
*Product Comparison Chart
Relating to HECM & JUMBO Loans*

December 2007

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Foreword

This Chart has been compiled by the NRMLA Products and Capital Markets Committee based on public information available to the Committee at the time the Chart was compiled. The Chart has been prepared for the benefit of NRMLA Members, to better inform them of the types of reverse mortgage products and certain of their key features that are available in the marketplace. The Chart is not intended to suggest to NRMLA Members that they should or should not offer or invest in any product that is described in the Chart.

The Chart should only be viewed and made available to NRMLA Members. It is not intended to and should not be provided to consumers who may be interested in reverse mortgage loans.

The Chart provides only a summary of certain key reverse mortgage loan product features, and there are features of and limitations related to these products that are not described in the Chart. Accordingly, a full and accurate understanding of the products generally described in the Chart, and of their features, may only be obtained by NRMLA Members through a careful review of the products themselves, and of the related documents, programs descriptions, regulations and requirements that apply to them.

Although the Committee intends to update the Chart, periodically, the products described in the Chart and their features change from time to time. Products and features described in the Chart may not be those currently available in the marketplace.

The Chart is not intended to and does not provide legal advice.

Products & Capital Markets Committee
National Reverse Mortgage Lenders Association

Product Category	FHA			Proprietary		
Product Sub-Category	Monthly Adjustable	Annually Adjustable	Fixed Rate	Semi-Annually Adjustable	Monthly Adjustable	Fixed Rate
Age Availability	All borrowers must be 62 or older	All borrowers must be 62 or older	All borrowers must be 62 or older	All borrowers must be 62 or older	All borrowers must be 62 or older	All borrowers must be 62 or older
Minimum Home Value	None	None	None	None to \$100,000	None to \$200,000	None
Maximum Home Value or Lending Limits	Maximum lending limit is \$362,790 for 2007. (Hawaii and Alaska have higher limits)	Maximum lending limit is \$362,790 for 2007. (Hawaii and Alaska have higher limits)	Maximum lending limit is \$362,790 for 2007. (Hawaii and Alaska have higher limits)	Varies by lender	Varies by lender	Varies by lender
Eligible Property Types	Owner-occupied single family homes, 1-4 unit properties, condominiums, planned unit developments, manufactured homes	Owner-occupied single family homes, 1-4 unit properties, condominiums, planned unit developments, manufactured homes	Owner-occupied single family homes, 1-4 unit properties, condominiums, planned unit developments, manufactured homes	Varies by lender: Owner-occupied single family homes, 1-4 unit properties, if one unit is occupied, condominiums, planned unit developments, manufactured homes, co-ops in New York state	Varies by lender: Owner-occupied single family homes, 1-4 unit properties, if one unit is occupied, condominiums, planned unit developments, manufactured homes, co-ops in New York state	Varies by lender: Owner-occupied single family homes, 1-4 unit properties, if one unit is occupied, condominiums, planned unit developments, manufactured homes, co-ops in New York state
Interest Rate	Note Rate Indexes available (Initial Rate): 1 Year CMT 1 Month LIBOR	Note Rate Indexes available (Initial Rate): 1 Year CMT 1 Year LIBOR	Varies by Lender.	Indexes: 6 Month LIBOR	Indexes: 1 Month LIBOR	Varies by lender
	Pricing Rate Indexes (Expected Rate): 10 Year CMT (used with 1 Yr CMT) 10 Year LIBOR SWAP (used with 1 Mo LIBOR)	Pricing Rate Indexes (Expected Rate): 10 Year CMT (used with 1 Yr CMT) 10 Year LIBOR SWAP (used with 1 Yr LIBOR)		Available Margins (varies by lender): CMT Based - 100 to 200 LIBOR Based - 75 to 175	Available Margins (varies by lender): CMT Based - 210 to 410 LIBOR Based - 150 to 350	
Interest Rate Locks	Interest rates are set weekly good from the second business day of the week to the end of the first business day of the following week.	Interest rates are set weekly good from the second business day of the week to the end of the first business day of the following week.	Rates are posted Daily	Varies by lender	Varies by lender	Float to Close
Interest Rate Adjustment Period	Monthly	Annually	Fixed for life of loan	Every 6 months	Each month	Fixed for life of loan
Variables Affecting Principal Limit	Age, Home Value, Lending Limits and Pricing Rate changes	Age, Home Value, Lending Limits and Pricing Rate changes	Age, Home Value, Lending Limits and Pricing Rate changes	Margin selected	None	None
Mandatory Counseling	Yes	Yes	Yes	Yes	Yes	Yes
Payment Options	Upfront lump sum Line of credit Tenure payment (fixed monthly payments for life) Term payments (fixed monthly payments for a set period of time) Combination of these	Upfront lump sum Line of credit Tenure payment (fixed monthly payments for life) Term payments (fixed monthly payments for a set period of time) Combination of these	Best Rate: 100% Upfront lump sum Alternative Higher Rate: Line of credit Tenure payment (fixed monthly payments for life) Term payments (fixed monthly payments for a set period of time) Combination of these with lump sum	Lump Sum Line of Credit Term Payments (Varies by Lender)	Lump Sum Line of Credit Term Payments (Varies by Lender)	Lump Sum Tenure Payment (fixed monthly payments for life)
Monthly Service Fee	Capped at \$35	Capped at \$30	Capped at \$30	\$20 to \$33	\$30 to \$35	\$30
Origination Fee	2% of the maximum claim amount (lesser of the home value or FHA county lending limit) or \$2,000, which is greater	2% of the maximum claim amount (lesser of the home value or FHA county lending limit) or \$2,000, which is greater	2% of the maximum claim amount (lesser of the home value or FHA county lending limit) or \$2,000, which is greater	Typical is 2% of amount available to borrower. Some have flat fee. (varies by lender)	Typical is 2% of amount available to borrower. (varies by lender)	1% of Home Value

Product Category	FHA			Proprietary		
Mortgage Insurance	2% of the maximum claim amount (lesser of the home value or FHA county lending limit) plus 0.5% annually	2% of the maximum claim amount (lesser of the home value or FHA county lending limit) plus 0.5% annually	2% of the maximum claim amount (lesser of the home value or FHA county lending limit) plus 0.5% annually	None	None	None
Other Closing Costs (may include credit report, title insurance, document preparation fee, pest inspection, etc.)	Borrower is responsible for all closing costs, but they can be paid out of the available loan proceeds.	Borrower is responsible for all closing costs, but they can be paid out of the available loan proceeds.	Borrower is responsible for all closing costs, but they can be paid out of the available loan proceeds.	All normal and customary third party charges at cost.	All normal and customary third party charges at cost.	All normal and customary third party charges at cost.
Special Features	Borrower is able to make payment plan changes during the term of their loan. (Example: switching from a monthly tenure to a creditline)	Borrower is able to make payment plan changes during the term of their loan. (Example: switching from a monthly tenure to a creditline)	Borrower is able to make payment plan changes during the term of their loan. (Example: switching from a monthly tenure to a creditline)	Most Lenders offer different ways for borrowers to reduce up front costs base mostly on the initial loan amount	Most Lenders offer different ways for borrowers to reduce up front costs base mostly on the initial loan amount	Most Lenders offer different ways for borrowers to reduce up front costs base mostly on the initial loan amount. Second home purchases are allowed on a case by case basis.
Line of Credit Growth	Available balance grows annually at mortgage interest rate plus a half percent for MI per annum (growth is compounded monthly)	Available balance grows annually at mortgage interest rate plus a half percent for MI per annum (growth is compounded monthly)	Available balance grows annually at mortgage interest rate plus a half percent for MI per annum (growth is compounded monthly)	Available balance grows at 5% annually	Available balance grows at 5% annually or at note rate (varies by lender)	N/A
Prepayment Restrictions	None	None	None	None or no partial prepay in first year (varies by lender)	None or no partial prepay in first year (varies by lender)	None
Non-Recourse	Yes	Yes	Yes	Yes	Yes	Yes
States available	All 50 states. To find a lender, visit www.ReverseMortgage.org .	All 50 states. To find a lender, visit www.ReverseMortgage.org .	All 50 states. To find a lender, visit www.ReverseMortgage.org .	Varies by lender	Varies by lender	Varies by lender