Certificate of HECM Counseling

U.S. Department of Housing and Urban Development

OMB Approval No. 2502-0524
(expires 6/30/2004)

_____
Homeowner(s) Name(s)

_____
Property Address City/State/Zip

The U. S. Department of Housing and Urban Development (HUD) requires that homeowner(s) interested in pursuing a Home Equity Conversion Mortgage (HECM) receive information about the implications of and alternatives to a reverse mortgage. The HECM counselor must adhere to all of FHA's guidelines regarding information that must be provided to the potential HECM mortgagor and must tailor the session to address the unique financial circumstances of the household being counseled.

COUNSELOR CERTIFICATION:

In accordance with Section 255 of the National Housing Act and 24CFR 206.41, I have discussed in detail the following items with the above referenced homeowner(s):

1. Options other than a Home Equity Conversion Mortgage that are available to the homeowner(s), including other housing, social service, health and financial options.
2. Other home equity conversion options that are or may become available to the homeowner(s), such as other reverse mortgages, sale-leaseback financing, deferred payment loans, and property tax deferral.
3. The financial implications of entering into a Home Equity Conversion Mortgage.
4. A disclosure that a Home Equity Conversion Mortgage may have tax consequences, affect eligibility for assistance under Federal and State programs, and have an impact on the estate and heirs of the homeowner(s).
5. Whether the homeowner has signed a contract or agreement with an estate planning service firm that requires, or purports to require, the mortgagor to pay a fee on or after closing that may exceed amounts permitted by the Secretary or in Part 206 of the HUD regulations at 24 CFR.
6. If such a contract has been signed, the extent to which services under the contract may not be needed or may be available at nominal or no cost from other sources, including the mortgagee.

I hereby certify that the homeowner(s) listed above have received counseling according to the requirements of this certificate and the standards of the U.S. Department of Housing and Urban Development, as described in mortgagee letters, handbooks, regulations, and statute. This interview was held: [ ] Face-to-Face [ ] Telephone and the amount of time required to cover the above items was as follows: _____.

_____ _____
Counselor Name (Printed and Signature) Date

_____
HUD-Approved Counseling Agency Name and Address (City/State/Zip) and telephone number

_____
HUD-Approved Counseling Agency Employer Identification Number

HOMEOWNER CERTIFICATION:
I/we hereby certify that I/we have discussed the financial implications of and alternatives to a HECM with the above Counselor. I/we understand the advantages and disadvantages of a HECM and each type of payment plan, as well as the costs of a HECM. This information will enable me/us to make more informed decisions about whether I/we want to proceed with obtaining a HECM.

_____ _____
Homeowner Signature Date

_____ _____
Homeowner Signature Date

(All homeowners shown on the deed must sign the mortgage and this counseling certificate.)
Date Counseling Completed: _____ Certificate Expiration Date: _____
(180 days from date HECM counseling completed.)

form **HUD-92902**
(6/2004)