028515; District of Columbia Mortgage Dual Authority License MLB1025894; Florida Mortgage Lender Servicer License MLD1827; Georgia Mortgage Lender License/Registration 46648; Hawaii Mortgage Loan Originator Company License HI-1025894; Idaho Mortgage Broker/Lender License MBL-2081025894; Illinois Residential Mortgage Licensee MB.6761115; Indiana-DFI Mortgage Lending License 43321; Iowa Mortgage Banker License 2019-0119; Kansas Mortgage Company License MC.0025612; Kentucky Mortgage Company License MC707287; Maine Supervised Lender License 1025894; Maryland Mortgage Lender License 21678; Massachusetts Mortgage Broker and Lender License MC1025894; Michigan 1st Mortgage Broker/Lender/Servicer Registrant FR0022452; Minnesota Residential Mortgage Originator Exemption MN-OX-1025894; Mississippi Mortgage Lender 1025894; Missouri Mortgage Company License 19-2472; Montana Mortgage Broker and Lender License 1025894; Nebraska Mortgage Banker License 1025894; Nevada Exempt Company Registration 4830. Licensed by the New Hampshire Banking Department, Mortgage Banker License 19926-MB; Licensed by the New Jersey Banking and Insurance Department. New Jersey Residential Mortgage Lender License 1025894; New Mexico Mortgage Loan Company License 1025894; North Carolina Mortgage Lender License L-186305; North Dakota Money Broker License MB103387; Ohio Residential Mortgage Lending Act Certificate of Registration RM.804535.000; Oklahoma Mortgage Lender License ML012498; Oregon Mortgage Lending License ML- 5208; Pennsylvania Mortgage Lender License 72932; Rhode Island Lender License 20163229LL. Rhode Island Loan Broker License 20163230LB; South Carolina BFI Mortgage Lender/Servicer License MLS-1025894; South Dakota Mortgage Lender License ML.05253; Tennessee Mortgage License 190182; Texas Mortgage Banker Registration 1025894; Utah Mortgage Entity License 8928021; Vermont Lender License 6891; Virginia Mortgage Broker and Lender License, NMLS ID #1025894 (www.nmlsconsumeraccess.org); Washington Consumer Loan Company License CL-1025894; Wisconsin Mortgage Banker License 1025894BA; Wyoming Mortgage Lender/Broker License 3488. (866) 200-3210. Subject to Credit Approval. MOOMR.1020.8

Charges such as an origination fee, mortgage insurance premiums, closing costs and/or servicing fees may be assessed and will be added to the loan balance. As long as you comply with the terms of the loan, you retain title until you sell or transfer the property, and, therefore, you are responsible for paying property taxes, insurance and maintenance. Failing to pay these amounts may cause the loan to become immediately due and/or subject the property to a tax lien, other encumbrance or foreclosure. The loan balance grows over time, and interest is added to that balance. Interest on a reverse mortgage is not deductible from your income tax until you repay all or part of the interest on the loan. Although the loan is non-recourse, at the maturity of the loan, the lender will have a claim against your property and you or your heirs may need to sell the property in order to repay the loan, or use other assets to repay the loan in order to retain the property.

These materials are not from HUD or FHA and the document was not approved by HUD, FHA or any Government Agency. For licensing information, go to: www.nmlsconsumeraccess.org

