



Conference Call 8-4-2014 10 am

Call in number 716-273-3400 Code 122150

- 1) NBS issues
 - a) NBS now gets to stay in home as long as he/she lives
 - b) LTV is reduced below 62 year old levels depending on age of the NBS
 - c) NBS signs more disclosures than previously, but still does not sign all of them
 - d) NBS still comes off of title
 - e) NBS will need to be made the title-holder within 90 days of spouse passing away
 - f) Need proof of marriage

- 2) Letter for lead clients
 - a) I can send it to you
 - b) Send a letter to all clients you cannot contact via phone, or who do not commit
 - c) Feel free to make changes, but make sure the emphasis is on the items I listed

- 3) If clients says they can get almost twice as much by selling their home, what do you say?
 - a) Credit line growth can be emphasized, especially if client is young
 - b) Ask if home is going to grow exponentially because credit lite will
 - c) Growth is 4.1% on 2.375 program, as interest rates grow, so will the growth factor. Expecting an average growth factor of 6% over a 20-30 year period is perhaps realistic. Using the rule of 72, this means the credit line will double every 12 years.
 - d) What other options are available to client? Probably, not many.
 - e) Emphasize, they will pay no money out-of-pocket
 - f) This is a hedge against their home not increasing substantially in value

g) If client is 65 with a \$110K credit line, and \$200K home, by the time they are 88-90, the credit line might be worth approximately \$450K. Ask client if he/she thinks the home will be worth more than that, and they will probably say no. Tell them if the home has increased to, say, \$300K, they can pull out the \$450K, with no taxes, give the money to their heirs, if the client does not need the money, and they are receiving \$150K more for their home than what it is worth. Best of all, the heirs can then keep the home, once they pass, for 95% of the current value.

4) What to put on provider disclosures and required docs for Texas disclosures

d) Required provider shows appraisal fee disclosed, FHA appraiser, and none

e) We can use the disclosures that print from RV and no longer need to add docs

f) 12 day letter replaced Texas Reverse Mortgage Disclosure