

Two-Year Reprieve for Reverse Mortgage Changes

Updated numbers from the Department of Revenue on participant response numbers and reverse mortgage rejections have generated the program balance information. Also below is the rejections matrix for existing participants, accounting in detail for most of the inactivations that have occurred.

Apply Reverse Mortgage Changes 2013 Forward, Affecting 1,664 Individuals					
November Balance	2011	2012	2013	2014	2015
Repayments	16,500,000	17,451,502	19,090,550	20,964,332	25,692,719
Payments	13,228,000	13,738,149	11,200,000	11,500,000	12,400,000
Net	3,272,000	3,713,353	7,890,550	9,464,332	13,292,719
Balance	-4,028,000	-314,647	7,575,903	17,040,235	30,360,996

	2011	2012	2013	2014	2015
Balance Current Law (HB 2543)	-700,000	5,700,000	13,100,000	22,200,000	35,228,042

5,389 Participants Recertified, 4,285 Participants Inactivated (4,159 Inactivations Accounted for Below)

	Reverse Mortgage	5-Year Residency	Insurance	Income	Real Market Value	Net Worth	3 or More Reasons	No Response
Reverse Mortgage	1,664							
5-Year Residency	132	183						
Insurance	26	5	269					
Income	29	1	0	98				
Real Market Value	17	31	7	16	324			
Net Worth	0	0	0	0	1	4	4	1,348

If the reprieve is granted to those who did not apply because they would be rejected, an additional 572 individuals would be eligible.

Apply Reverse Mortgage Changes 2013 Forward, Affecting 2,236 Individuals					
November Balance	2011	2012	2013	2014	2015
Repayments	16,500,000	17,537,955	19,259,176	21,089,571	25,793,341
Payments	13,872,000	14,148,137	10,500,000	10,800,000	11,700,000
Net	2,628,000	3,389,818	8,759,176	10,289,571	14,093,341
Balance	-5,172,000	-2,382,182	5,676,995	15,266,566	28,687,949