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Crystal Dully  
Outreach and Engagement Associate  
Consumer Advisory Board and Councils Office  
External Affairs  
1275 First Street NE  
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Re: Consumer Advisory Board Meeting, Notice of Public Meeting, Nov. 2, 2017, Tampa, FL

The National Reverse Mortgage Lenders Association (“NRMLA”) is the national voice of the reverse mortgage industry. With over 300 member companies and over 2,300 member delegates, NRMLA serves as an educational resource, policy advocate, and public affairs center for lenders and related professionals. NRMLA was established in 1997 to enhance the professionalism of the reverse mortgage industry. Our mission includes educating industry participants on best practices, regulatory requirements, and market dynamics; providing helpful information to consumers about reverse mortgages; enforcing our Code of Ethics and Professional Responsibility;<sup>1</sup> and offering insight to policymakers working on reverse mortgage matters and related issues.

### *Overview*

On October 18, 2017, the Bureau of Consumer Financial Protection published a notice in the Federal Register that the Consumer Advisory Board (or CAB) will meet on November 2, 2017 in Tampa, Florida to discuss, among other things, Know Before You Owe disclosures for reverse mortgages. The notice provides that the CAB will accept written comments from interested members of the public for up to seven (7) days in advance of the meeting. Please find our comments below.

### *Comments*

NRMLA supports clear, concise, timely, and transparent disclosures to senior consumers. Respectfully, in our view, the current disclosure regime under Regulation Z does not support that goal on several fronts.

We believe that continuing to distinguish under Regulation Z between open-end and closed-end credit for certain reverse mortgages disclosures no longer serves a meaningful or useful purpose. If the Bureau will engage in proposed rulemaking regarding reverse mortgage disclosures, we urge the Bureau to consider removing the distinction between open-end and closed-end credit for reverse mortgage disclosures. In this regard, for disclosure purposes, we ask that the Bureau consider designating reverse mortgages as a separate class of consumer credit transactions with separate, specific reverse mortgage disclosures, and not additional disclosure requirements on top of those already required either for open-end or closed-end credit under the general provisions of Regulation Z.

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<sup>1</sup> *Code of Ethics & Professional Responsibility*, NRMLA, <http://www.nrmlaonline.org/nrmla/ethics/conduct.aspx>.

We believe that a format similar to that used under the forward mortgage Know Before You Owe disclosures could be used by also combining the currently required RESPA disclosures (GFE and HUD-1) into an application related Loan Estimate disclosure, and a Closing Disclosure at closing, respectively.

For the application related, or Loan Estimate, disclosures, we ask the Bureau to consider creating a “Key Questions to Ask about Reverse Mortgage Loans” disclosure that would take the place of the Total Annual Loan Cost (or TALC) disclosures, the HELOC brochure, and CHARM booklet. For format and substance of such a disclosure, please find attached a checklist that NRMLA has created for use by its members as a best practice.

Issues regarding timing of disclosures, re-disclosure, rescission periods, and tolerances could be further refined; however, we would expect that any revised rules on reverse mortgage disclosures would be issued in proposed form with both an adequate time period for receipt, review, and consideration of comments by interested parties, as well as an implementation period that allows orderly adoption of new rules without imposing an undue burden on industry participants.

### ***Conclusion***

NRMLA appreciates your consideration of our comments herein. We trust that you will find our comments above helpful.

Very truly yours,



Steve Irwin, Executive Vice President, NRMLA  
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Cc: Peter Bell, President, NRMLA  
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Enclosure