

## Income from Dissipated HECM Proceeds as a Sole Source of Income

**Please note the following update to our UW Lending Guide.**

### Current Guidance

The dissipation of HECM proceeds solely as income to qualify a borrower is not allowed – we require at least \$1 dollar in income or a bank statement that dissipates to \$1 dollar.

### Update to Guidelines

#### Imputed Income from Dissipation of HECM Proceeds

Mutual will allow imputed income from the dissipation of HECM proceeds as a sole source of income to meet the financial assessment residual income requirement, as long as:

- No other compensating factors are being used.
- They pass the financial assessment for credit and property charges without using extenuating circumstances.

**Please reach out to Account Executive with any questions.**