

# Preparing for the CRMP Exam



**Prepared by:  
The Independent  
Certification Committee**





### **Introduction to Using the CRMP Resource Guide**

Thank you for your interest in the Certified Reverse Mortgage Professional designation. With input from the Independent Certification Committee, we have put together this resource guide to help you prepare for the CRMP exam.

Many of the exam questions are taken directly from the regulations that govern the Home Equity Conversion Mortgage program, so reviewing this information is essential. However, we can help you be strategic in your approach.

This study guide is comprised of three sections:

- The **Syllabus** lists the HECM regulations that you should be familiar with and includes links to these documents;
- **Areas Covered in the Exam**;
- The **CRMP Study Pack I: Recommended Study Path** documents one CRMP's approach to preparing for the exam.

If you have any further questions, please don't hesitate to contact me anytime at [dhicks@nrmla.com](mailto:dhicks@nrmla.com) or at 202-557-3556

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## **Syllabus**

Many of the exam questions are taken directly from the regulations that govern the HECM program. This appendix provides links to these regulations.

- **CFR 24 Part 206** (Code of Federal Regulations. Updated April 2018)
- **Section 255, National Housing Act** (HECM statute)
- **HUD Handbook 4235.1** (HECM Handbook)
- **HECM Financial Assessment & Property Charge Guide** (Revised July 13, 2016)
  - **Required documents for endorsement**
- **HUD Handbook 4330.1, Chapter 13** (Servicing Guide; Chapter 13 pertains to HECM)
- **HUD Handbook 7610.1** (HECM Counseling Protocol)
- **NRMLA Code of Ethics and Professional Responsibility** (includes supplemental advisory opinions)

Regardless of whether you pursue the CRMP designation, you should take the time to properly review these regulations.

Every reverse mortgage loan professional should fully understand the guidelines that govern the origination and servicing of HECM reverse mortgages, so that you can properly inform your clients.



## Areas Covered On CRMP Exam

<b>A</b>	<b>Assessing Clients' Motivation (wants, needs, etc.)</b>
1	Assess Client Initial Eligibility
2	Prequalify Client and Property
3	Obtain Client Goals
4	Assess Client Financial Situation
5	Match Client Needs to Appropriate Products
6	Recognize Client Impairment
7	Understand HUD Guidelines Pertaining to Cross-Selling Financial Products
<b>B</b>	<b>Educating Seniors, Families, and Trusted Advisors</b>
1	Explain Reverse Mortgage to Seniors, Families, and Trusted Advisors
2	Explain POAs, Trusts, Conservatorship, Vesting and NBS
3	Describe Reverse Mortgage Costs and Credits
4	Develop Educational Materials
5	Explain Ongoing Borrower Obligations
<b>C</b>	<b>Setting Expectations</b>
1	Counseling Process
2	Appraisal Process
3	Required Repair Process
4	Application and Documentation Process
5	Closing Process
6	Servicing Process
<b>D</b>	<b>Originating Loans</b>
1	Find Qualified Borrower
2	Initiate Counseling
3	Take An Application
4	Assess Property Condition
5	Document and Review Assets
<b>E</b>	<b>Processing Loans</b>
1	Review Application Package for Completeness
2	Sequence of Ordering Services (appraisal, title, in-file credit, etc.)
3	Review Completed Services
4	Verify Initial Client Eligibility
5	Review Property Appraisals
6	Confirm Insurance Requirements
7	Submit Application to Underwriter
8	Determine Client Eligibility
9	Compliant Redislosures
10	Satisfy Outstanding Conditions
11	Coordinate Reverse Mortgage Loan Closing
12	Review Closing Documents
13	Validate Funds for Closing

F	Closing, Funding, and Post-Closing Activities
1	Close and Fund Loans
G	Servicing Loans
1	Prepare Consumer for Setup Activities
2	Prepare Consumer for General Service Activities
H	Managing Reverse Mortgage Business Operations
1	Generate Leads
2	Engage in Ethical Marketing and Advertising Practices



## Recommended Study Path

Your interest in self-development of your professional skills will be even more highly rewarded with your certification by the National Reverse Mortgage Lenders Association (NRMLA) as a Certified Reverse Mortgage Professional (CRMP).

Below is the Study Path that one CRMP followed in preparation for passing the CRMP exam as well as steps to prepare for the exam. The recommended time frame for this study path is 30 to 45 days... ..so get to it!

- 1) Consult the list of **Approved Online Courses for CRMP Credits** available on NRMLA's website and take any of these "no-cost" courses that you think will broaden your knowledge base. The list can be downloaded at <https://www.nrmlaonline.org/about/crmp-designation>
- 2) Take at least 3 hours per day to study materials up to the day of the test. Set timer for 1.5 hour chunks, study till timer goes off, take a 15 minute break, then do second 1.5 hour chunk. Take the full day prior to test to devote to studying at least 8 hours, and make sure you get a good night's sleep!
- 3) Go to your favorite lender's on-demand training and view 1st half of all available courses. Take notes.
- 4) Go through second half of favorite lender's available courses. Take notes.
- 5) Re-take any courses offered specifically for CRMP credit or areas you feel you are weak in.
- 6) Print in full, a HECM application package, including sample disclosures and sample note and TD (included in borrower's copies). Read in full with highlighter and make notes.
- 7) Print a copy of the HECM section of the Code of Federal Regulations. Read through 1st half of guidelines with highlighter & make notes.
- 8) Read through 2nd half of guidelines with highlighter & make notes.
- 9) Go back through guidelines & your notes from the classes and make flashcards on concepts & details that are difficult for you to recall. Go through flashcards separating into piles of "know", "don't know" & "vaguely recall". Repeat going through flashcard deck until all get sorted into "know pile".
- 10) Take full day to study in a quiet environment. Print & study any "job aids" on topics you feel weak in. Go back over any classes on topics you are weak on. Re-read 3-5 times your notes from the classes, guidelines and your flashcards. Get a good night's sleep!

Good luck with your studies and Exam preparation.

### **General test taking tips to keep in mind:**

- Anticipate the answer before you look at the choices. Physically cover the answers with your scantron sheet to see if you can answer the question first.
- Read over all of your options.
- Eliminate highly implausible answers.
- Be cautious about changing your answer to a true/false or multiple-choice question without a good reason. Your first "guess" is more likely to be correct than are subsequent "guesses," so be sure to have a sound reason for changing your answer.
- If you must guess, keep in mind the following tips for multiple choice tests:
- Answer all questions in order without skipping or jumping around. Identify questions you want to revisit and recheck these answers as time permits after all questions have been answered.
- Do not linger too long on any one question. Mark your best guess and move on, returning later if you have sufficient time.
- Reread all questions containing negative wording such as "not" or "least."
- Watch for modifying or limiting phrases inserted into the true/false questions.
- Be alert for multiple ideas or concepts within the same true/false statements. All parts of the statement must be true or the entire statement is false.
- Do not study anything but your weakest flashcards the morning of the test, stay calm, all your knowledge has solidified in the prior night's sleep, any studying the morning of the exam is least effective form of studying for.

**Good Luck!**