

Certificate of HECM Counseling

U.S. Department of Housing
and Urban Development
Office of Housing

Certificate Number: **163234630**
OMB No. 2502-0524 (expires 4/30/2017)

Provision of this information is required to obtain mortgage financing. HUD may not collect this information, and you are not required to complete this form, unless the form has a currently valid OMB control number.

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated at Title 24, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Homeowner(s) Name(s)

Power of Attorney (if present)

DAVID E BROWN, BONNIE L BROWN

Non-Borrower spouse (if applicable)

Current Property Address City/State/Zip of collateral securing the HECM if known at the time of counseling

113 TETON RIDGE, LAKE WINNEBAGO, MO 64034

The U. S. Department of Housing and Urban Development (HUD) requires that homeowner(s) and if applicable, non-borrower spouse 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 HUD's guidelines and protocol 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) and other participants

- Options other than a HECM that are available to the homeowner(s), including other housing, social service, health and financial options.
- Other home equity conversion options that are or may become available to the homeowner(s), such as other reverse mortgages, HECM for Purchase, HECM Saver, sale-leaseback financing, deferred payment loans, and property tax deferral.
- The financial implications of entering into a HECM.
- A disclosure that a HECM 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).
- 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.
- 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.
- The HECM will be due and payable when no remaining borrower and if applicable, non-borrower spouse lives in the mortgaged property, or when any other covenants of the mortgage have been violated. The non-borrower spouse has been advised of implications and consequences of requirements to adhere to all items of the HECM loan if the surviving non-borrower spouse choosing to remain in the property encumbered by a HECM mortgage (Borrowers are those parties who have signed the Note and Mortgage or Deed of Trust.)

I hereby certify that the homeowner(s) as well as other participants required to be counseled listed above have received counseling according to the requirements of this certificate and the standards of HUD, as described in mortgagee letters, handbooks, protocols, regulations, and statute. In states that require face to face counseling or a waiver from the homeowner declining such the homeowner(s) signature below acknowledges said waiver provisions. This interview was held **via Telephone** and the amount of time required to cover the above items was as follows: **50** minutes. This certificate was not prepared before the counseling session occurred.

Counselor's Name (Printed):

RONALD FARMER

HUD-Approved Counseling Agency Name:

CREDIT & HOMEOWNERSHIP EMPOWERMENT SERVICES, INC.

Counselor Name (Signature & Date):

Address (Street/City/State/Zip)

**3125 GILLHAM PLAZA
KANSAS CITY, MO 64109**

Telephone No:

816-533-7417

Agency Housing Counseling
System ID:

80676

X

HomeOwner and/or Non-Borrower Spouse 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 and when the HECM will become due and payable. If applicable, this also certifies that I/We have been advised of the implications for Non-Borrower spouses. This information may further help me/us to make more informed decisions about whether I/we want to proceed with obtaining a HECM. I/we understand that I/we may be charged a counseling fee that may be paid upfront to the counseling agency or if I decide to proceed with a HECM loan, financed into the mortgage and payment under any of these methods will be reflected in the 800 series on the HUD-1 settlement statement in accordance with the Real Estate Settlement Procedure regulations at 24 CFR part 3500 (see 24 CFR 3500.8).

HECM for Purchase Certification: I/we hereby certify that I/we have been informed the HECM for Purchase program requires a significant monetary investment which will be applied to satisfy the difference between the HECM principal limit and the sales price of the property, plus any HECM loan related fees that are not financed in the loan, minus the amount of earnest deposit. I/we further understand that these funds must come from cash on hand or cash from the sale or liquidation of my/our assets and that the lender will verify the source of the monetary investment.

Homeowner Signature & Date:

X

Homeowner Signature & Date:

X

Non-Borrower Spouse Signature and Date (if applicable)

POA/Guardian Signature & Date

(All homeowners shown on the deed must sign the mortgage and this counseling certificate.)

Upfront Fee for Counseling
Session:

\$125.00

Financed Fee for Counseling
Session:

Not Entered

Fees not waived

Date Counseling
Completed:

11/02/2016

Certificate Expiration
Date:

05/01/2017 (180 days from date HECM counseling completed)