

Steps To Getting A Reverse Mortgage Loan:

1. **Loan Origination:** The first step when beginning the process of a Reverse Mortgage is generally to meet with a representative of a lender, known as a loan officer, so that they can provide you with information on the process such as how much money you will be eligible to receive based on your age, home value, and current interest rates. You can then decide whether to go forward with the Reverse Mortgage loan.
2. **Counseling:** If you do go forward with the Reverse Mortgage, the next step will be to receive reverse mortgage counseling from a HUD approved counseling agency. Please contact us at www.helpcdc.org or call us at **800-803-6190** when you are ready to schedule your counseling. Counseling can be scheduled within 24 hours.
3. **Lender Orders Payoff:** The Payoff is a document from any lender that you currently owe and it will show the amount that you still owe on the home. This amount will have to be paid off with the proceeds from your reverse mortgage before you will receive any funds from it directly.
4. **Appraisal Ordered:** Your loan officer will generally assist you in scheduling an appraisal for your home. This is another step that is required by HUD/FHA which means that the appraiser must be one that is approved by HUD/FHA; your lender will know which appraisers are approved. An appraisal will determine the market value of your home, and whether any repairs will be required to meet the FHA guidelines.
5. **Home Inspection Ordered:** Frequently, an inspection of your home will be required to ensure that the home is structurally sound and to detect whether there has been any extensive termite or dry rot damage to your home.
6. **Insurance Ordered (if applicable):** If your home is not presently insured it will be required that you get insurance for the home which mean you have to get a four point inspection and an insurance policy. If you already have homeowner's insurance, you will not need to purchase a new policy.
7. **Application Sent to Underwriting:** Once the appraisal and inspection are complete, the processing procedures begin. Your loan application is

sent for approval by the lender and they ensure that it meets all of the HUD/FHA guidelines for a Reverse Mortgage.

8. **Closing:** A closing is a meeting that is handled by a title company and all the loan documents are signed. When your loan is approved by the underwriting department, **a date for closing the loan is set**, and the final loan documents are prepared. The actual closing generally will last an hour. There may be instances when it may last longer. **After closing, you have 3 business days in which to cancel the loan.** When the three-day "rescission" period is over, loan funds can be paid to you. **NOTE: The right to "rescission" is NOT applicable to HECM for Purchase. AFTER CLOSING:** You are still responsible for making payments towards your property taxes and homeowner insurance.
9. **Disbursement:** This is the final step after closing. Disbursement occurs when the 3-day right of rescission has expired. This means that you will now receive your funds from the loan in the manner that you have chosen, and your loan is complete!