Welcome to a Virtual Experience



2020 NRMLA Annual Meeting



Presented By: John Lunde and Jon McCue of Reverse Market Insight

What Does Industry Penetration of 2.3% Mean? Why Does It Matter?

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What is the definition of penetration for reverse mortgages?

- Penetration is the percentage of 62+ households in a given market that currently have an active reverse mortgage
- Through HUD's August 2020 endorsement data the national penetration is sitting at 2.3%
- Currently there are close to 27 million age eligible households in all 50 states and Puerto Rico, so currently the 2.3% penetration translates into roughly 634,000 active reverse mortgages nationally.





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What does this mean to the industry?

- This means the reverse mortgage industry has a product that >97% of the eligible market does not currently have!
- What other industry do you know that has this much of an available selling opportunity?



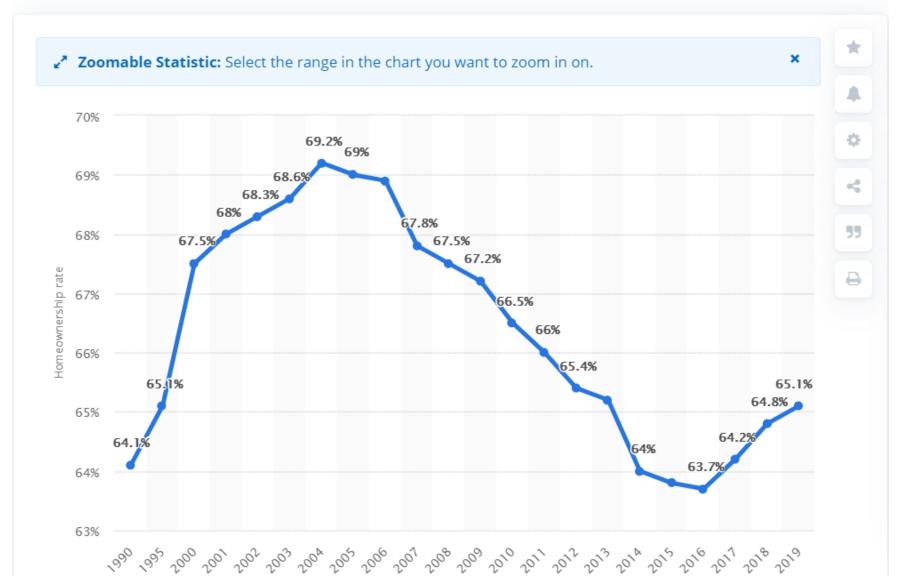


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What does this mean to the industry?

- How does this compare to other similar products?
 - According to Statista.com in
 2019 the current
 homeownership in the U.S. was at 65.1%

Homeownership rate in the United States from 1990 to 2019







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What does this mean to the industry?

- How does this compare to other similar products?
 - According to the U.S. Bureau of Labor Statistics as of October 2019 they reported that 94% of civilian union workers and 67% of nonunion workers had access to retirement benefits through their employer in March 2019.
 Access means the benefit is available to employees, regardless of whether they chose to participate in a employer sponsored retirement plan.
 - The Take Up Rate: The share of workers with access who participate in the plan - was 90% for union workers and 77% for nonunion workers.





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What does this mean to the industry?

- With the penetration so low we as an industry have much more education to do than these other examples
- We need to be more consultative in our efforts
- Expect a longer sales cycle than these other examples
- This very low penetration also means we can welcome new entrants into the market without the fear of displacing any other company





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3 top reasons to focus on areas with high penetration

- 1. Marketing Dollars Invested
- 2. Education
- 3. Word of mouth marketing



Demonstration Links



Penetration - RMI Dashboard

Reports.rminsight.net

HECM Facts Widget

https://www.rminsight.net/hecm-facts-widget-demo/

Connect with Us



www.rminsight.net

sales@rminsight.net

682-651-5632