



Genworth<sup>®</sup>  
Financial

Home Equity Access, Inc.

# Financial Security in Retirement Can Be Yours with a Reverse Mortgage



# What Are Your Retirement Goals?

**Are you on track to meet your needs and satisfy your wants, now and in the future?**

- Pay off your existing mortgage\*
- Make necessary home repairs or renovate your home
- Take a dream vacation
- Fund a major purchase
- Take up hobbies or sports
- Create a “safety net” emergency fund



\* Your current mortgage, if any, must be paid off before obtaining any funds from a reverse mortgage; you can use proceeds from the reverse mortgage for this purpose

# What Are Your Funding Options?

## Ways to Obtain Cash to Meet Your Future Needs

Retirement Funding Options	Pros	Cons
<b>Delay retirement or return to work</b>	Continue earning income to pay your financial obligations.	You may be unable or unwilling to continue working because of poor health or other reasons.
<b>Sell your house and downsize</b>	Eliminate or reduce your current mortgage payment and maintenance costs.	You may want to stay in your current home. You may still have a mortgage. Closing costs add to the financial burden.
<b>Obtain a home equity loan or refinance your existing mortgage</b>	Remain in your home. You may be able to lower your monthly mortgage payments and even pay off other debts.	To qualify for an equity loan, your income/debt ratio must be at a certain level and you must have an acceptable credit score.
<b>Decrease expenses and modify your lifestyle</b>	Eliminate unnecessary expenses and reduce your monthly cash outflow.	May be difficult if you're already living frugally or may not want to sacrifice comforts.
<b>Obtain a reverse mortgage</b>	Access tax-free cash to pay off your mortgage and maybe have additional funds for expenses or financial goals.	Upon your death, the reverse mortgage loan must be paid off. Any equity that remains goes to your heirs.

# What Is a Reverse Mortgage?

- A loan that to homeowners 62 years and older
- Government insured by the FHA = predictability and security
- Loan amount is based on:
  - current interest rates
  - age of youngest borrower
  - appraised home value\*
- Loan repayment isn't generally due as long as you:
  - live in your home
  - maintain your home according to FHA requirements
  - pay property taxes and homeowners insurance

\*up to certain limits



# How Can a Reverse Mortgage Help You?

A Reverse Mortgage can give you the peace of mind to enjoy retirement to the fullest

- Pay off your mortgage and other debts
- No restrictions on how you use your proceeds
- Make home improvements or repairs
- Provide cash for travel and leisure activities
- Use for medical expenses or long term care insurance premiums
- Establish a fund for emergency expenses



# Reverse Mortgage Benefits

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- Tax-free cash to pay off your mortgage and more
- No credit score, income or asset qualifications
- You continue to own your home (not the bank)
- Government insured = low risk
- No monthly loan payments
- No restrictions on how you spend your money
- Typically does not affect Social Security or Medicare benefit eligibility
- Repayment of the loan is generally capped at the loan value



# Eligibility

## No income or credit score requirements.

- Must be age 62 or older to qualify
- Have sufficient equity in your home
- Must pay off existing mortgage with loan proceeds and/or other cash
- Eligible home types:
  - Single-family home
  - Approved condos
  - 2-4 unit owner-occupied residences
  - Some manufactured homes



# Borrower Requirements



- 
- Live in home as primary residence
  - Continue to pay property taxes and homeowners insurance
  - Maintain residence according to FHA requirements
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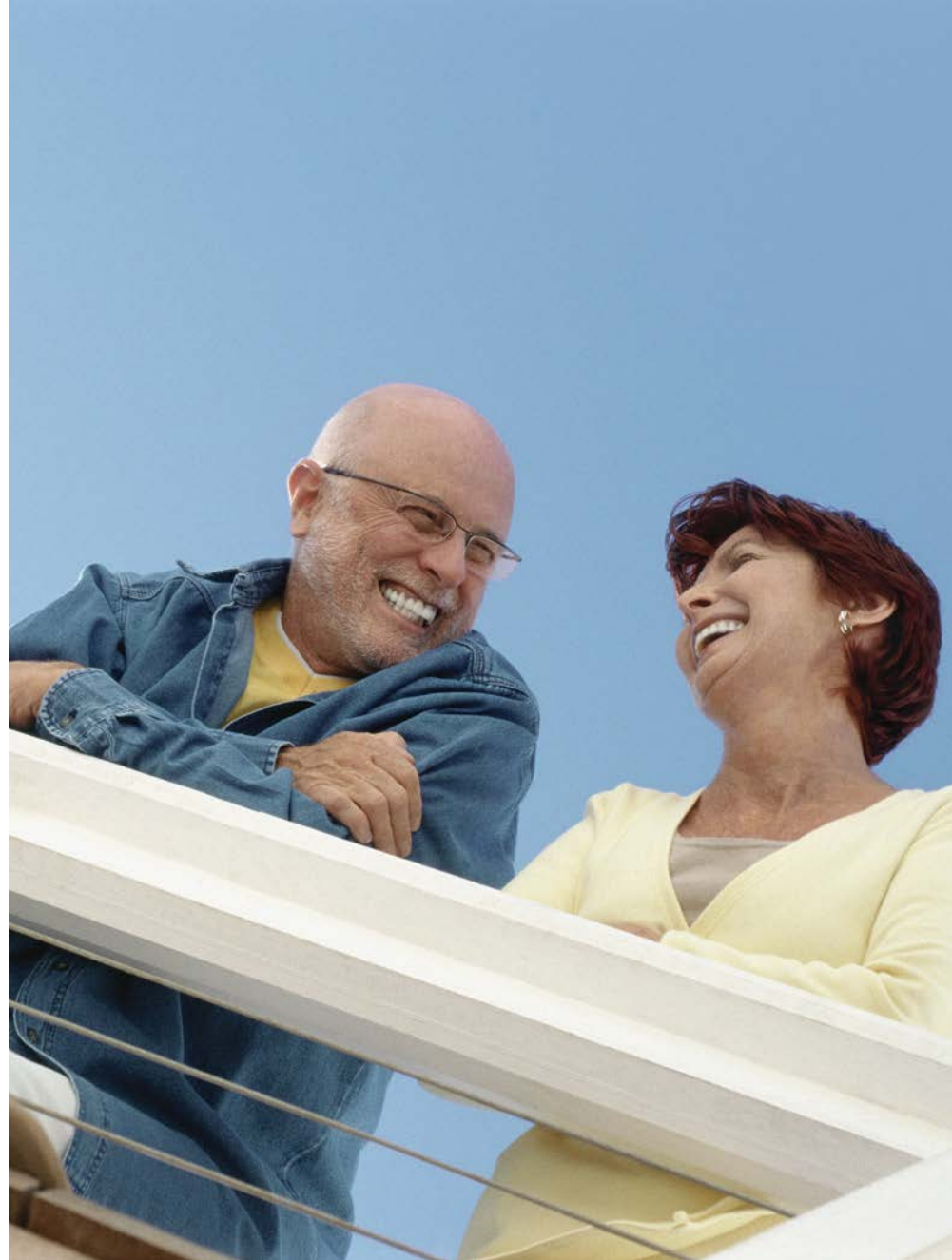
# Costs and Fees

**No hidden fees – all costs disclosed to you up front!**

- All fees can be financed into the loan = no up-front lender costs
- Loan origination fees – capped by FHA
- Appraisal, credit report, title and escrow fees (make clear)
- FHA mortgage insurance premium (MIP) – 2%

# Safeguards

- Independent Reverse Mortgage Counseling (HUD required)
- Repayment of the loan is generally capped at the value of the loan
- Interest rate cap
- Full disclosure of rates and fees
- Right of Rescission – may cancel up to 3 days after loan closes



# Disbursement Options



- 
- Lump sum
  - Monthly payments
  - Credit line
  - Combination of all three options
-

# The Application Process in 7 Easy Steps

1

## **Taking Stock**

- Take stock of your financial needs, goals and circumstances
- Determine if a Reverse Mortgage is right for you

2

## **The Paperwork**

- Complete a Reverse Mortgage application with a licensed advisor

3

## **Attend HUD-Approved Counseling**

- Participate in a Reverse Mortgage counseling session
- Independent, third-party counselors

4

## **Determine Your Home's Value**

- Obtain a property appraisal to determine your home's value

5

## **Loan Processing and Underwriting**

- Satisfy the lending requirements

6

## **Loan Closing**

- Complete and sign loan documents, officially closing loan

7

## **Receive Funds**

- Receive your Reverse Mortgage proceeds (after 3 days)

## Loan Repayment Is Typically Due When

- You decide to sell your home
- You vacate your home for more than 12 months (medical or other reasons)
- The last borrower on the title passes away
- You fail to pay property taxes or homeowners insurance
- You do not maintain home according to FHA requirements



# Achieve Peace of Mind

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A Reverse Mortgage can help you achieve your dream of a fulfilling retirement by providing the immediate cash, financial safety net and peace of mind you need.

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# Partnership Opportunities

**Contact:**

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[david.gentilcore@genworth.com](mailto:david.gentilcore@genworth.com)

<p><b>Marketing Affiliate:</b> Business Partners can market Reverse Mortgages from GFHEA through a Marketing Services Agreement. FHA approval is not required</p> <p><b>Participants:</b></p> <ul style="list-style-type: none"> <li>➤ Lenders and Mortgage Brokers</li> <li>➤ Banks and Credit Unions</li> <li>➤ Financial Planners and Professionals</li> <li>➤ Home Industry Professionals</li> <li>➤ Senior Associations and Affinity Groups</li> </ul>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>➤ Supports needs of customers or members</li> <li>➤ Expands your product offering</li> <li>➤ Does not require Reverse Mortgage experience</li> <li>➤ No upfront investment</li> <li>➤ Low resource requirements</li> </ul> <p><b>Earnings (\$):</b> Based on the cost of marketing services performed</p>	<p><b>Partner Role:</b> Introduces and markets GFHEA Reverse Mortgage products to existing customers or members through current marketing channels.</p> <p><b>GFHEA Role:</b> Provides a reverse mortgage platform including dedicated 800#, marketing materials, training, website, and product knowledge.</p> <p>Works with customers from application through funding of loans. Manages loan-level FHA compliance and underwriting requirements.</p>
<p><b>Originator:</b> Business Partners can market Reverse Mortgages and assist clients through the application and HUD counseling process. FHA approval is not required.</p> <p><b>Participants:</b></p> <ul style="list-style-type: none"> <li>➤ Banks and Credit Unions</li> <li>➤ Mortgage brokers that are licensed to originate mortgage loans.</li> </ul> <p><b>Best For:</b> Partners with some experience in marketing &amp; originating mortgage products.</p>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>➤ Helps meet the needs of your customers and grow business</li> <li>➤ Expands your product offering</li> <li>➤ Access to Reverse Mortgage platform (marketing, website, and training)</li> <li>➤ Ease of entry and low investment</li> </ul> <p><b>Earnings (\$\$):</b> Fee income per loan originated based on services performed.</p>	<p><b>Partner Role:</b> Markets Reverse Mortgages to existing customer base and new prospects and assists with Reverse Mortgage processes.</p> <p><b>GFHEA Role:</b> Provides marketing materials, training, website, and product expertise.</p> <p>Works with customers from application through funding of loans. Manages loan-level FHA compliance and underwriting requirements.</p>
<p><b>Wholesale:</b> Business Partners can market, originate and process Reverse Mortgage loans. FHA approval may or may not be required.</p> <p><b>Participants:</b></p> <ul style="list-style-type: none"> <li>➤ FHA Approved (standard program) or Non-FHA Approved Mortgage Brokers &amp; Lenders (TPO)</li> <li>➤ Banks/Credit Unions</li> </ul>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>➤ Helps meet the needs of your customers or members and grow business</li> <li>➤ Expands your product offering</li> <li>➤ Access to Reverse Mortgage platform (marketing, website, and training)</li> <li>➤ Control of customer interface</li> <li>➤ Higher compensation potential</li> </ul> <p><b>Earnings (\$\$\$):</b> Fee income per loan originated based on services performed. Refer to price sheet.</p>	<p><b>Partner Role:</b> Prospects and grows Reverse Mortgages as a business. Originates and processes application. Commits an investment of resources and funds to the growth of the business.</p> <p><b>GFHEA Role:</b> Provides marketing &amp; training support. Underwrites and funds loan. Manages loan-level FHA compliance and underwriting requirements.</p>
<p><b>Correspondent:</b> Business Partners can market, originate, underwrite and fund loans.</p> <p><b>Participants:</b></p> <ul style="list-style-type: none"> <li>➤ FHA Approved Mortgage Lenders, Non-Supervised</li> </ul> <p><b>Best For:</b> Partners who are experienced in the Reverse Mortgage business.</p>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>➤ Helps meet needs of your customers</li> <li>➤ Expands your product offerings</li> <li>➤ Highest revenue potential</li> <li>➤ Highest control over reverse mortgage process and customer interface</li> </ul> <p><b>Earnings (\$\$\$\$):</b> Maximum earning potential (fee income and interest spread); Refer to price sheet.*</p>	<p><b>Partner Role:</b> Markets, originates, underwrites, and funds the loans. Manages all aspects of customer communication, from origination process through funding. Manages underwriting and funding process. Manages FHA compliance and underwriting requirements.</p> <p><b>GFHEA Role:</b> Purchases closed and funded loans.</p>

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