SecureEquity℠

Update to SEQ Guidelines for NBS Requirements

Effective for applications dated on or after 8/11/2026, the new Non-Borrowing Spouse (NBS) requirements will apply.

Please refer to the updated Underwriting Guidelines, released today, for complete requirements and guidance. A summary of the key changes is provided below.

SecureEquity℠ Non-Borrowing Spouse Requirements

A Non-Borrowing Spouse (NBS) is an individual who is legally married to the Borrower but will not be a Borrower on the SecureEquity℠ loan. When an NBS is present, the loan terms and maturity events are based solely on the Borrower, and additional eligibility, counseling, documentation, and disclosure requirements apply.

NBS Eligibility
An NBS must meet the applicable criteria as either an Occupying NBS or Non-Occupying NBS.

Occupying NBS
An Occupying NBS must meet at least one of the following:

- Is not age eligible for SecureEquity℠ in their state; or
- Has not held an ownership interest in the subject property during the 24 months preceding the application date.

Occupying NBS income may be used for qualification, subject to applicable program requirements.

Non-Occupying NBS
A Non-Occupying NBS must meet at least one of the applicable program criteria, which may include:

- Not being age eligible;
- No ownership interest in the subject property during the previous 24 months;
- No occupancy of the subject property for at least 24 months;
- Legal separation from the Borrower, with the property vested solely in the Borrower; or
- Permanent residence in a care facility.

Non-Occupying NBS income may not be used for qualification.

Counseling, Documentation, and Disclosure Requirements
All NBS's must:

- Complete required NBS counseling.
- Provide photo identification and current contact information.
- Complete all required NBS disclosures and the NBS Statement of Explanation.
- Participate in a video recorded attorney interview when required.
- Execute applicable closing documents.

NBS Statement of Explanation

The NBS Statement of Explanation must address:

- The reason the NBS is not a Borrower on the loan.
- NBS's current residence, if they do not occupy the subject property.
- Their understanding that the loan will become due and payable upon the Borrower's death or another applicable maturity event.
- Their plan for relocating or satisfying the loan if they wish to remain in the property after the loan becomes due.

Video recorded Attorney Interview

A video recorded attorney interview is required for:

- All Occupying NBS, regardless of ownership interest.
- Non-Occupying NBSs who have a vested or community property interest in the subject property.

During the session, the Borrower and NBS must acknowledge their understanding that:

- They have reviewed the loan terms, conditions, and risks with the attorney.
- SecureEquity℠ does not provide the spousal protections available under HECM.
- There is no deferral of the loan's due-and-payable status following a maturity event.
- If the NBS wishes to remain in the property after a maturity event, the loan must be satisfied in full.
- Failure to satisfy the loan may result in foreclosure and displacement from the property.

Photo identification must be presented during the recorded session, and all required parties must execute the Non-Borrowing Spouse Certification upon completion.

Best Practices

NBS scenarios should be identified as early as possible in the loan process. Sales and Operations should confirm:

- Occupancy status
- Age eligibility
- Ownership and title history
- Community property interest
- Counseling requirements
- Videorecorded attorney interview requirements
- Required documentation and disclosures

Early identification and review of NBS requirements will help reduce eligibility concerns, documentation issues, and processing delays.