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PRESENTS

WHAT HECM PROS SHOULD KNOW ABOUT OCCUPANCY CERTIFICATIONS

How HECM originators can best prepare their borrowers to complete their required occupancy and more!



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Meet

JARED SKRABALA

Jared is the Servicing Oversight and Asset Management for Reverse Market Insight (RMI).

Jared was responsible for helping create, enhance, and lead oversight programs for some of the largest issuers and servicers in the space. Jared is proficient with regulations for government-insured loans, well versed in late-stage default servicing, and has extensive experience with contractual claim evaluation.



JARED SKRABALA
REVERSE MARKET INSIGHT



WHAT WE WILL DISCUSS

01

**OCCUPANCY
CERTIFICATION
REQUIREMENTS**

02

**THE ROLE OF ESTATE
PLANNING IN HECM
LOAN SETTLEMENT**

03

**BEST
PRACTICES**



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WHAT EVERY
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SHOULD KNOW
ABOUT
OCCUPANCY
CERTIFICATION

WHO MUST COMPLETE OCCUPANCY CERTIFICATION FORMS?

- i All Named Borrowers**
- i Protected Non-Borrowing Spouses (NBS)**



WHAT EVERY
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CERTIFICATION

OCCUPANCY CERTIFICATION DEADLINES

- i** Within 30 days HECM anniversary
- i** Preparing your borrowers



WHAT EVERY
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CERTIFICATION

EXTENDED ABSENCES

- i** How long?
- i** How to notify loan servicer





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WHEN A HECM IS CALLED DUE-AND-PAYABLE

- i** The 30/60 Rule
- i** The Rule of 12





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ACCEPTABLE MEANS OF VERIFYING OCCUPANCY

- i** Mailing completed occupancy cert to servicer.
- i** Electronic submission online.
- i** Via phone call.



**WHAT EVERY
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CERTIFICATION**



Authorized Contacts, Alternate Contacts, and Authorized Agents

CONTACT TYPE	DESCRIPTION	CAN SERVICER DISCLOSE BORROWER ACCOUNT INFO?	CAN THIS 3RD PARTY MAKE UPDATES TO ACCOUNT OR DRAW REQUESTS?
ALTERNATE CONTACT	A third party the servicer may contact if unable to reach the Borrower(s)		
AUTHORIZED 3RD PARTY CONTACT	A third party the servicer may contact and disclose borrower account information		

Authorized Contacts, Alternate Contacts, and Authorized Agents



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CONTACT TYPE	DESCRIPTION	CAN SERVICER DISCLOSE BORROWER ACCOUNT INFO?	CAN THIS 3RD PARTY MAKE UPDATES TO ACCOUNT OR DRAW REQUESTS?
AUTHORIZED AGENT	<p>A third party that the servicer may contact, disclose account information, and allow account updates (including processing draw requests)</p> <p>Examples include: Conservator/Guardianship, Power of Attorney/Attorney-In-Fact (must be approved by the servicer).</p>		

- **NOTE: Trustees of a Trust (who are not Borrowers) are not considered Authorized Agents**



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CERTIFICATION

THE IMPORTANCE OF ESTATE PLANNING

- i** How long?
- i** How to notify loan servicer



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POWER OF ATTORNEY

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A Power of Attorney/Attorney-
in-Fact becomes invalid upon
death of the borrower

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INTESTATE
RIP





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Intestate Succession

Borrower passes away without a will

- **Must go through Legal Process**
- **Judge will follow State Succession law**

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Testate Succession

Borrower passes away with a will

- **An administrator is appointed through the will to handle the Estate**
- **Will outlines the distribution of any assets**
- **Must go through the Legal Process to obtain court orders**

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PROBATE
COURT

Case No: 0142678/021





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Probate Challenges

- Timelines can vary from 6 months up to two years
- Filing fees and costs
- Additional probate fees/costs and taxes

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LIVING & TRUST
ESTATE PLANNING

Form 8903
This is your adjusted gross
duction Act Notice, see instru



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Properties Held in Trust

- **Trustees & Successor Trustees are designated in trust docs**
- **Properties generally bypass the probate process and allows for a sale or refinance**



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MORE

Estate can request up to 2 90-day extensions

- **Estate must show they're working to resolve the debt**
- **Documentation may include a listing agreement, sales contract, proof of funds, or final loan approval**

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Loan Servicing

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Best Practices for RMLOs

- 1. Review the servicing welcome packet with the homeowner(s)**
- 2. Request an email address to enroll borrower in servicer online portal**
- 3. Assist borrower(s) with enrollment**
- 4. Stress the importance of opening and organizing mail**

THANK YOU

FOR JOINING US!



**Jared
Skrabala**



**Shannon
Hicks**



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HECM For Purchase
HOME BUYERS
 Guide

62 & BETTER?
 Learn a Little Known Strategy to Buy Your Dream Home

PROTECT YOURSELF
 against another housing bubble

PAYING CASH
 for your next house may jeopardize your retirement plan

HECM PURCHASE PROGRAM
 What is it?
 How to Qualify

DRAMATICALLY INCREASE
 your home purchasing power

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 What you need to know about your investment and mortgage needs.

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 Available to Homeowners Age 62 and better.

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- Maximized monthly mortgage payments
- Flexible disbursement options of your loan proceeds
- Available as a collection or a "lump-sum" reverse first mortgage

With the recent spike of interest rates, many homeowners are looking for solutions to provide liquidity to their retirement plan and cash flow. Leveraging housing assets can be a good hedge against market volatility by reducing liquidity expenses or adding additional income. If you're considering an asset that is difficult to liquidate, reverse mortgage lending results can be a great option. Please contact your advisor and always ready to serve you.

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With our guide, here are a few things you'll learn:

- Paying cash for your next house may jeopardize your retirement plan
- Protect yourself against another housing bubble
- HECM for purchase program: what is it and how do I qualify?

[View Guide](#)

Mutual of Omaha Mortgage - Reverse

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107 Avenida Del Rio, Suite 190
 San Diego, CA 92108

619.224.2255 • e 619.301.5522

Jameson.alexander@mutualofomaha.com

Jameson Alexander
 Bank Mortgage Specialist
 NMLS#XXXXXX

3131 Camino Del Rio N. • Suite 190
 San Diego, CA • 92108

619.224.2255 • e 619.301.5522

Jameson.alexander@mutualofomaha.com
 MutualReverse.com





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