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**VIA E-MAIL**

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**Re: Temporary Relief From In-Person Reverse Mortgage Counseling Requirement-  
COVID-19**

Dear Honorable Mesdames:

I write this letter on behalf of the National Reverse Mortgage Lenders Association (NRMLA)<sup>1</sup> and its members to request a temporary relief from the Massachusetts in-person reverse mortgage counseling requirement due to the spread of the novel coronavirus known as “COVID-19.” For the reasons discussed below, given the unprecedented outbreak of COVID-19, we are respectfully requesting that seniors in Massachusetts be permitted to receive the required reverse mortgage counseling by telephone.

As you are aware, on March 10, 2020, Governor Charlie Baker declared a State of Emergency in Massachusetts to support the Commonwealth’s response to the outbreak of COVID-19.<sup>2</sup> A few days later, on March 13, 2020, the President proclaimed that the COVID-19 outbreak in the United States constitutes a National Emergency.<sup>3</sup> Additionally, note that the Centers for Disease Control and Prevention (CDC) stated that older adults (adults 65 years and older) are at higher

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<sup>1</sup> NRMLA is the national voice of the reverse mortgage industry. With over 300 member companies and over 2,000 member delegates, NRMLA serves as an educational resource, policy advocate and public affairs center for lenders and related professionals. NRMLA members make over 90% of the reverse mortgages originated today.

<sup>2</sup> <https://www.mass.gov/news/governor-baker-declares-state-of-emergency-to-support-commonwealths-response-to-coronavirus>.

<sup>3</sup> <https://www.whitehouse.gov/presidential-actions/proclamation-declaring-national-emergency-concerning-novel-coronavirus-disease-covid-19-outbreak/>.

risk for severe illness from COVID-19.<sup>4</sup> The CDC also released the following statistics regarding older adults with COVID-19 in the United States:

**Estimated percent requiring hospitalization**

- 31-70% of adults 85 years old and older
- 31-59% of adults 65-84 years old

**Estimated percent requiring admission to intensive care unit**

- 6-29% of adults 85 years old and older
- 11-31% of adults 65-84 years old

**Estimated percent who died**

- 10-27% of adults 85 years old and older
- 4-11% of adults 65-84 years old<sup>5</sup>

Regarding the Massachusetts in-person counseling requirement, note that M.G.L. Chapter 167E, Section 7A provides, in part, as follows:

(b) No mortgagee shall make a reverse mortgage loan pursuant to section 7 to a mortgagor unless: (i) the mortgagor affirmatively opts in writing for the reverse mortgage; and (ii) at or before the closing of any reverse mortgage loan the mortgagee has received written certification from a counselor with a third-party organization that the mortgagor has received counseling in person relative to the appropriateness of the loan transaction from the third party organization and has completed an approved counseling program offered by the third party organization; provided, however, that the third party organization shall have been approved by the executive office of elder affairs for purposes of such counseling.

Moreover, we wanted to bring to your attention that although the Executive Office of Elder Affairs' website lists 8 approved reverse mortgage counseling programs, there are only 7 active organizations, as it is our understanding that Navicore Solutions (one of the listed approved counseling agencies) is currently inactive. Further, our members have informed us that as a result of the COVID-19 outbreak, most of the remaining active reverse mortgage counseling agencies have currently suspended in-person meetings.

Note under the FHA-insured Home Equity Conversion Mortgage (HECM) program, before obtaining a HECM loan, the senior borrower, along with any non-borrowing spouse or non-borrowing owner, must receive counseling from a HUD-approved counseling agency.<sup>6</sup> HECM lenders are limited in taking and processing a full and complete loan application until such

<sup>4</sup> <https://www.cdc.gov/coronavirus/2019-ncov/specific-groups/high-risk-complications.html>.

<sup>5</sup> <https://www.cdc.gov/coronavirus/2019-ncov/specific-groups/high-risk-complications/older-adults.html>.

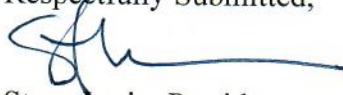
<sup>6</sup> See 24 C.F.R. § 206.41.



persons receive reverse mortgage counseling and the borrower presents a counseling certificate to the lender. However, in-person counseling is not required under the HECM program. FHA allows the required reverse mortgage counseling to be conducted by telephone.

For the reasons discussed above, given that the HECM program permits reverse mortgage counseling to be conducted over the telephone, and since most of the approved reverse mortgage counseling agencies have currently suspended in-person meetings, we request that seniors in Massachusetts be permitted to receive the required reverse mortgage counseling by telephone. During this unprecedented national crisis, Massachusetts seniors (i.e., older adults who are at higher risk for severe illness from COVID-19) should not be forced to leave their homes to receive in-person counseling, if they can even find a counseling agency that currently offers in-person counseling, in order to obtain a reverse mortgage. For seniors, a reverse mortgage could be a critical economic "lifeline" in their time of need.

Respectfully Submitted,



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