

REQUIREMENT	DESCRIPTION
<b>Loan Purpose</b>	Both purchase and refinance transactions are eligible.
<b>Borrower Entity</b>	Borrowers must be an individual or individuals (not a corporation or partnership). Title to the subject property may be held in the name(s) of the individual(s) or one of the following, subject to certain conditions: <ul style="list-style-type: none"> <li>• A Living Trust</li> <li>• An Illinois Land Trust</li> <li>• A Life Estate</li> </ul>
<b>Age of Borrower(s)</b>	All borrowers must be at least 62 years of age at the signing of the final loan application at closing. There is no maximum age limit for a borrower.
<b>Non-Borrowing Spouse</b>	Spouses <b>under</b> the age of 62 are ineligible to be a "Borrower" but can remain on title. Principal Limit Factor takes into account the age of youngest spouse whether they are a "Borrower" or not. This will allow a surviving spouse to remain living in the home even after the Borrower is deceased, but they will not be allowed to access any unused funds still available from the loan.  Eligible Non-Borrowing Spouses must have been the spouse of a HECM mortgagor at the time of closing and have remained the spouse of such HECM mortgagor for the duration of the HECM mortgagor's lifetime. They must be properly disclosed to the mortgagee at origination as a Non-Borrowing Spouse in the HECM documents; and have occupied, and continue to occupy, the property securing the HECM as their primary residence. <b>NBS may not relinquish their rights to remain in the home after deceased spouse for higher Principal Limit Factor.</b>  Ineligible Spouses do not occupy the home, are separated or not married at time the loan is closed or are not able to obtain title due to other heirs to the home. These spouses are not protected under the deferral period.
<b>Citizenship and Immigration Status</b>	Waiting periods applicable as per VA/AUS. In addition to U.S. citizens, permanent and non-permanent resident aliens are also eligible for reverse mortgages, subject to satisfactory documentation.
<b>Social Security Number</b>	All Borrowers must have a valid Social Security Number (SSN) regardless of citizenship or resident status.
<b>Occupancy</b>	The subject property must be the principal residence of each borrower and eligible Non-Borrowing Spouse. Married spouse or other co-borrowers may be living apart because one of them is temporarily or permanently in a healthcare facility. However, at least one borrower must be living in the home.
<b>Property Collateral</b>	Follow FHA Guidelines regarding eligible property types.  <b><u>Ineligible Properties / Locations:</u></b> <ul style="list-style-type: none"> <li>• Co-ops.</li> <li>• 2-4 Units in the state of New Jersey.</li> <li>• Mixed-Use</li> <li>• Working farms/ranches</li> <li>• Unincorporated territories of the United States (borrowers and properties) are ineligible for financing.               <ul style="list-style-type: none"> <li>○ Puerto Rico</li> <li>○ US Virgin Islands</li> <li>○ Guam</li> <li>○ American Samoa</li> <li>○ Swains Island</li> </ul> </li> </ul>
<b>Counseling</b>	Borrowers, Non-Borrowing Spouses, and anyone on title at the time of application must receive reverse mortgage counseling from a HUD-approved housing counseling agency. POA, Conservators or Guardians, if signing, must also receive counseling.

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<b>Competency, Guardians, Conservators, Power of Attorney</b>	A borrower lacking competency may have a court-appointed guardian or conservator or may have granted Power of Attorney while competent to another individual. Such borrowers are eligible subject to certain conditions. Competency when executed the Power of Attorney must be verified.
<b>Federal Debts</b>	The borrower may not be delinquent on any Federal debt or have a lien (including taxes) placed against his/her property for a debt owed to the United States that cannot be brought current, paid or otherwise satisfied, or a satisfactory repayment plan made between the borrower and Federal agency owed and verified in writing. <b>NOTE:</b> Student loans are Federal Debts
<b>Federal Exclusions</b>	The borrower and other parties to the transaction may not be suspended, debarred or otherwise excluded from participation in any HUD program.
<b>Income Qualification</b>	Income will be calculated against debts, property charges, a maintenance fee of .14 per sf of the property and residual income must meet the VA residual table. Income from an Eligible Non-Borrowing Spouse may be used to reduce family size or as a compensating factor for Residual Income Qualification. There are no DTI Requirements. Non-Borrowing Household Members may only reduce the family size based on their income.
<b>Maturity Event</b>	<p><b>Loan repayment is due when any of the following occur:</b></p> <ul style="list-style-type: none"> <li>• The borrower(s) sells the home or vacates the home for more than 12 months (medical or other reasons).</li> <li>• Last person on title passes away.</li> <li>• Borrower/ Eligible Non-Borrowing Spouse fails to pay property taxes or homeowner's insurance and/or maintain the home according to FHA requirements.</li> </ul> <p><b>As long as one borrower or NBS remain in the home, the loan will not become due and payable.</b></p> <p>Heirs are allowed 6 months to extinguish the HECM with (2) 3-month extensions typically granted if needed. When the last person on title passes away, the Heirs are provided an opportunity to purchase or sell the home within 6 months. Extensions may be granted if requested.</p>