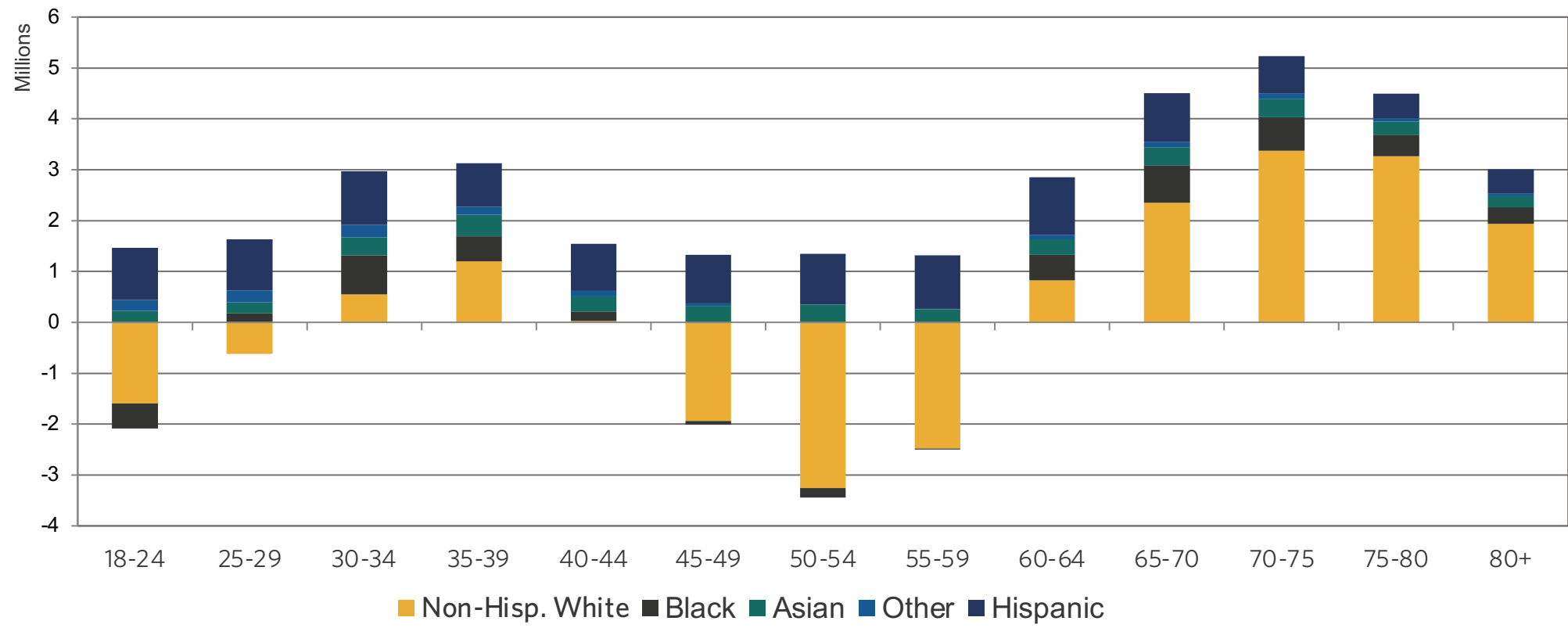


HECM FOR
PURCHASE

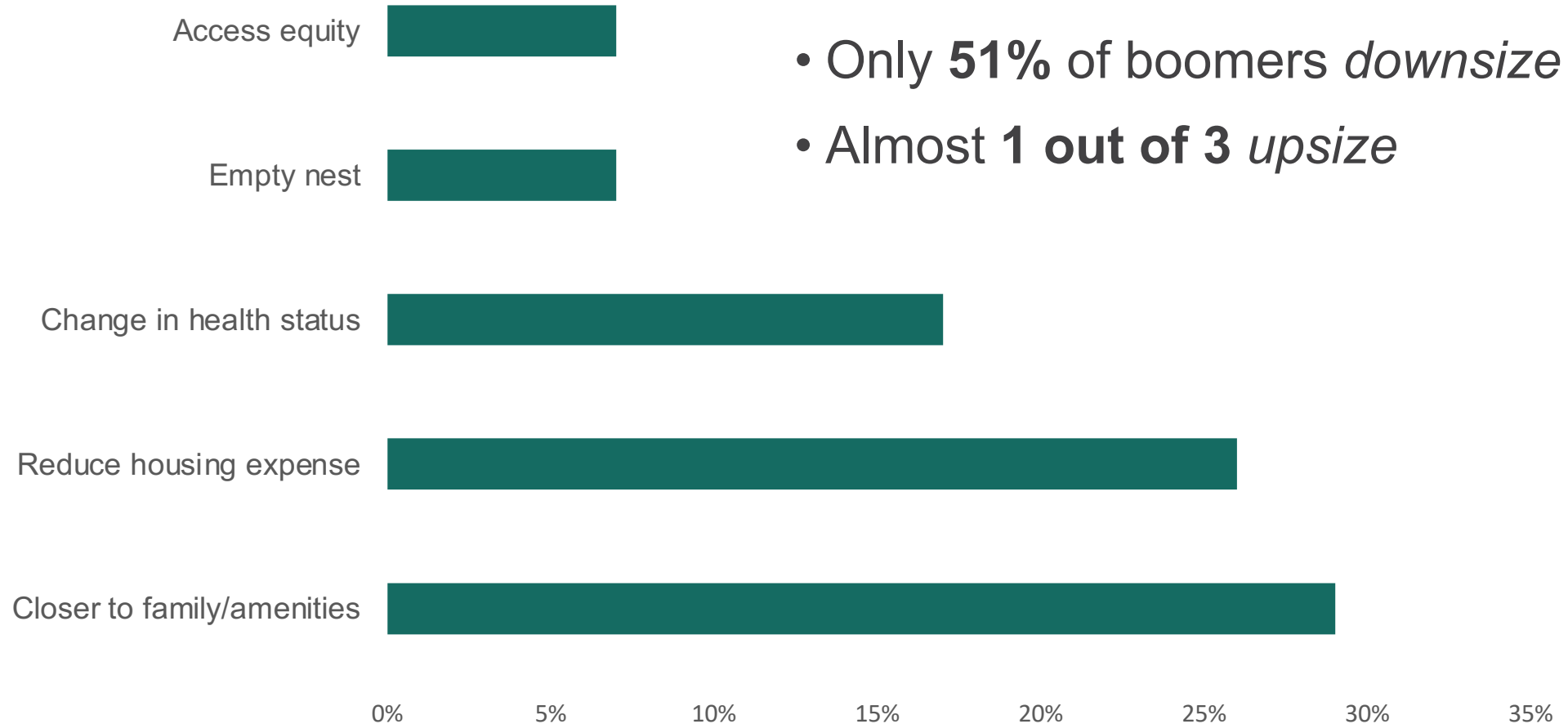
INTRODUCING THE HECM FOR PURCHASE FOR REALTORS

CHANGES IN POPULATION

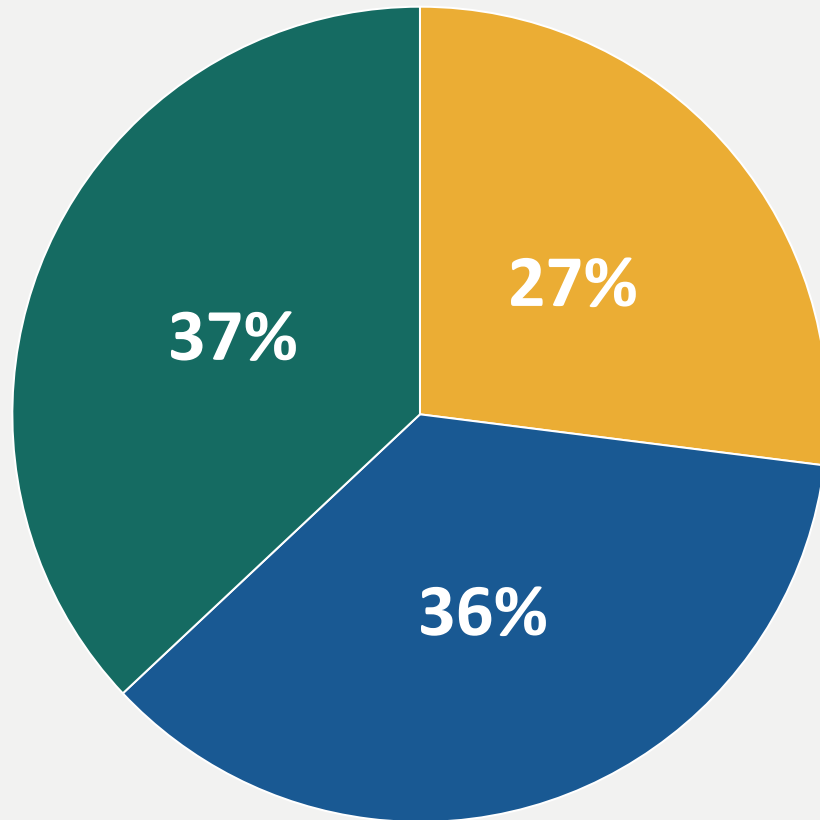
A GLANCE AT THE MARKET



WHY DO BOOMERS MOVE?



HOW MANY RETIREES ANTICIPATE MOVING IN RETIREMENT?



- Do not anticipate moving in retirement
- Have moved in retirement
- Have not yet moved but anticipate moving



WHAT IS A HECM?

A Home Equity Conversion Mortgage

1. Most popular reverse mortgage > 95%
2. Insured by the full faith and credit of US Government
3. Regulated by the Federal Housing Authority (FHA)
4. A non-recourse loan

*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.



SPECIAL FEATURES OF A HECM

1. Payment deferred until borrower moves from home or fails to meet loan obligations, which include the need to remain current on property taxes, homeowner's insurance, the costs of home maintenance, and any HOA or Condo fees.
2. Must live in primary residence
3. Available to homeowners 62 or older
4. Liability limited to home value
5. Lender cannot cancel, freeze or reduce
6. FHA loan limit of \$1,089,300

WHY SUCH A BAD REPUTATION?

Generally misunderstood: 4 misconceptions*

1. Never give up title: Bank does not get the house
2. Non-recourse loan: Never owe more than home value, any remaining equity belongs to homeowner or estate
3. Never have to move, even if all the money is used
4. Never have to make a payment on principal/interest

*Until the last homeowner dies, moves or sells. 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.





THE HEIRS DECIDE HOW TO PROCEED

1. Purchase the home
Pay loan balance or 95% of the appraised home value, whichever is less
2. Sell the home
Keep any applicable equity
3. Sign a Deed in Lieu or Foreclosure
Will not negatively affect heir's credit

If your heirs desire to keep the home, they won't have to pay more than the loan balance or 95% of the appraised value of your home, whichever is less

REVERSE MORTGAGE LOAN PURPOSES FOR REAL ESTATE PURCHASES

- ☑ Move up, move down— right size!
- ☑ Gifting to family or donating to charitable organizations*
- ☑ Selling a home with a reverse mortgage lien
- ☑ Eliminate a mortgage payment (Reverse mortgage borrowers must remain current on property taxes, homeowner's insurance, the costs of home maintenance, and any HOA fees.)
- ☑ Note: borrower must live in home as primary residence.

*The property subject to the reverse mortgage must be the primary residence of the borrower

HECM FOR PURCHASE

The Last Time
Home Buyer



WHAT IS THE HECM FOR PURCHASE?

Seniors 62 or over are able to purchase real estate by combining a down payment with a reverse mortgage at the closing table and have no monthly mortgage payment.*

*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.



ELIGIBLE PROPERTIES

One-to-four-unit properties

- ☒ Manufactured homes - double wide built after June 15, 1976
- ☒ Condos - Must be FHA approved*
- ☒ PUDS
- ☒ Townhouses
- ☒ Properties held in a living trust

SELLER CONCESSIONS NOT ALLOWED



- No lender credits
- No realtor credits
- Sellers can pay for the following:
 - Owner's title insurance
 - Home warranty
 - Fees required to be paid under state or local law (transfer taxes)
- If home inspection is listed on the purchase contract, a copy of the home inspection must be provided to lender for review and any safety issues must be fixed



WHO CAN SELL?

- ☒ Trusts – Trustees
- ☒ Will- Personal Representative or Executor

HECM FOR PURCHASE WITH NEW BUILDS

- ☑ Prequalification will take place up front and a letter will be provided
- ☑ Application can be completed on a new build prior to the certificate of occupancy being finalized
- ☑ More shoppers can become home buyers
- ☑ Potential increase in sales, purchase price, and add-ons
- ☑ More upgrades and add-ons can be purchased through the loan
- ☑ Better builder and realtor relationships



LET'S SEE HOW IT WORKS

EXAMPLE 1

Couple Both Age 62

- Recently sold their home and net proceeds were **\$400,000**
- They have no other assets
- Desire a home near children, grandchildren and doctors
- Find a townhome listed at **\$500,000**
- They want to pay cash, and do NOT want a mortgage

Note: they do not have enough money to pay cash for the townhome.

SOLUTION - EXAMPLE 1

- Max loan amount available to purchasers is **\$171,000** - based on buyers' ages
- Buyers can bring as little cash as **\$329,000** to closing
- Leaves them with no monthly mortgage payment AND **\$71,000** from the sale of their home*
- They now have a more secure financial situation
- **Which picture would you want to present – let's find a lower-priced home that you don't really want OR find a home that fits your needs, never have a monthly mortgage payment*, and have \$71,000 in the bank?**

*BORROWER AGE 62. Calculations are based on a CMT, monthly adjusting program with an initial interest rate of 6.750% as of May 15, 2023. Max APR 11.750%.

LET'S SEE HOW IT WORKS - EXAMPLE 2

- Buyers, age 70, have home listed for **\$700,000** and will net **\$485,000** after fees, etc.
- Have only **\$215,000** in savings
- Interested in a new construction ranch, near children **\$485,000** – want no monthly mortgage payment*
- Home is not selling. You recommend dropping the price by \$10,000 – that means they would net **\$475,000** and would have to dip into savings to pay cash
- They balk at the recommendation and the house sits on the market or –
Offer a solution!

*Borrowers are still required to pay taxes, insurance and maintenance. This information is provided as a guideline; the actual reverse mortgage available funds are based on current interest rates, current charges associated with loan, borrower date of birth, the property sales price and standard closing cost. Interest rates and loan fees are subject to change without notice.

SOLUTION - EXAMPLE 2

- HECM for Purchase will provide up to **\$193,389** purchase dollars
- Buyers can bring as little as **\$291,640** to closing
- They can say “yes” to your recommendation, sell the house quicker
- They can purchase the new construction sooner
- They could have a much improved financial situation
- They will have **\$408,360** cash in savings, after selling their house for **\$700,000** and buying the new home

*BORROWER AGE 70. Calculations are based on a CMT, monthly adjusting program with an initial interest rate of 6.720% as of May 15, 2023. Max APR 11.720%.

OPEN HOUSE

Address
City State zip



Learn how you can purchase this home with no monthly mortgage payments!¹

Mutual of Omaha Mortgage introduces an age based proprietary mortgage program that can be used to purchase a new home.

Program Specifics:

- Available to those 55 and better²
- No monthly mortgage payment¹
- Minimal income and credit requirements
- Homeowner remains solely on title³
- Closing costs may be financed into mortgage

¹Homeowner remains responsible for property taxes, required insurance, homeowners' fees, and maintenance of the property.

²Due to state restrictions, some states have a higher minimum age than 55. Minimum age for MA and VA is 60. Minimum age for NC, TX, and UT is 62.

³Right to remain in home is contingent on compliance with loan terms.

Based on youngest borrower age xx. Loan becomes due and payable upon a maturity event such as no longer maintaining the home as your primary residence or failure to remain current on property taxes, homeowners insurance, or condo fees. These materials are not from, and were not approved by, HUD or FHA.

Call Today for More Information

Firstname Lastname

NMLS: 000000

Reverse Mortgage Specialist

Phone (000) 000-0000

3131 Camino Del Rio N Suite 1100

San Diego, CA, 92108

firstlastname@mutualmortgage.com

Website.com

Based on your age, here is what you can purchase this house for:

Age	Down Payment
62	\$000,000
65	\$000,000
72	\$000,000
75	\$000,000
80	\$000,000

These calculations are based on a fixed rate HomeSafe reverse mortgage with an expected rate of ____% APR (Annual Percentage Rate) Range: ____% to ____%. Loan changes include origination fees, mortgage insurance premiums, and settlement costs, which are to be determined. Some of these fees may be financed into the loan. Interest rates and funds available may change without notice and not be available at the time of loan commitment. Prices subject to change. Please speak to your licensed loan officer to receive current rates. This is a proprietary reverse mortgage product and is not FHA insured. This information is for illustrative purposes only. Estimated fees range from \$11,000 to \$21,000 depending on the value of the home. Closing costs vary from state to state and can affect down payment. Your loan balance and interest will become due upon a maturity or default event such as no longer living in the home as your primary residence, failing to pay your hazard or property taxes, or failing to maintain your property.

Purchase Price: \$000,000

One Time Down Payment: \$000,000*



NEXT STEPS

- Identify clients you're working with or have worked with in the past
- Allow us to illustrate how this would look for a client moving forward
- Sit down with us to formulate a marketing plan to implement a boomer focus into your business

Equal Housing Lender

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. dba Mutual of Omaha Reverse Mortgage. NMLS ID 1025894. 3131 Camino Del Rio N 1100, San Diego, CA 92108. These materials are not from HUD or FHA and the document was not approved by HUD, FHA or any Government Agency. Subject to credit approval. For licensing information, go to: www.nmlsconsumeraccess.org



ANY QUESTIONS?



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.

The Lifestyle Home Loan is a Home Equity Conversion Mortgage for Purchase.

Mutual of Omaha Mortgage, Inc. dba Mutual of Omaha Reverse Mortgage, 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/Service License 109250; Licensed by the Department of Financial Protection & Innovation under the California Residential Mortgage Lending Act, License 4131356; 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 Service 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; Louisiana Residential Mortgage Lending License 1025894; Maine Supervised Lender License 1025894; Maryland Mortgage Lender License 21678; Massachusetts Mortgage Broker and Lender License MC1025894; Michigan 1st Mortgage Broker/Lender/Service Registrant FR0022702; Minnesota Residential Mortgage Originator Exemption MN-OX-1025894; Mississippi Mortgage Lender 1025894; Missouri Mortgage Company License 21-2472; 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/Service 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. PYK.0523.180

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



Mutual of Omaha Mortgage, Inc. dba Mutual of Omaha Reverse Mortgage, NMLS ID 1025894. 3131 Camino Del Rio N 1100, San Diego, CA 92108. Subject to Credit Approval.