

Check your Blind Spots:

How to Close a Reverse Mortgage

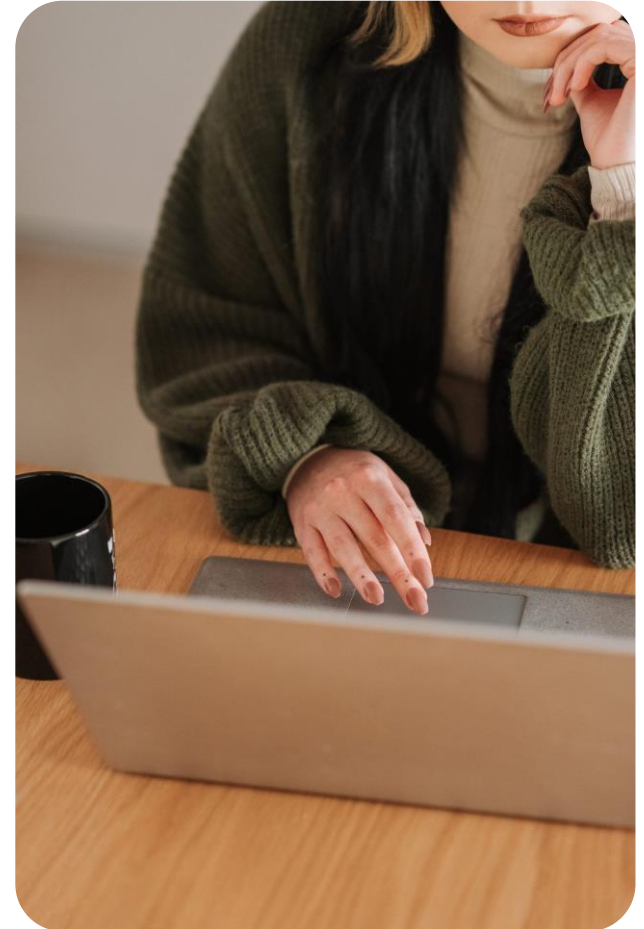
Loan

in 30 days or less!



November 3, 2021

CYBS - 30 Day Close



# Overview of Key Elements

1

Timeline Efficiency

When to do what – and why it matters



2

Supporting Documentation

Using critical thinking skills & Labeling



3

Conditional Loan Approval

Decoding the Scavenger Hunt list



PREPARE YOURSELF



PREPARE YOUR BORROWER

# Timeline



## Day 1

- 8<sup>th</sup> Day AFTER Counseling – order FHA CASE #
- 9<sup>th</sup> Day AFTER Counseling -
- Open Escrow & Title
- Order Appraisal

## Week 02

- Follow up on status or items needed that are still outstanding.

## Week 03

- Turn Loan in to Lender for Conditional Approval
- Receive Conditional Approval
- Turn in any outstanding conditions

## Week 04

- CTC
- Schedule Notary
- Fund and Record

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Goal #1

Never let your client see  
you sweat!



Communicate weekly at a  
minimum on status



Templates

#### Timeline Efficiency

- Do as much as you can upfront or as much ahead of time as possible. (HOA Printouts-ask if more than one HOA!, Insurance Contact for Mortgagee Clause Update, Tax History,

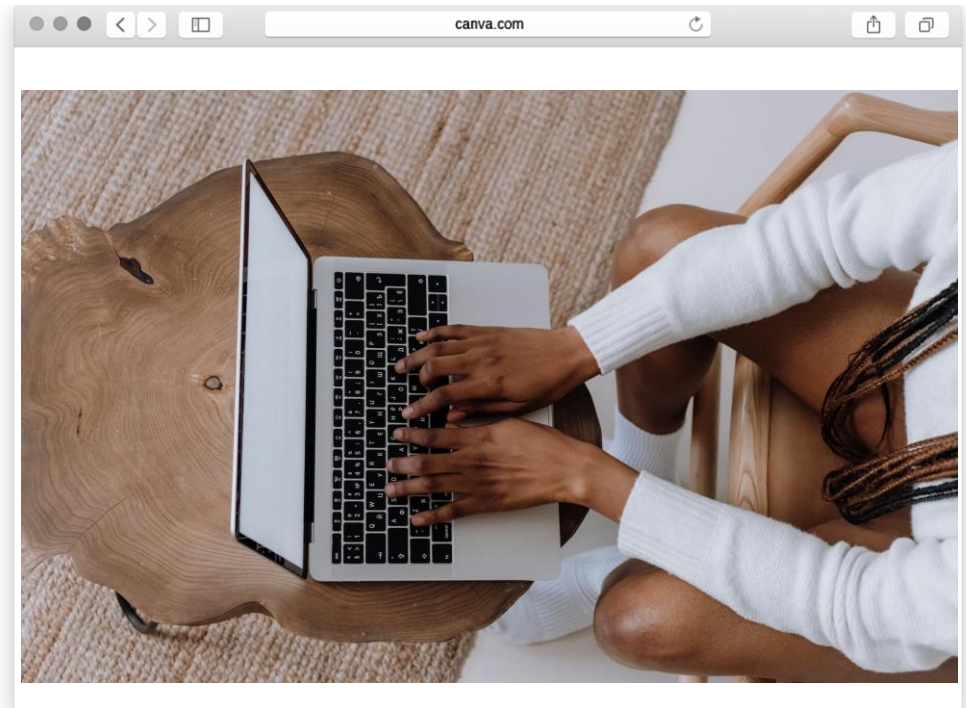
#### BLINDSPOTS

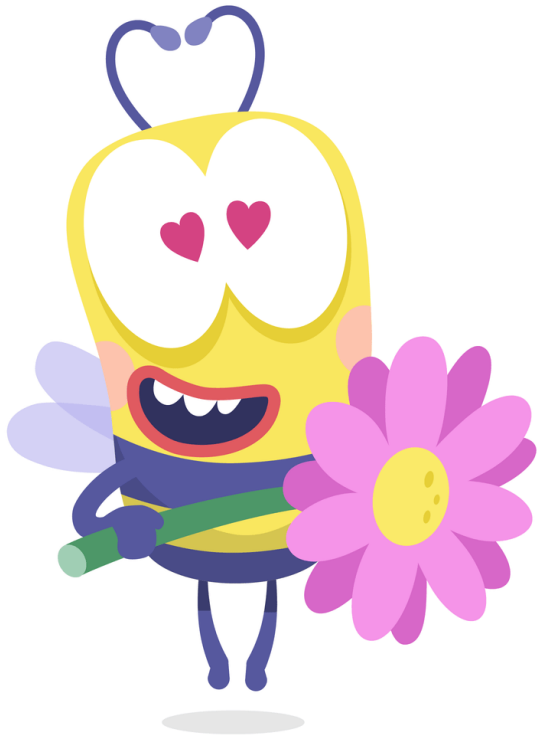
- Keep open communication and learn to listen for clues. (Paying taxes late, HOA late pays, Credit Report late pays, Can't find SS Card, DL expired, deferred maintenance, other people living in home, can't find Trust, inherited home, need previous Trust. SFR vs PUD, know the difference.

#### ACTION ITEMS

- Labeling documents for easy retrieval
- Insurance Updating
- Credit Report LOEs

No one cares about  
your commission  
more than you do!





Be amicable. Treat everyone respectfully and do your part to help in any way necessary.

### Identification

- Can use -
- old Medicare cards with Social Security Numbers
- Birth Certificates or Passport
- Expired Drivers Licenses (just need witnesses for signing docs - 1 or 2 if over 5 years expired.)

### INCOME & ASSETS

- Can use –
- Bank Statements
- Loan Proceeds to dissipate

1009

- Alt Contact (all info) – can be Financial Planner, Neighbor, friend
- Always, Always, Always double check DOB is correct
- Complete ID verification pages and check blank boxes.

2

Goal #2

## Supporting Documentation



Try to get something yourself BEFORE asking Borrower

TRACKING SPREAD SHEET





Be helpful. Ask, ANYONE who is working on the loan with you. “Is there anything I can do to help move this along faster?”

# ProTips:

- Try not to piece meal conditions.  
Extra “touches” add more time delays.
- Make sure all pages are LEGIBLE  
and in correct order.

\*\*\*Hint: if you are having trouble reading the print,  
so will someone else.\*\*\*



3

Goal #3

## Conditional Loan Approval



Understanding what is being asked

Do the Hustle

- What can you get from somewhere other than your borrower.

The ASK

- Phone, FAX, Email, again and again and again. Be Persistent. There's a fine line from being patient and being persistent. Don't be lazy, it's not the same as being "patient".

PRO TIPS

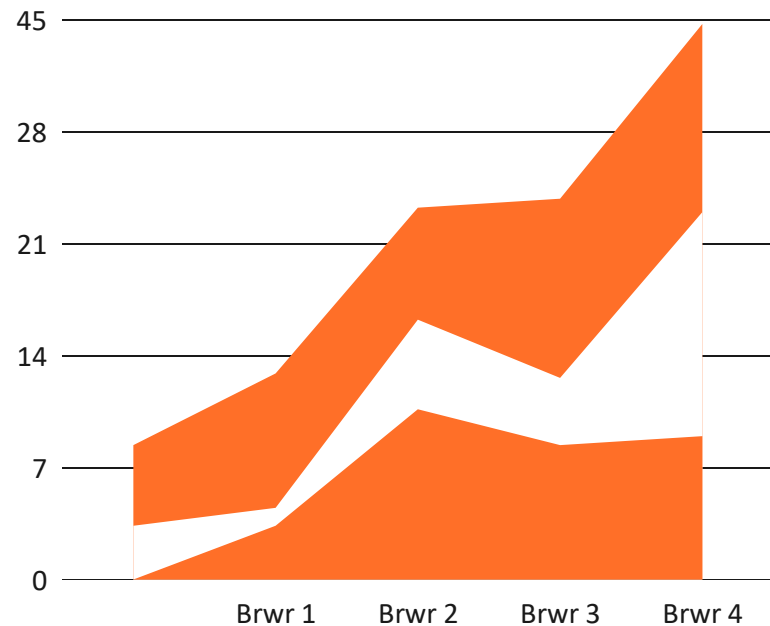
When sending in conditions make a list in the body of the email of what is attached for quick reference. **Make sure attachments are CORRECT and READABLE with all pages.** Don't just forward items.

TRACKING SHEET



1. A 2<sup>nd</sup> Appraisal is required by HUD
2. A re Appraisal is required due to repairs that have not been completed ahead of time.
3. The Appraiser called out the house needs Termite repair work and Fumigation.
4. You didn't check the FHA Property Expiration date on the Condo Approval and Expired before your FHA Case # was received!
5. You didn't keep in communication with your borrower and just found out they will be out of town and not be able to sign until the following week.
6. Condo contact correct. HUD form 9991 order. Copy of Master Insurance. HomeWise Cost \$250-\$450 fees and charge extra for Rushes. Typical turn-time. 7-10 days.

There may be times you will not be able to close the loan in 30 days.





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MORE COMMISSION  
FROM NEW AND ADDITIONAL CLIENTS BY CLOSING  
LOANS FASTER!

## Pro Tips

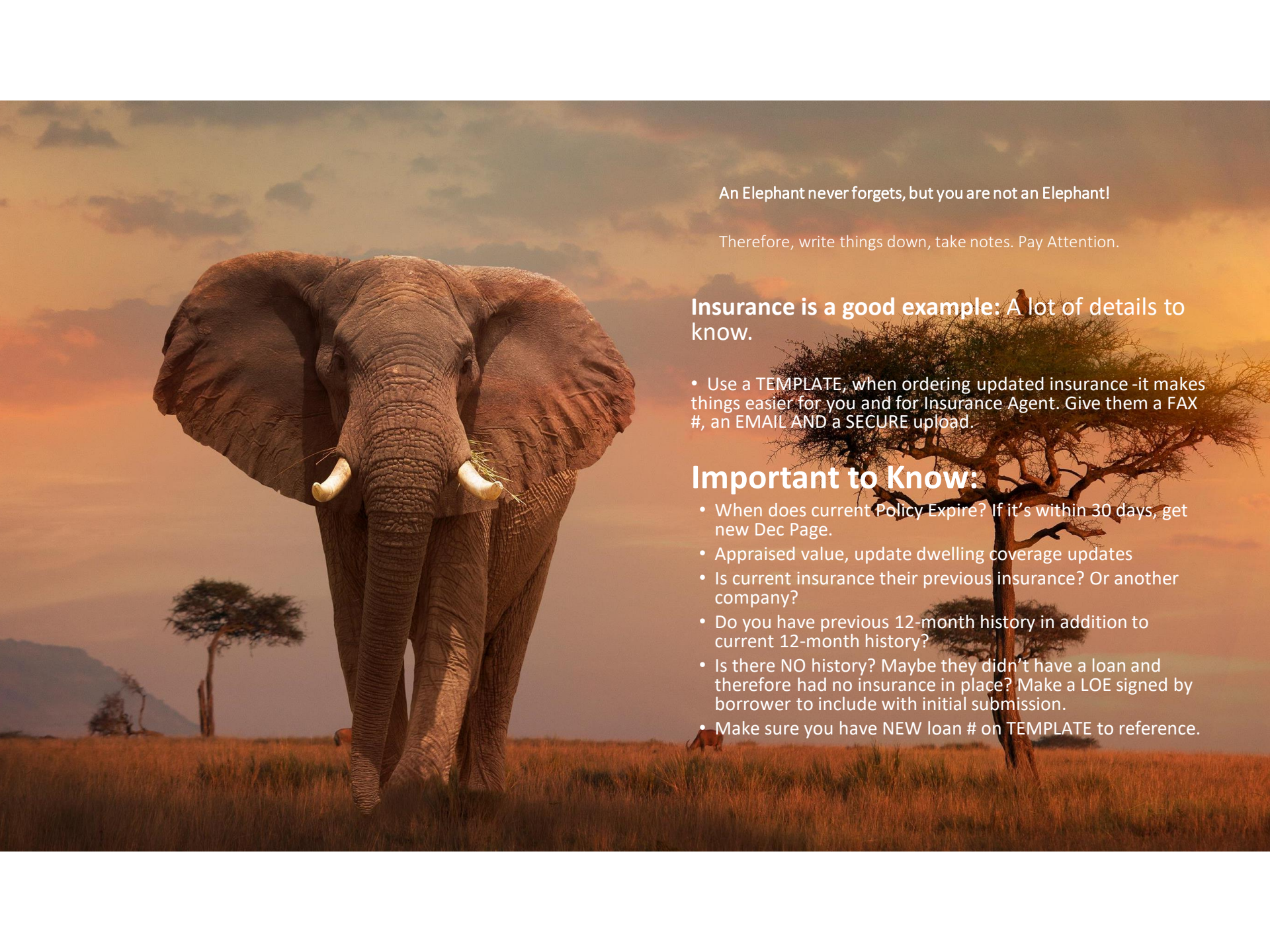
1. Trusts—make sure is turned into Title for Approval and Approval is turned in to Lender for Approval. There are times one will approve and not the other.
2. POAs- know what Dr letters are needed and dictate to borrower exactly what is needed.
3. Check Payoff for expiration date and if per diem is listed.
4. Raise insurance deductible to lower premium if tight on passing Financial Assessment or to lower LESA.
5. BSA, SSA 89, 4506-C should be wet signed. Sometimes Lenders will not honor e signatures.
6. Collect Invoices along the way and who gets reimbursed for what. Label accordingly.
7. Spouse deceased? Will need Certified copy of Death Certificate.
8. POA—you will need original to send to escrow!

## Underutilized PRO TIP -

- You can use bank statements with \$1 in account for Assets, even if borrower is not receiving a monthly income and use Proceed Dissipation to pass FA.



CYBS 2021



An Elephant never forgets, but you are not an Elephant!

Therefore, write things down, take notes. Pay Attention.

**Insurance is a good example:** A lot of details to know.

- Use a **TEMPLATE**, when ordering updated insurance -it makes things easier for you and for Insurance Agent. Give them a FAX #, an EMAIL AND a **SECURE** upload.

## **Important to Know:**

- When does current Policy Expire? If it's within 30 days, get new Dec Page.
- Appraised value, update dwelling coverage updates
- Is current insurance their previous insurance? Or another company?
- Do you have previous 12-month history in addition to current 12-month history?
- Is there NO history? Maybe they didn't have a loan and therefore had no insurance in place? Make a LOE signed by borrower to include with initial submission.
- Make sure you have **NEW** loan # on **TEMPLATE** to reference.

## Pro Tips

### Appraisal:

- Order asap. If borrower has difficulty paying upfront. Offer to pay and be reimbursed at COE.
- Prep Borrower (Property Rate has a great Prep in place.)

### Counseling:

Have Borrower tell Counselor to send Cert directly to LO and have borrower e sign along with application.

### Credit Report:

Review Credit report before turning in with initial submission: Make LOEs for previous addresses, previous names, inquiries resulting in new credit., derogatory credit





# Thank you!

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Do you have any questions?