



Course Outline

The following is a brief summary of the content covered in Reverse Basics. Over 4 hours of video, hundreds of hyperlinks, downloadable document resources and continual updates are provided. For more information go [here](#) or signup [here](#).

Course Outline:

Introduction:

- How to maximize your continual learning as a reverse mortgage professional
- Resources and links provided in course

General areas covered:

- RM basic characteristics, myths and misconceptions
- RM differentiation from traditional (“forward”) mortgages
- RM products - similarities and differences
- RM eligibilities - borrower and property requirements
- RM borrower responsibilities and accountabilities
- RM financial concepts and components
- RM counseling imperatives
- RM safeguards and protections
- RM government, legal and tax implications
- RM professionalism, ethics and fraud implications

Reverse Mortgage Characteristics:

- Reverse Mortgage (HECM) defined
- Eligibility, income and non-recourse
- Payment options
- Common myths and misconceptions

Borrower Eligibility:

- Age and ownership
- Other requirements
- Citizens and non-citizens



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Borrower Responsibilities:

- Taxes and insurance
- Property conditions
- Residency
- Repayments (partial) by borrower
- Due & Payable clauses

Safeguards & Protections:

- HECM counseling
- Disclosures
- Interest rate caps
- Legal protections

Reverse Mortgage Counseling:

- FHA regulation mandating counseling
- Approved agencies
- What is covered
- Types of counseling

Reverse Mortgage Properties:

- Eligible and ineligible properties
- Life Estates and Living Trusts
- Manufactured homes
- Repairs to property

Tax, Legal & Government Factors:

- Tax treatment of HECM proceeds
- Affect on needs-based programs
- Power of Attorney & Conservatorship
- Trust particulars
- Cross selling



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Reverse Mortgage Financial Factors:

- Charges & Proceeds
- MIP, 3rd party costs
- Out of pocket costs
- Interest rates: fixed, adjustable
- Indexes and margins
- Initial and Expected Rates
- Principal Limit Factor explained
- MCA (Maximum Claim Amount) & lending limits

Reverse Mortgage Products:

- Product Types
- Particulars of each product
- Matching borrower needs and product choices
- HECM Purchase scenarios

Reverse Mortgage Ethics & Professionalism:

- Code of Ethics
- Advertising guidelines
- Types of fraud

Industry Big Picture

- Snapshot of HECM history
- Demographic change
- Top markets and lenders

Resource Link Library

- Government agencies
- Mortgagee letter index
- Downloadable forms for closing loans
- Senior agencies
- Reverse lender resources
- Reverse technology providers



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