

# The Reverse Mortgage Analyst

Loan Program	HECM 1	HECM 2
Include in Estimates Printout <i>(select two to five loans)</i>	<input checked="" type="checkbox"/>	
Include in Comparison Printouts <i>(select two or three loans)</i>		
<b>Interest rate index</b>	3,482	
Adjusting period		
Current index value		
Plus lender's margin		
<b>Initial loan interest rate</b>		
Plus mortgage insurance		
<b>Initial total loan rate</b>	4.77%	
Initial creditline growth rate	4.77%	3.578%
Lifetime cap on loan rate	14.27%	13.078%
HECM Expected Rate	6.89%	6.010%
Monthly Service Fee	35.00	35.00
<b>Home Value</b>	\$250,000	\$250,000
Home value limit	\$625,500	\$625,500
Lesser of limit or home value	\$250,000	\$250,000
<b>Loan principal</b>	\$167,500	\$187,500

**End of Year Projections**

Loan Balance	Home Value	Net Home Value	Net Equity
11,411	250,000	238,589	221,089
22,253	260,000	241,800	219,547
33,489	270,400	251,472	217,983
45,135	281,216	261,531	216,396
57,203	292,465	271,992	214,789
69,711	304,163	282,872	213,161
82,673	316,330	294,187	211,511
96,088	328,983	305,954	209,840
110,000	342,142	318,192	208,150
124,411	355,808	330,877	206,450

## Illustrated User Manual

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## Using this Manual

If you are just getting started using Ibis RMA, it will be helpful to try out all the features and see how they work. This manual will lead you through an exploration of the program, with illustrations showing how the screens will look as you go along. You may want to read through the text once first, then sit down at the computer, open Ibis RMA, and follow along, entering sample client data and trying out features.

## Getting Started

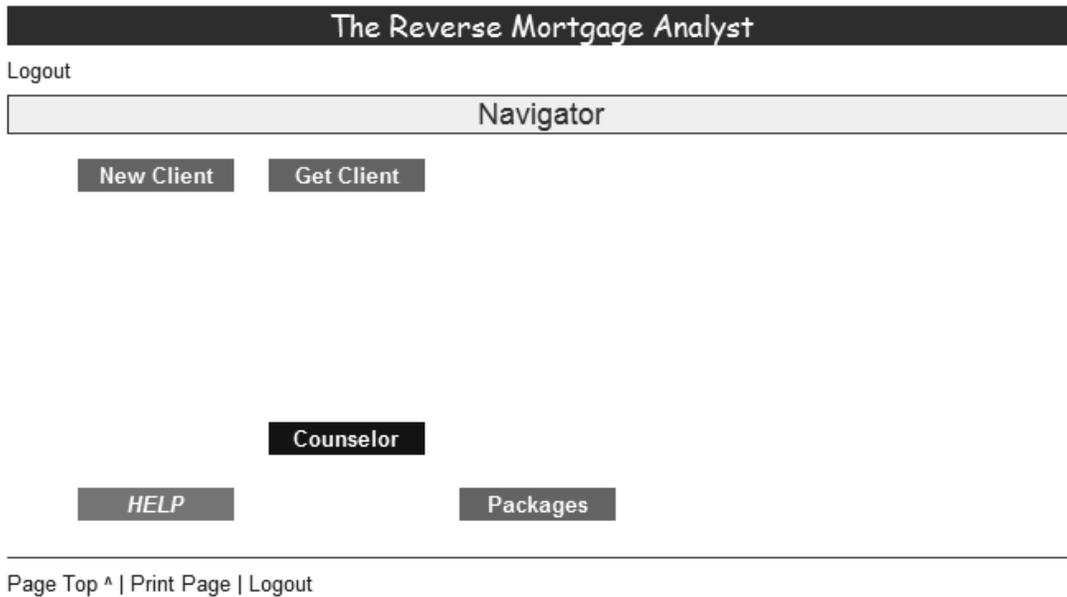
To access the Ibis Reverse Mortgage Analyst, open your browser and go to:

**<https://rma.ibisreverse.com>**.

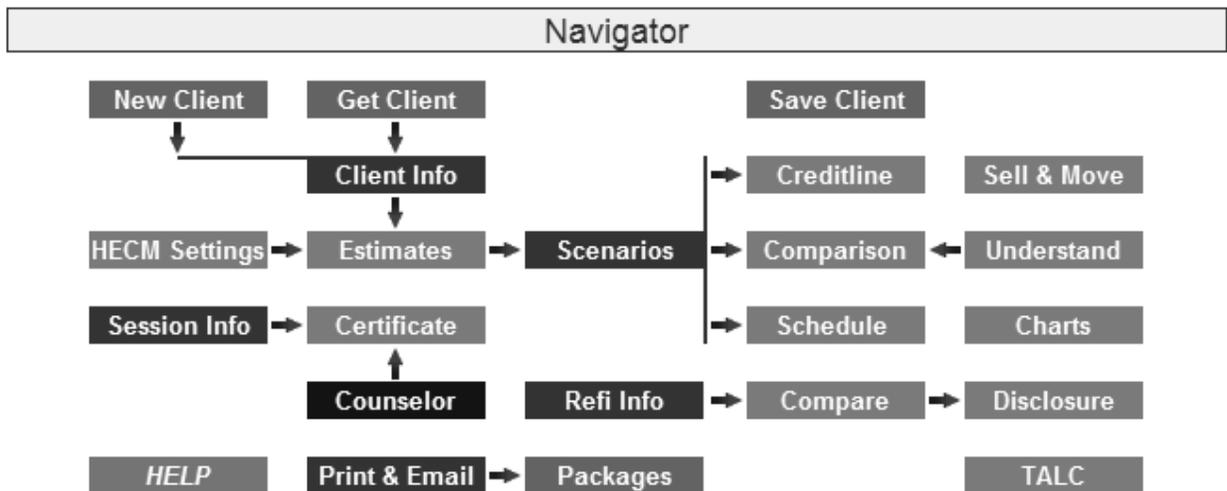
You will see the login screen, where you will enter your username and password.

# The Navigator

When you open the software, you will find yourself at the Navigator screen. The Navigator is a roadmap to all the other places in the program. The initial Navigator screen that you see is a simplified one.



Once you have entered client data, you will see a Navigator screen with many more options.



## Tip:

When selecting a button on the Navigator screen, click the text inside the button, not the blank areas. You will know you are in the right place when the words appear underlined.

## Entering Counselor Information

The first time you use the Ibis RMA, you will need to enter information about yourself and your agency. This information is used to generate printable counseling certificates. Once you have entered and saved this information, you won't have to do it again.

To enter counselor information, click on **Counselor** on the Navigator screen. Now fill in the blanks. Click Save at the bottom of the screen, which will save your information and return you to the Navigator.

If the counselor is based at a different physical location from the agency they work for, the counselor's info would be placed in the first section, and the agency's information (which will appear on the certificate) would appear in the second section.

### The Reverse Mortgage Analyst

Calvin Client

Navigator | Client Info | Estimates | Scenarios | Comparison | Session | Save Client | Logout

#### Counselor and Agency Information

Generally you only have to enter this information once. All entries below will be saved in your database and populate a PDF Counseling Certificate, but any changes you make in the PDF itself will not be saved in your database. Make any changes on this page.

##### Counselor Information

Counselor Name	<input type="text"/>	Phone	<input type="text"/>
Counselor Email	<input type="text"/>	FAX	<input type="text"/>
Street Address 1	<input type="text"/>		
Street Address 2	<input type="text"/>	if any	
City, State, ZIP	<input type="text"/>	<input type="text"/>	<input type="text"/>

##### Counseling Agency Information

Agency Name	<input type="text"/>	Phone	<input type="text"/>
Agency EIN	<input type="text"/>	Employer ID Number	Fax <input type="text"/>
Street Address 1	<input type="text"/>		
Street Address 2	<input type="text"/>	if any	
City, State, ZIP	<input type="text"/>	<input type="text"/>	<input type="text"/>

After filling in this counseling form, click **Save**

Page Top ^ | Print Page | Navigator | Estimates | Scenarios | Comparison | Save Client | Logout

## Entering New Client Information

Click on **New Client** (at the top left of the Navigator page). This will take you to the **Client Info** page, where you will enter data about your clients.

### Data Entry Tips:

- Use the **Tab** key to move from one field to another.
- You cannot enter the client's state and county info manually. You must enter the zip code and use the Find It button.
- When entering the **Month** of the client's **Date of Birth**, use the month's number. For example, for March enter 3.
- "Word wrap" means that you can type in more than appears to fit in the box; so just keep typing.
- **Required fields are marked with a red asterisk.**

- First, enter the 5-digit **zip code** in which this client's home is located. Then click on the **Find It** button. This will cause the home's state and county to be entered into those boxes.

Some zip codes cover more than one county. If the zip code you enter is one of these, you will be shown a list of counties in that zip code. Select the county where the home is located.

Note that the zip code is needed despite the national lending limit, because Ibis uses the zip code to provide localized estimates of third-party closing costs.

- **Required Entries:** The boxes marked with a red asterisk (\*) must be completed, or you will not be able to save the data you have entered. To be sure that estimates are calculated correctly, be sure to enter info for the co-owner, if there is one.
- If a legal representative (guardian, conservator, or power of attorney) is being counseled instead of the owner, you may enter this information as well.
- In the **Current Debt** box, enter the total amount of any current debt **against the home**, for example, mortgages or outstanding balances on home equity lines of credit. Do not include any other debt such as credit cards or car loans.
- When all required boxes are complete, click on **Save Client** at the bottom of the page. This will save all of the client data you have entered to the secure online database associated with your User ID. If you have entered all the required data, clicking on **Save Client** will also take you to the **Loan Estimates** page. If you are missing any required info, an error message will remind you what you need to enter.

**DON'T FORGET TO SAVE YOUR CLIENT!**

## Client Info

When you click on the "Save Client" button at the bottom of this page, all entries you have made on this page will be saved in your database. To move from one box to another, use the "Tab" key on your keyboard.

### Property Information

First enter the property's zip code  \* indicates required

Then click the Find It button >>  \* (Find It fills in the State and county boxes below)

Street Address 1

Street Address 2  if any

City  State:  County:

Property Value  \* Client's best estimate. HECM Lending Limit  \* HUD 203(b)

Current Debt  Only include liens against the property.

### Loan Information

Loan Closing Date  \*  \*  \* The default is a weekday 60 days from today

### Client Information

	First Name	Middle	Last Name	Gender
Property Owner	<input type="text"/> *	<input type="text"/>	<input type="text"/> *	Female <input type="button" value="v"/>
Co-Owner (if any)	<input type="text"/>	<input type="text"/>	<input type="text"/>	Male <input type="button" value="v"/>

	Owner			Co-Owner (if any)			
	Month	Day	Year	Month	Day	Year	
Date of Birth	<input type="text" value="1"/> *	<input type="text" value="1"/> *	<input type="text" value="1900"/> *	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Email Address	<input type="text"/>			<input type="text"/>			Entries word wrap, so just keep typing.
Home Phone	<input type="text"/>			<input type="text"/>			

### Legal Representative (if counseled in place of owner)

	First Name	Middle	Last Name
Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
Street Address	<input type="text"/> Entries word wrap, so just keep typing.		
City	<input type="text"/>		
State	<input type="text"/>	Zip Code	<input type="text"/>
Phone	<input type="text"/>		Email <input type="text"/>

After completing your entries, click

## Get Client

If you have already entered client data and want to retrieve it, click on [Get Client](#) on the Navigator page. This takes you to the Select a Client page, where you can open a client's record by clicking on the borrower's name.

Calvin Client: Phone 919-999-9999

Navigator | Client Info | Estimates | Scenarios | Comparison | Session | Save Client | Logout

### Select a Client

All clients associated with your User ID are shown in the saved client list below. **Two dates are shown:** (1) the date the client was last saved, and (2) the date the client first entered your database. Your agency also has access to these clients. Click on any name to bring up that client's saved information; click on the "garbage can" icon to delete the client's record.

Borrower	Saved Date	Created Date	User	
Client, Calvin NC 27609 (Wake)	4/25/2008	10/15/2007	Schafale, Christena Beta Testers	
Equity, Elizabeth MD 21121 (Baltimore)	11/8/2007	10/23/2007	Schafale, Christena Beta Testers	
Highvalue, Henrietta FL 33785 (Pinellas)	11/5/2007	10/23/2007	Schafale, Christena Beta Testers	
Needmoney, Norbert NH 3824 (Strafford)	11/7/2007	10/24/2007	Schafale, Christena Beta Testers	
Refi, Ralph DC 20020 (District of Columbia)	11/8/2007	11/8/2007	Schafale, Christena Beta Testers	

Page Size: 10 <<Prev Next>> Page: 1

Filter by: Borrower Last Name As

Clicking on the client's name selects that client and takes you to the Estimates page for that client. The selected client's name and age will now appear at the top of any page you go to.

By default, the clients are listed by the date of the most recent revision, with the most recently-edited records at the top.. You can change this by clicking on the heading at the top of each column, if you would prefer to search the list by the client's name, by the date they were originally entered, or by the user who entered them.

If a client name appears at the top of this page, that client's current Client Info and Settings data will automatically be saved when you click anything on this page.

If you delete one of your clients from the Select a Client page, the client's name will disappear from the list, but their data will be archived with your User ID. A site administrator would be able to reactivate the client at your request, in case of an accidental deletion.

## Loan Estimates

Here you will see three sample HECM loans and two empty columns into which you can enter data for non-HECM loans. The three HECMs shown by default are based on three different combinations of interest rate type, index, and margin. These default settings are subject to change as prevailing interest rates change.

**Changing Margins:** If you need to change the margins or select a different index, click on **HECM Settings** at the top of the page. This will take you to a page where you can make these choices. Note that, for previously entered clients, the system will retain the index rates used the last time you did calculations for this client. If you want to update to current rates, click the Current Rates button at the bottom of the screen.

**Choosing a Fixed Rate:** The dropdown boxes next to “Adjusting Period” allow you to select Monthly-adjusting, Annual-adjusting, or Fixed Rate loans. If you select Fixed Rate, click Current Rate, which will refresh the screen so that you can see the current default rate, which you can change if needed. Take note of which column (HECM 1, 2 or 3) you are using for Fixed Rate; this will be reflected on the Estimates page. You will need to select this column in order to have the fixed rate reflected in the Amortization schedule and other printouts.

HECM Settings			
Loan closing date	Month 7	Day 3	Year 2009

	HECM 1	HECM 2	HECM 3
Adjusting Period	Monthly-adjusting	Monthly-adjusting	Annual-adjusting
Interest Rate Index	1-year CMT	1-month LIBOR	1-year CMT
Rate Index Value	0.520%	0.328%	0.520%
Plus Lender's Margin	3.75 %	2.75 %	4.25 %
Interest Rate	4.270%	3.078%	4.770%
Plus Ongoing MIP	0.500%	0.500%	0.500%
Effective Loan Rate	4.770%	3.578%	5.270%
10-year Rate Index	3.140%	3.260%	3.140%
Plus Lender's Margin	3.750%	2.750%	4.250%
HECM Expected Rate	6.890%	6.010%	7.390%

For this week's rates, click >>	<a href="#" style="border: 1px solid black; padding: 2px 10px;">Current Rates</a>
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If everything looks OK, click >>	<a href="#" style="border: 1px solid black; padding: 2px 10px;">Save &amp; Continue</a>
----------------------------------	---

The checkboxes at the top of the Estimates page allow you to specify which loans will appear on loan printouts and comparisons. (See page 25 for directions on creating, printing, saving, and emailing PDF printouts.)

The **Select Loan** box: **Select Loan**  appears just above the words Loan Program in the upper left of the page. It is used to choose and highlight a specific loan on the page, which allows you to place some or all of the Net Principal Limit into an initial Lump-Sum Cash advance or a Monthly Advance. It also allows you to select which loan will be reflected in an amortization schedule.

The **Select Type** box: **Select Type**  (just to the right of the Select Loan box) displays "Creditline/Tenure" by default. You can change this setting if you want to generate a HECM term or modified term loan with monthly payments for a specific period of time, or specific monthly payments that are larger than those allowed by a tenure plan. Leave it as is if you want to show tenure or creditline options.

### Data Entry Tip:

- You can change data that appears in any box with a white background.
- Enter your new data, then hit the **Tab** key on your keyboard or click on any other data entry box on the page to recalculate.
- **Don't forget to click the Save & Continue button at the top or bottom before you leave this page! If you don't, you will lose the information you just entered.**
- Hitting the Enter key has the same effect as clicking Save & Continue, taking you to the Scenarios page. Use your Back button or the Estimates link at the top of the page to get back to the Estimates page.

### Non-HECM Loans

You can also enter data about any non-HECM loan in the columns called **OTHER-1** and **OTHER-2**. To do this, you will need to obtain the data from printouts or other information provided to your client by a lender. Entering data on non-HECM loans will allow you to generate amortization schedules and side-by-side loan comparisons with HECM loans.

If a non-HECM loan does not have a given feature (for example, if it does not provide any creditline growth, or doesn't have a servicing fee set-aside), just leave the entry box blank.

If a loan has a "teaser" interest rate (for example, a lower rate for the first six months), do not enter the teaser rate as the "Initial Total Loan Rate." Instead, enter the rate that will be in effect when the teaser rate ends. For example, if the initial teaser rate is 7% but it will increase to 7.5% after six months, enter 7.5% as the "Initial Total Loan Rate" because that's the rate that will be in effect for all but six months of the loan.

## Estimates

In the **Select Loan** box below, select the loan you want to appear on the amortization schedule. To make changes in HECM interest rate indices, adjusting periods, or lender margins, click on **HECM Settings**. Use the **Select Type** box below only if you want to create a HECM term or modified term plan.

Select Loan HECM 2 ▼

Select Type Creditline/Tenure ▼

Save & Continue

Loan Program	HECM 1	HECM 2	HECM 3
Include in Estimates Printout <i>(select two to five loans)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Include in Comparison Printouts <i>(select two or three loans)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Interest rate index</b>	1-year CMT	LIBOR	1-year CMT
Adjusting period	Monthly	Monthly	Annual
Current index value	0.52%	0.328%	0.52%
Plus lender's margin	3.75%	2.750%	4.25%
<b>Initial loan interest rate</b>	4.27%	3.078%	4.77%
Plus mortgage insurance	0.50%	0.50%	0.50%
<b>Initial total loan rate</b>	4.77%	3.578%	5.27%
Initial creditline growth rate	4.77%	3.578%	5.27%
Lifetime cap on loan rate	14.27%	13.078%	9.77%
HECM Expected Rate	6.89%	6.010%	7.39%
Monthly Service Fee	<input style="width: 50px;" type="text" value="35.00"/>	<input style="width: 50px;" type="text" value="35.00"/>	<input style="width: 50px;" type="text" value="30.00"/>
<b>Home Value</b>	\$250,000	\$250,000	\$250,000
Home value limit	\$625,500	\$625,500	\$625,500
Lesser of limit or home value	\$250,000	\$250,000	\$250,000
<b>Loan principal limit</b>	\$167,500	\$182,750	\$159,000
Less Service fee set-aside	\$4,501	\$4,827	\$3,712
<b>Available principal limit</b>	\$162,999	\$177,923	\$155,288
<b>Less Fees and Costs</b>			
Loan origination fee	<input style="width: 50px;" type="text" value="4,500"/>	<input style="width: 50px;" type="text" value="4,500"/>	<input style="width: 50px;" type="text" value="4,500"/>
Mortgage insurance	\$5,000	\$5,000	\$5,000
Other closing costs	<input style="width: 50px;" type="text" value="1,911"/>	<input style="width: 50px;" type="text" value="1,911"/>	<input style="width: 50px;" type="text" value="1,911"/>
<b>Net Principal Limit</b>	\$151,588	\$166,512	\$143,877
Less Lump-Sum Cash	\$0	<input style="width: 50px;" type="text"/>	\$0
Less Selected Creditline	\$151,588	<input style="width: 50px;" type="text" value="166,512"/>	\$143,877
Left for monthly advance	\$0	\$0	\$0
<b>Monthly Advance</b>	\$0	<input style="width: 50px;" type="text"/>	\$0
Monthly Term	Tenure	Tenure	Tenure
<b>Total Upfront Costs</b>	\$11,411	\$11,411	\$11,411
<b>Maximum Tenure Advance</b>	\$1,179	\$1,207	\$1,163

Save & Continue

# Payment options

## Creditline:

- By default, all funds will be placed in a creditline. If that's what your client wants, leave things as is. Click the Save & Continue button at the top of the page to proceed to the Scenarios page to specify a pattern of creditline draws. See below for details.

Net Principal Limit	\$151,588	\$166,512
Less Lump-Sum Cash	\$0	<input type="text"/>
Less Selected Creditline	\$151,588	<input type="text" value="166,512"/>
Left for monthly advance	\$0	\$0
Monthly Advance	\$0	<input type="text"/>

## Tenure:

- The maximum tenure payment is displayed at the bottom of the column for all clients. If your client is interested in receiving the maximum tenure payment, simply delete the Selected Creditline amount and click anywhere on the page to recalculate. The program will then fill in the maximum tenure amount in the Monthly Advance box.

Less Selected Creditline	\$0	<input type="text"/>	\$0
Left for monthly advance	\$151,588	\$166,512	\$143,877
Monthly Advance	\$1,179	<input type="text" value="1,207"/>	\$1,163
Monthly Term	Tenure	<input type="text" value="Tenure"/>	Tenure

**Modified Tenure:**

- To show a **specific monthly payment** and calculate what would be left in the line of credit, put the desired monthly amount in the Monthly Advance box. The available line of credit will now show up in the Less Selected Creditline box.

<b>Net Principal Limit</b>	<b>\$151,588</b>	<b>\$166,512</b>
Less Lump-Sum Cash	\$0	
Less Selected Creditline	\$87,285	97,549
Left for monthly advance	\$64,302	\$68,963
<b>Monthly Advance</b>	<b>\$500</b>	<b>500</b>

- To show a **specific creditline amount** and calculate the tenure payment that would be available, enter the desired creditline in the Selected Creditline box. The maximum monthly tenure payment that could be combined with that creditline will now appear in the Monthly Advance box.

<b>Net Principal Limit</b>	<b>\$151,588</b>	<b>\$166,512</b>
Less Lump-Sum Cash	\$0	
Less Selected Creditline	\$50,000	50,000
Left for monthly advance	\$101,588	\$116,512
<b>Monthly Advance</b>	<b>\$790</b>	<b>845</b>

## Term:

Go to the **Select Type** box: **Select Type**  at the top of the screen. Choose HECM Term Plan from the dropdown menu.

There are **three** pieces of information that will determine how much the term payment will be:

1. Selected Creditline, if any
  2. Monthly Advance
  3. Monthly Term in Years (how many years the borrower wants to receive monthly advances)
- **You will need to specify two out of three** in order to calculate the third.
  - To calculate a term payment for a **fixed number of years** with nothing reserved in a creditline,
    - Enter 0 in the Selected Creditline box
    - Fill in the desired number of years in the Monthly Term in Years box.
    - Click the calculator icon **next to the Monthly Advance box** to calculate how much the monthly payment will be.

<b>Net Principal Limit</b>	\$151,588	\$166,512
Less Lump-Sum Cash	\$0	<input type="text"/>
Less Selected Creditline	\$0	<input type="text"/> 
Left for monthly advance	\$151,588	\$166,512
<b>Monthly Advance</b>	\$1,780	<input type="text" value="1,881"/> 
Monthly Term in Years	10.00	<input type="text" value="10.00"/> 
Monthly Term in Months	120	120

- To calculate a term payment based on a **specific amount each month**, with nothing reserved in a creditline,
  - Enter 0 in the Selected Creditline box
  - Fill in the desired monthly payment in the Monthly Advance box
  - Click the calculator icon **next to the Monthly Term in Years box** to calculate how many years payments will last.
  - Results will display the term in years and in months. There may be a small remainder left in the creditline. (Click again if number of months does not display correctly.)

<b>Net Principal Limit</b>	\$151,588	\$166,512
Less Lump-Sum Cash	\$0	<input type="text"/>
Less Selected Creditline	\$563	<input type="text" value="534"/> 
Left for monthly advance	\$151,025	\$165,978
Monthly Advance	\$1,500	<input type="text" value="1,500"/> 
Monthly Term in Years	13.00	<input type="text" value="14.00"/> 
Monthly Term in Months	156	168

## Modified Term:

There are three different ways to display a modified term plan.

- **Specify creditline and monthly advance, then calculate term in years:**
  - Enter the desired creditline amount in the Selected Creditline box
  - Enter the desired monthly payment amount
  - Click the calculator button next to Monthly Term in Years.
- **Specify creditline and term in years, then calculate monthly advance**
  - Enter the desired creditline amount in the Selected Creditline box
  - Enter the desired term in years in the Monthly Term in Years box
  - Click the calculator button next to Monthly Advance
- **Specify monthly advance and term in years, calculate remaining creditline**
  - Enter 0 in the Selected Creditline box
  - Enter the desired monthly advance
  - Enter the desired term in years
  - Click the calculator button next to Selected Creditline

<b>Net Principal Limit</b>	\$151,588	\$166,512
Less Lump-Sum Cash	\$0	<input type="text"/>
Less Selected Creditline	\$66,413	<input type="text" value="78,005"/> 
Left for monthly advance	\$85,175	\$88,507
Monthly Advance	\$1,000	<input type="text" value="1,000"/> 
Monthly Term in Years	10.00	<input type="text" value="10.00"/> 
Monthly Term in Months	120	120

The [Save & Continue](#) button at the top or bottom of the page will save your work. It will also automatically take you to the **Creditline Draw Scenarios** page.

## Creditline Scenarios

If you have entered a creditline for your client, this page allows you to select the draw pattern and specify the dollar amounts that best approximate your client's intended or expected use of the creditline.

*The draws you specify here will be transferred into three key reports and make them more realistic for your client.*

You can show monthly or annual draws of any amount you select, or monthly or annual draws equal to projected creditline growth. You can also show up to 5 draws of different amounts at particular future times. For instance, your client might specify that he wants to take a trip costing \$5000 in year 2 of the loan, then buy a car costing \$15,000 in year 3, then give \$10,000 to his grandchildren in year 5.

You can then look at the results in several ways, by clicking on one of the three report buttons at the bottom of the page.

### Creditline Draw Scenarios

Although your clients can take whatever draws they want from their creditline, the RM Analyst limits the choices to those listed below. So select the withdrawal pattern that comes closest to your clients' expectations.

Select one of the following:

- No draws
- A monthly draw of \$
- An annual draw of \$
- Monthly draws equal to HECM creditline growth each month
- Annual draws equal to HECM creditline growth each year
- Up to 5 Draws

	Year	Amount
Draw 1	<input type="text"/>	\$ <input type="text"/>
Draw 2	<input type="text"/>	\$ <input type="text"/>
Draw 3	<input type="text"/>	\$ <input type="text"/>
Draw 4	<input type="text"/>	\$ <input type="text"/>
Draw 5	<input type="text"/>	\$ <input type="text"/>
Total of Your Draw Entries		\$0

To see the amortization schedule, click

To see creditline funds remaining, click

To compare loan costs & benefits, click

# Amortization Schedule

The **Loan Amortization Schedule** projects into the future the single loan you selected in the Select a Loan Program menu on the **Loan Estimates** page, using the draws you specified on the Scenarios page.

## The Reverse Mortgage Analyst

Calvin Client Age (79)

Navigator | Client Info | Estimates | Scenarios | Comparison | Session | Save Client | Logout

### Loan Amortization Schedule

This amortization schedule projects a single loan into the future based on the payment plan and any creditline draws that you have selected. It shows how the amount you would owe and your remaining home equity would change over time based on assumptions about the future.

The key assumptions in making the projections are the rate at which your home value would grow (its future appreciation rate), and the interest rate that would be charged on your loan. The assumptions used in the table below appear just above it. Your counselor can change these assumptions if you choose. Keep in mind that the Monthly-adjusting HECM program's initial interest rate (which is based on 1-month LIBOR) is currently 3.078%, and its "expected" interest rate (which is based on the 10-year swap rate) is currently 6.010%.

**Assumptions:**

The loan's future annual interest rate: 3.078% per year Select Rate  
Initial interest rate ▼

The home's future appreciation rate:  % per year

(After changing assumptions, click anywhere on the page to recalculate the table below)

### HECM 2 (1-mo L + 2.75) Reverse Mortgage

Assuming a 3.078% per year annual interest rate and 4.00% per year future home appreciation.

End of Year	Age	Unused Available Creditline	Annual Totals				End of Year Projections				
			Creditline Draws	Loan Advances	Service Fees	Accrued Interest	Accrued MIP	Loan Balance	Home Value	Net Home Value	Net Equity
0	78	166,512	--	--	--	--	5,000	11,411	250,000	238,589	221,089
1	79	162,568	10,000	0	420	363	59	22,253	260,000	241,800	219,547
2	80	158,482	10,000	0	420	702	114	33,489	270,400	251,472	217,983
3	81	154,246	10,000	0	420	1,054	171	45,135	281,216	261,531	216,396
4	82	149,857	10,000	0	420	1,418	230	57,203	292,465	271,992	214,789
5	83	145,308	10,000	0	420	1,796	292	69,711	304,163	282,872	213,161
6	84	140,593	10,000	0	420	2,187	355	82,673	316,330	294,187	211,513
7	85	135,707	10,000	0	420	2,593	421	96,108	328,983	305,954	209,847
8	86	130,643	10,000	0	420	3,013	489	110,030	342,142	318,192	208,162
9	87	125,395	10,000	0	420	3,449	560	124,460	355,828	330,920	206,460
10	88	119,956	10,000	0	420	3,900	634	139,414	370,061	344,157	204,743
11	89	114,320	10,000	0	420	4,368	710	154,912	384,864	357,923	203,011
12	90	108,478	10,000	0	420	4,853	788	170,973	400,258	372,240	201,267
13	91	102,424	10,000	0	420	5,356	870	187,619	416,268	387,130	199,510
14	92	96,149	10,000	0	420	5,877	955	204,871	432,919	402,615	197,744
15	93	89,646	10,000	0	420	6,417	1,042	222,750	450,236	418,719	195,970
16	94	82,907	10,000	0	420	6,976	1,133	241,279	468,245	435,468	194,189
17	95	75,923	10,000	0	420	7,556	1,227	260,482	486,975	452,887	192,405
18	96	68,685	10,000	0	420	8,157	1,325	280,384	506,454	471,002	190,619
19	97	61,183	10,000	0	420	8,780	1,426	301,009	526,712	489,842	188,833
20	98	53,408	10,000	0	420	9,425	1,531	322,385	547,781	509,436	187,051
21	99	45,351	10,000	0	420	10,094	1,640	344,539	569,692	529,814	185,275
22	100	37,001	10,000	0	420	10,787	1,752	367,498	592,480	551,006	183,508

## Assumptions

- The text at the top of the page explains the assumptions that go into the amortization schedule. These assumptions should be pointed out whenever you provide an amortization schedule, because the projected loan balances are only as accurate as the assumptions they are based on.
- By default, the schedule uses the **initial interest rate** and a predicted **4% appreciation rate**. However, you can change these assumptions to better fit the client's situation, or to illustrate what would happen if the home did not appreciate as expected, for instance.
  - You can select one of four interest rates for projecting the loan's future balance: the loan's initial rate, that rate plus 2 points, or plus 4 points, or the loan's "expected" rate.
  - Appreciation rate can be changed to any percentage between -10% and +10%.

## Explanations

The definitions at the bottom of the page provide an explanation of each column on the amortization schedule. Note that the net home value takes into account the projected costs of selling the home. (This is different from the home value column in FFRMA amortization schedules, which does not reflect costs of sale.)

The amortization schedule projects a single loan into the future based on the payment plan and any line-of-credit draws that you have selected. The key assumptions in making the projections are the rate at which your home value would grow (its future appreciation rate), and the interest rate that would be charged on your loan.

-  **Year 0** is the "closing" date, when you sign the loan documents to begin the loan.
-  **Loan Advances** equals the total of all scheduled monthly payments to you each year if you selected a tenure or term payment plan.
-  **Service Fees** are the annual total of all monthly servicing fees each year.
-  **Accrued Interest** equals the amount of interest added to your loan balance each year.
-  **Accrued MIP** equals the amount of monthly Mortgage Insurance Premium added to your loan balance each year. Initial Upfront MIP is shown in the Year 0 row.
-  **Loan Balance** includes cash to you plus all loan costs to date.
-  **Home Value** equals the future value of your home if it appreciates at 4.00% per year.
-  **Net Home Value** is your projected future home value less 7% in estimated selling costs.
-  **Net Equity** equals Net Home Value minus Loan Balance, or the amount of equity that you would retain if the home were sold to repay the loan at this time.
-  **Note:** The approximate amount you would owe upon sale of the home is the Loan Balance or Net Home Value, whichever is less. If your Unused Available creditline is greater than your Net Home Value, draw it all before selling your home.

## Creditline Draw Estimates

For each loan you select on the Estimates page, this report displays the client's selected creditline draws and the amount of funds remaining available in the creditline. To change the draws that are illustrated, click on Scenarios at the top or bottom of the page. To change which loans are selected, click on Estimates.

### Creditline Draw Estimates

This table shows how much cash would be left in three creditline plans based on the cash withdrawals you selected, which are shown in the "Draw" columns. The amount of cash remaining available to you from each plan is shown in the "Available" columns.

Year	HECM 1 1-yr T + 3.75 Monthly		HECM 2 1-mo L + 2.75 Monthly		HECM 3 1-yr T + 4.25 Annual	
	Draw	Available	Draw	Available	Draw	Available
0	0	151,588	0	166,512	0	143,877
1	10,000	148,979	10,000	162,568	10,000	141,645
2	10,000	146,242	10,000	158,482	10,000	139,293
3	10,000	143,373	10,000	154,246	10,000	136,814
4	10,000	140,363	10,000	149,857	10,000	134,200
5	10,000	137,207	10,000	145,308	10,000	131,446
6	10,000	133,897	10,000	140,593	10,000	128,543
7	10,000	130,425	10,000	135,707	10,000	125,483
8	10,000	126,784	10,000	130,643	10,000	122,258
9	10,000	122,966	10,000	125,395	10,000	118,859
10	10,000	118,961	10,000	119,956	10,000	115,277
11	10,000	114,761	10,000	114,320	10,000	111,501
12	10,000	110,357	10,000	108,478	10,000	107,521
13	10,000	105,737	10,000	102,424	10,000	103,326
14	10,000	100,893	10,000	96,149	10,000	98,905
15	10,000	95,812	10,000	89,646	10,000	94,245
16	10,000	90,483	10,000	82,907	10,000	89,333
17	10,000	84,895	10,000	75,923	10,000	84,157
18	10,000	79,034	10,000	68,684	10,000	78,700
19	10,000	72,888	10,000	61,183	10,000	72,949
20	10,000	66,441	10,000	53,408	10,000	66,888
21	10,000	59,681	10,000	45,351	10,000	60,500
22	10,000	52,591	10,000	37,001	10,000	53,766
23	10,000	45,155	10,000	28,346	10,000	46,669
24	10,000	37,357	10,000	19,377	10,000	39,189

These creditline estimates assume that the current HECM creditline growth rate will continue unchanged into the future. In reality, this rate may be different at the time a loan is closed, and it will then be subject to change every month or every year. The rate by which the HECM creditline will actually grow each month will be the same as the total periodic rate being charged on the loan's balance. This rate equals the loan's current interest rate plus 50 basis points (one-half of one percentage point) for HECM mortgage insurance.

# Comparing Loan Costs and Benefits

The **Comparison** button on the Scenarios page or the Navigator takes you to the **Reverse Mortgage Comparisons** report.

This report is similar to the Performance report found in the FFRMA software. It projects the loan into the future and shows the three basic facts about any reverse mortgage:

- Loan advances (what the borrower got)
- Loan costs (what it cost them to get it)
- Leftover equity (what the borrower or their estate has left after the loan is paid off)

The Comparisons report allows you to compare these projections side-by-side for three different loans or loan variations, at five future points in time. The five points in time are the median projected remaining life expectancy for the youngest borrower, and 20%, 60%, 140%, and 180% of this median life expectancy.

The report also includes a Total Annual Rate at each point in time, which is similar to the official Total Annual Loan Cost (TALC) rate, but takes into account client-specific creditline draws and other factors which may make it more useful to the borrower. This single percentage, like an APR, includes both interest charges and closing costs, and allows side-by-side comparison of loans with different kinds of costs.

## Assumptions

Like the Amortization schedule, the Comparison report relies on some assumptions, including projected interest rate and appreciation rate. These assumptions can be changed using the boxes on the upper right hand side of the page.

## Explanations

The software provides a 2-page handout that explains the Comparison report in detail. The handout should be given to clients whenever you provide the Comparison report.

- To review the handout, click on the  button at the bottom of the page, which takes you to the first page. A link at the bottom of the first page leads to the second page of the handout.

## Charts

To show your client a visual representation of the numerical information presented on the Comparisons page, Ibis RMA provides pie charts. Click on the link at the top of the Comparisons page to access the charts. There is also a link to the charts on the Navigator page, at the far right.

## Reverse Mortgage Comparisons

To view comparison charts, [click here](#).

The numbers in the table below are projections into the future that are explained in "Understanding RM Comparisons" - a two-page document that should accompany this report.

Home Appreciation:  % per year  
 Loan Projection Rate:

May 25, 2009

### Basic Assumptions:

- annual home appreciation rate = 4.00%
- requested creditline draws of \$10,000 per year
- annual interest rate = the current initial rate

	HECM 1 1-yr T + 3.75	HECM 2 1-mo L + 2.75	HECM 3 1-yr T + 4.25
<b>CASH ADVANCES</b>			
Cash at Closing	\$0	\$0	\$0
Creditline	\$151,588	\$166,512	\$143,877
---Growth Rate	4.876%	3.637%	5.399%
Monthly Advance	\$0.00	\$0.00	\$0.00
---Advance Type	N/A	N/A	N/A
<b>After 2 years (net home value = \$251,472)</b>			
Total Cash Advances	\$20,000	\$20,000	\$20,000
Net Cost	\$13,918	\$13,489	\$13,974
Cash Remaining*	\$217,554 (\$146,242)	\$217,983 (\$158,482)	\$217,498 (\$139,293)
Total Annual Rate	90.47%	88.51%	90.69%
<b>After 6 years (net home value = \$294,187)</b>			
Total Cash Advances	\$60,000	\$60,000	\$60,000
Net Cost	\$25,901	\$22,673	\$26,884
Cash Remaining*	\$208,285 (\$133,897)	\$211,513 (\$140,593)	\$207,303 (\$128,543)
Total Annual Rate	13.40%	12.05%	13.80%
<b>After 10 years (net home value = \$344,157)</b>			
Total Cash Advances	\$100,000	\$100,000	\$100,000
Net Cost	\$48,788	\$39,414	\$52,180
Cash Remaining*	\$195,368 (\$118,961)	\$204,743 (\$119,956)	\$191,977 (\$115,277)
Total Annual Rate	8.24%	6.96%	8.68%
<b>After 14 years (net home value = \$402,615)</b>			
Total Cash Advances	\$140,000	\$140,000	\$140,000
Net Cost	\$84,867	\$64,871	\$92,761
Cash Remaining*	\$177,748 (\$100,893)	\$197,744 (\$96,149)	\$169,853 (\$98,905)
Total Annual Rate	6.75%	5.50%	7.20%
<b>After 18 years (net home value = \$471,002)</b>			
Total Cash Advances	\$180,000	\$180,000	\$180,000
Net Cost	\$136,903	\$100,384	\$152,207
Cash Remaining*	\$154,099 (\$79,034)	\$190,619 (\$68,684)	\$138,796 (\$78,700)
Total Annual Rate	6.09%	4.85%	6.56%

\* the figures in parenthesis equal the amount remaining in a creditline.

For explanations of this page, click [Understand](#)

## Using the Charts Function

Clicking the Charts link on the Navigation page or from the Comparisons page takes you to the Charts page. Here you will have the opportunity to display pie charts showing a visual representation of the same data that is displayed numerically on the Comparisons page. Pie charts like these can make it much easier for some clients to grasp the growth of their loan balance and the shrinkage of their remaining equity.

First, check the assumptions that you want to use. By default, the Charts page will pick up the assumptions you used on the Comparisons page (by default, a 4% appreciation rate and projecting the loan at the initial interest rate), but you can change these assumptions at the top right.

<b>Home Appreciation</b>	<b>Loan Projection Rate</b>
<input type="text" value="4.00"/> % per year	<input type="text" value="Initial interest rate"/> ▼

Next, you have a number of choices about which comparisons to display. First, you'll want to think about whether you want to show one loan program compared to another (e.g., two HECM loans with different interest rates), or comparing two different points in time for the same loan (e.g., year 2 vs. year 14). Make that selection at the top left.

**Select Chart Type**  ▼

If you decide to show two loans in one period, then you will need to select what time period you want to show, and then which two loans you want to compare.

**Select Period to Chart:**  ▼

**Select Loan 1 to Chart:**  ▼

**Select Loan 2 to Chart:**  ▼

If, instead, you want to show one loan at two different time points, you'll first select the loan program, then select the two time periods.

**Select Loan to Chart:**  ▼

**Select Period 1 to Chart:**  ▼

**Select Period 2 to Chart:**  ▼

After making changes to these options, you may see a Refresh Charts button. Click it to make the charts reflect your new choices.

**After selecting options above, click this button to refresh charts.**

To print out the charts, click the Print Charts button at the bottom of the page.

To create a PDF containing this chart, click =>

## Reverse Mortgage Comparisons

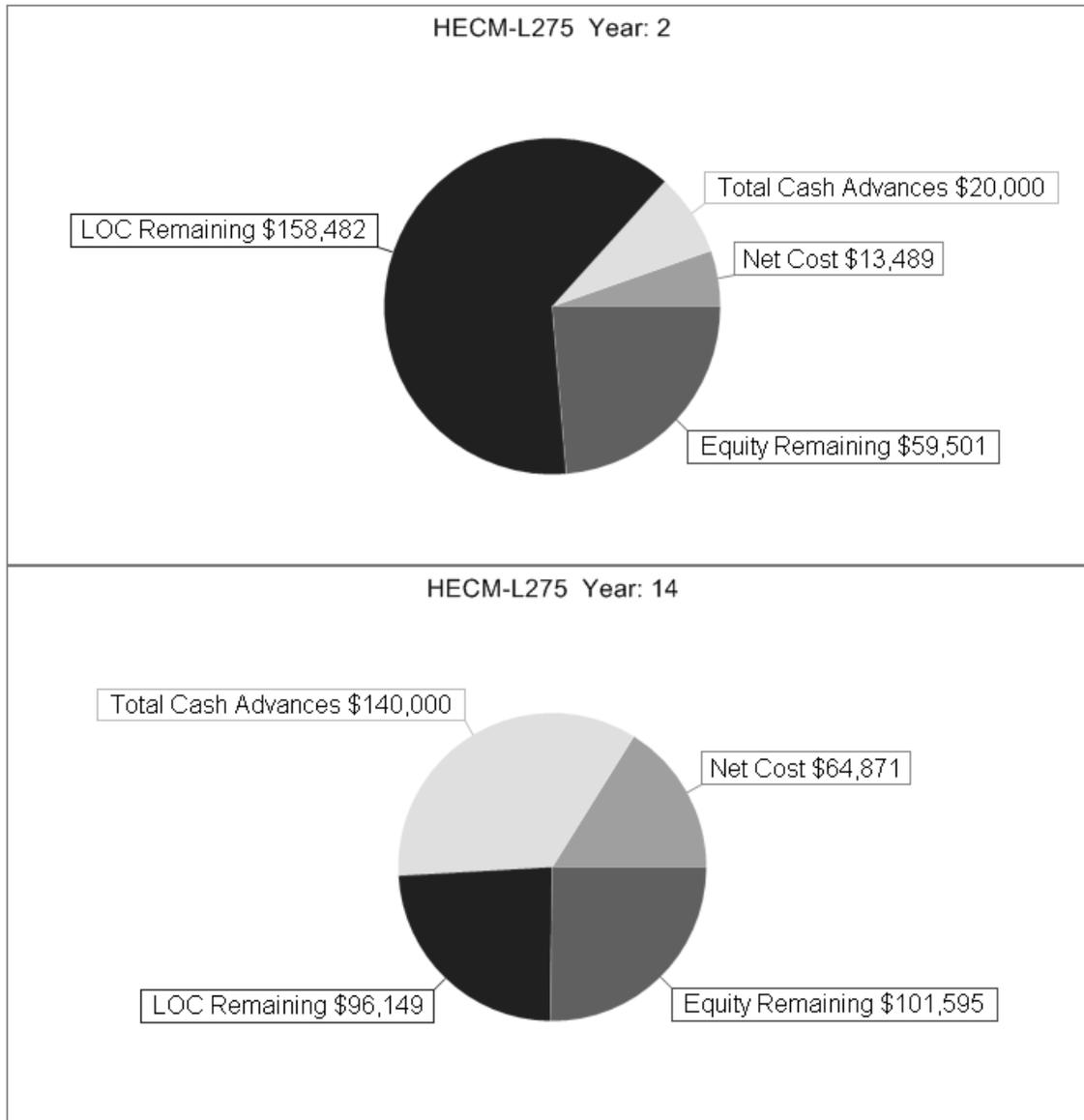
The numbers in the table below are projections into the future that are explained in "Understanding RM Comparisons" - a two-page document that should accompany this report.

Home Appreciation: 4.00 % per year  
 Loan Projection Rate: Initial interest rate

Select Chart Type: Chart one loan in two periods

Select Loan to Chart: HECM 2 (1-mo L + 2.75)  
 Select Period 1 to Chart: Year 2  
 Select Period 2 to Chart: Year 14

- annual home appreciation rate = 4.00%
- annual interest rate = the current initial rate



Your Cash Remaining equals your LOC Remaining plus your Equity Remaining.

HECM 2 (1-mo L + 2.75)	Year: 2	Year: 14
Total Cash Advances	\$20,000	\$140,000
Net Cost	13,489	64,871
LOC Remaining	158,482	96,149
Equity Remaining	59,501	101,595
<b>Net Home Value</b>	<b>\$251,472</b>	<b>\$402,615</b>

To create a PDF containing this chart, click

[Print Chart](#)

# TALC

To meet HUD specifications for a pre-counseling package to be sent to all clients, Ibis RMA includes the ability to generate a TALC disclosure similar to the one that clients must receive from their lender. This gives the counselor an opportunity to educate the client about the meaning of this complex disclosure. The TALC disclosure can be accessed using the Navigator page. Look for the TALC button on the far right side. The TALC disclosure is also included by default in the pre-counseling package generated by Ibis.

The TALC calculation will be based on your selected loan product and payment plan, so be sure these options are selected correctly before you generate the TALC disclosure.

Total Annual Loan Cost			
<u>LOAN TERMS:</u>		<u>INITIAL LOAN CHARGES:</u>	
Age of borrower:	78	Closing costs:	\$6,411.00
Appraised property value:	\$250,000	Mortgage insurance premium:	\$5,000.00
Initial interest rate:	3.078%	Annuity cost:	None
		<u>MONTHLY LOAN CHARGES:</u>	
		Servicing fee:	\$35.00
		Mortgage insurance:	0.5% annually
Initial draw:	\$0.00	<u>OTHER CHARGES:</u>	
Initial line of credit:	\$166,511.59	None	
		<u>REPAYMENT LIMITS:</u>	
		Net proceeds estimated at 93% of projected home sale.	

Total Annual Loan Cost Rate				
Assumed Annual Appreciation	Disclosure Periods			
	2-year loan term	5-year loan term	10-year loan term	14-year loan term
0%	10.98%	6.76%	5.36%	4.95%
4%	10.98%	6.76%	5.36%	4.95%
8%	10.98%	6.76%	5.36%	4.95%

The cost of any reverse mortgage loan depends on how long you keep the loan and how much your home appreciates in value. Generally, the longer you keep a reverse mortgage, the lower the Total Annual Loan Cost Rate will be.

This table shows the estimated cost of your reverse mortgage loan, expressed as an annual rate. It illustrates the cost for four loan terms: 2 years, half of life expectancy for someone your age, that life expectancy, and 1.4 times that life expectancy. The table also shows the cost of the loan assuming the value of your home appreciates at three different rates: 0%, 4%, and 8%.

The Total Annual Loan Cost Rates in this table are based on the total charges associated with this loan. These charges typically include principal, interest, closing costs, annuity costs, mortgage insurance premiums, and servicing costs (but not disposition costs - costs when you sell the home).

The rates in this table are estimates. Your actual cost may differ if, for example, the amount of your loan advances varies or the interest rate on your mortgage loan changes. You may receive projections of loan balances from counselors or lenders that are based on an expected average mortgage rate that differs from the initial interest rate.

## HECM Certificates

Ibis RMA can generate your HECM counseling certificates for you, with all the counselor, client, and session info inserted.

### Session Info

At the Navigator, click on **Session Info**. Enter the information about your session, including the amount of time it took and what fees were/should be charged. When you are finished, click the Save Session button, which will save your information and take you back to the Navigator.

Session Info				
See <a href="#">Directions</a> below.				
	<b>Month</b>	<b>Day</b>	<b>Year</b>	
Counseling Date	<input type="text" value="5"/>	<input type="text" value="25"/>	<input type="text" value="2009"/>	Generally today's date
Counselor Signing Date	<input type="text" value="5"/>	<input type="text" value="25"/>	<input type="text" value="2009"/>	Leave blank if hand dating.
Borrower Signing Date	<input type="text" value="5"/>	<input type="text" value="25"/>	<input type="text" value="2009"/>	Leave blank if hand dating.
Co-Borrower Signing Date	<input type="text"/>	<input type="text"/>	<input type="text"/>	Generally same as borrower.
Counseling Session Provided	<input type="text" value="Face-To-Face"/> <input type="button" value="v"/>			
Counseling Session Time	<input type="text" value="1"/>	hour(s) and	<input type="text" value="30"/>	minutes.
Counseling Session Upfront Fee	\$	<input type="text"/>	The sum of Upfront and Financed fees is the	
Counseling Session Financed Fee	\$	<input type="text" value="125.00"/>	Total Fee. Either can be zero or blank.	

### Certificate

From the Navigator, click on the **Certificate** button to create a HECM counseling certificate in PDF format. The certificate will open with Adobe Acrobat Reader. Depending on your browser settings, Reader may appear as a separate program window, or it may appear inside your browser window. Use the printer icon or the Print command on the File menu to print out as many copies as you need.

If you have made changes in your session info, be sure to check the certificate before printing to be sure that the counseling date and amount of time are shown correctly.

# HECM Refinance Counseling

Ibis RMA provides support for the special calculations that are needed when a client is considering a refinance of a HECM Loan. To access these calculations, go to the Navigator and click on [Refi Info](#)

The text at the top of the “Refinancing a HECM with a HECM” page explains how the mortgage insurance premium is calculated for a HECM refi, and the conditions under which clients are permitted to waive the counseling requirement.

To calculate the costs and benefits of a refi for your client, you will need several pieces of information:

- Maximum Claim Amount from the original HECM
- Current Principal Limit
- Current Payoff on Existing HECM

This information can be obtained from the client’s loan servicer or from the original loan documents and a recent loan statement. Enter this information into the boxes at the bottom of the page. Then click on the [Refi Estimate](#) button, which takes you to the “Comparing Refinance Costs & Benefits” page.

## Refinancing a HECM with a HECM

The normal upfront Mortgage Insurance Premium (MIP) on a HECM is 2.0% of the maximum claim amount (the lesser of the home’s value or the County’s lending limit). If a HECM is being refinanced, HUD gives a credit for the upfront MIP paid on the existing loan. For example, if the existing loan’s claim amount was \$150,000, its original upfront MIP was \$3,000. If the new loan’s claim amount is \$200,000, normally upfront MIP would be \$4,000, but, after the \$3,000 credit from the existing loan, the new loan’s upfront MIP is reduced to \$1,000.

According to Mortgagee Letter 2004-18, HUD will allow a borrower to opt out of the HECM Housing Counseling Requirement if all three of the following conditions are met:

- The borrower has received the required HUD Anti-Churning Disclosure form (see below),
- The increase in the borrower’s principal limit exceeds the total cost of the refinancing by an amount equal to five times the cost of the transaction, and
- The time span between the closing date of the original HECM that is to be refinanced and the application date for the new HECM does not exceed five years, even if less than five years have passed since a previous refinancing.

To do a HECM refi, your client needs to obtain the following information about the current (existing) HECM from its servicer: the original maximum claim amount, current principal limit, and current payoff amount (balance due). Enter this information below and click on [Refi Estimate]. This will take you to an estimate of the new HECM loan, and then an Anti-Churning Disclosure

Enter Existing Loan Info	Existing HECM
(1) Maximum Claim Amount	200,000
(2) Current Principal Limit	105,000
(3) Current Payoff on Existing HECM	100,000

To proceed, click [Refi Estimate](#)

## Comparing Refinance Costs & Benefits

This page provides calculations of the new Principal Limit and the costs associated with refinancing. Note that the Upfront Cash on the new HECM figure includes the lien payoff for the old HECM plus any lump-sum cash draw that you may have entered on the Estimates page.

The Ratio of PL Increase/Total Cost is an indicator of how well the benefits of a refi compare to the costs. A ratio of 5:1 or greater indicates that there is substantial benefit to the borrower, and is also one of the criteria that must be met if the borrower wishes to waive the counseling requirement.

### Comparing Refinance Costs & Benefits

This table compares the costs and benefits of refinancing your existing HECM.

Refi Comparison	New HECM	Existing HECM
(1) Maximum Claim Amount	\$362,790	\$200,000
(2) Current Principal Limit	\$238,353	\$105,000
<b>Increase in Principal Limit</b>	<b>\$133,353</b>	
(3) Current Payoff on Existing HECM		\$100,000
Financed Origination Fee	\$7,256	
Other Financed Costs	\$3,849	
Refinance Mortgage Ins. Prem.	\$3,256	\$4,000
<b>Fees and Costs of Refinancing</b>	<b>\$14,361</b>	
Monthly Service Set Aside	\$6,355	
<b>Total Costs of Refinancing</b>	<b>\$20,715</b>	
Upfront Cash on the new HECM	\$100,000	
Ratio of PL Increase/Total Cost	6.44	
Is the ratio greater than 5-to-1?	Yes	

To proceed, click [Refi Disclosure](#)

The Current Principal Limit minus Total Costs of Refinancing, minus the Current Payoff on Existing HECM, would give you the cash available to the borrower from the new HECM. This figure appears on the Refi Disclosure page.

## Refi Disclosure

The [Refi Disclosure](#) button will take you to a Sample Refinance Disclosure. This is a copy of the official HUD Anti-Churning Disclosure, which the lender is required to provide to the borrower. Since the lender may not actually provide the official disclosure until the closing, it can be helpful for the counselor to prepare a sample disclosure using the best information available at the time of counseling.

1. The total cost of the refinancing to the mortgagor.	<b>Mortgagee to input:</b> \$ amount of the total of the upfront MIP plus other closing cost plus servicing set-aside.	<b>\$20,715</b>
2. The increase in the mortgagor's principal limit, as measured by the estimated initial principal limit on the mortgage to be insured less the current principal limit on the HECM that is being refinanced.	<b>Mortgagee to input:</b> \$ amount of new principal limit minus the \$ amount of the existing HECM principal limit.	<b>\$133,353</b>

In addition the mortgagee shall provide their best estimate of funds available to the borrower minus any closing costs or other fees. It is the dollar amount of the new principal limit minus total dollar amount from block #1 above minus payoff amount for the HECM that is to be refinanced. **\$117,638**

### Sell & Move

Selling and moving is an important option to consider, because it helps clients evaluate how important it is to them to continue living in their current homes.

The Reverse Mortgage Analyst provides an individually-customized one-page handout on this choice. To access it, a client name must appear in the upper left-hand part of the Navigator. Click on **Sell & Move**, which takes you to the “Selling Your Home” page. The figures in the second paragraph of this page are based on your current client’s information. These figures do not take tax considerations into account, but they provide a general sense of the economics of selling and moving.

### Annuity Comparison

If your client is considering the purchase of an annuity with reverse mortgage proceeds, a 3-page handout on this topic is available in HUD’s HECM Counseling Protocol. The second page of that 3-page handout explains that software meeting the model specifications cited above can generate a side-by-side comparison of the costs and benefits of using a HECM to purchase an annuity versus a HECM tenure plan. The Reverse Mortgage Analyst has an annuity comparison feature that is currently available to site administrators only.

## HECM for Purchase

Ibis does not have a special module for calculating HECM for Purchase transactions, but it can certainly be used to generate the numbers you need. Here's how:

As with any HECM, the loan amount depends on the value of the property, the age of the youngest borrower, and the expected interest rate. However, what most borrowers really want to know is, how much money they will need to bring to the table in order to complete the transaction.

Using the Ibis Reverse Mortgage Analyst, the HECM loan amount, and the borrower's required investment on a HECM for Purchase can be calculated as follows:

### Initial input:

- Zip code
- Property value = Estimated appraised value or negotiated purchase price of the subject property, whichever is **lower**
- Current liens = Property value as above **PLUS** estimated purchase costs such as recordation fees and transfer taxes (if known).
- Name and date of birth of each borrower (everyone who will be on title)

### Output:

- Principal Limit = total amount of HECM
- Net Principal Limit = amount the HECM will provide toward the purchase
- **Program is Short By = minimum required monetary investment.** If they have already paid earnest money, subtract that figure to get the amount they must bring to closing.

If the client has not yet found a house they want to buy, and wants to know how much house they could afford to buy using a HECM, based on a set amount of money they have to contribute, the counselor will need to take a guess at the purchase price that might work, and then redo the calculations as needed to come as close as possible to the client's desired scenario.

For instance, borrower has \$100,000 to spend. Counselor might start by using a \$200,000 home value, and see what figure they get in the Program is Short By field. If it's higher than \$100,000, try a lower home value. If it's lower than \$100,000, try a higher home value. Keep doing this until you get as close as you need to be.

In future, Ibis may add a HECM for Purchase feature that will make this easier, but this approach will work until that time.

## Print & Email

Click on Navigator and then on **Print & Email**. Follow the instructions on this page to generate, view, print out, save, and email a PDF file that includes whichever reports you select for your current client.

You can also print individual pages at any point while using Ibis, by using the Print menu in your browser, or the Print Page link at the bottom of each page; however, the output that you will get may not look as good as what you get from the Print & Email page. For example, the Estimates page may print across two pages instead of being sized to fit a single sheet.

On the Print & Email page, you can select which reports you would like to print or email. The three reports required by HUD for the pre-counseling package are pre-selected by default.

### Print & Email Setup

**SINGLE PAGES:** To print out any individual page in the Reverse Mortgage Analyst, click on Print under your browser's File menu or on the printer icon in your browser's toolbar.

**PDF PACKAGE:** To generate a single "pdf" file including selected pages for any client,

Select the pages you want to include:

- Cover Page
- Loan Estimates -- Required in pre-counseling package
- Loan Amortization Schedule (2 pages) -- Required in pre-counseling package
- TALC Disclosure Page -- Required in pre-counseling package
- Creditline Estimates
- Reverse Mortgage Comparisons
- Understanding Comparisons (2 pages)
- Selling Your Home

Only if you have completed Refi Info:

- Comparing Refinance Costs & Benefits
- Sample Refinance Disclosure

After the Counseling Session Info is completed:

- Counseling Certificate
- Counseling Certificate - an extra copy
- Counseling Certificate - another extra copy

After selecting the sections, click => **Build Package**

After the package is built, it will appear at the TOP of the package list shown below.

Once you have chosen which reports to generate, click Build Package. A notification will pop up, telling you that your package is complete. Click OK to view the package immediately, or close the window if you don't want to view the package right away. Clicking OK should cause a new window to open, displaying the first page of your package in Adobe Reader. If no window appears, check your browser settings to be sure you haven't blocked all popups. If so, change your settings to allow popups from IbisRMA.com.

Once the new window is showing, you can enlarge it, review the printouts, and decide if everything looks right.

**To email a package from the list**, click on the **Email icon** next to the package you wish to email.

**To view a package from the list**, click on the **View icon**; then, in the pop-up window that appears:

- to **save a copy** on your PC, click the **"Save"** (disk) icon at the top left.
- to **print a copy** on your printer, click the **"Print"** (printer) icon at the top left.
- to **close the PDF file**, click on the **"X"** in the top right corner of the pop-up window

**Problems?** read the notes at the bottom of this page

Page Size: 10 | <<Prev | Next>> | Page: 1 | Delete Selected

Package ID	Package Date	Borrower Name	Package Type	Pages	Status	View	Email	Select
102823	5/25/2009 9:28 AM	Client, Calvin	Counselor	4	Ready			<input type="checkbox"/>

Filter by: Package ID | As | Go

If you build a package more than once, you will see a list of all packages built for that client. Each one is dated so you can tell them apart. The most recent one will appear at the top of the list by default.

From the list of packages, you can view any package, or set up an email to send the package to yourself or someone else. If you click on the Email icon, you will have the opportunity to insert addresses and personalize a message to the recipients.

**Email Client Package**

Verify the information below and click Send Email to send the package.

**Email Addresses**

From:

To:

**Email Subject and Message**

Subject:

Message:

## **Technical Specifications**

The Reverse Mortgage Analyst software meets the "Model Specifications for Analyzing and Comparing Reverse Mortgages" developed by the AARP Foundation's Reverse Mortgage Education Project with support from HUD.

General information on the model specifications can be found at

[www.aarp.org/money/revmort/revmort\\_basics/a2003-03-21-totalcosts.html](http://www.aarp.org/money/revmort/revmort_basics/a2003-03-21-totalcosts.html)

and a copy of the specifications at:

[assets.aarp.org/www.aarp.org/articles/revmort/modspecs2-6-04.pdf](http://assets.aarp.org/www.aarp.org/articles/revmort/modspecs2-6-04.pdf).

## **User Support**

Call Ibis Customer Service between 1 PM and 2 PM Pacific time (4-5 PM Eastern), Monday-Friday at 805-807-7148 or send an email to [support@ibisreverse.com](mailto:support@ibisreverse.com) with a question or a requested time for us to call you.

Exam-qualified counselors who have access to [hecmcounselors.org](http://hecmcounselors.org) can also use the Ibis Forum to ask question. Check the forum archives to see if your question has already been answered.