

Financial Interview Tool (FIT)

Online Counseling Support

Welcome to FIT! The following questions are designed to help counselors and assist clients in identifying the features of a reverse mortgage that may be appropriate to meet client goals, assess the availability of remaining equity against the client's financial needs over time and consider alternative options to a reverse mortgage. Answer the questions on this printable form and then enter your client's information into FIT. **Every question is required, so please be sure to input an answer to each question.**

General Information

HCS Agency ID (enter last (4) four digits after the "8"): 8 ____

Client last name: _____

Client zip code: _____

Estimated value of home: \$ _____

Total debt on the house (mortgage/other home loans): \$ _____

Homeowner #1 Age: _____

Homeowner #2 Age (skip if not applicable): _____

Homeowner #3 Age (skip if not applicable): _____

Counseling conducted with homeowner(s):

____ Yes ____ No (representative acting on behalf of homeowner with Power of Attorney)

What type of Reverse Mortgage Counseling session are you conducting?

____ Traditional (clients seeking a new reverse mortgage)

____ Default (borrowers who are behind in property taxes/insurance)

Client Goals

1. Reasons that you are considering a reverse mortgage (check all that apply):

- ☐ Pay off debt (mortgage, credit card, personal loan, other debts)
- ☐ Pay for health or disability-related expenses
- ☐ Pay for home repairs or improvements
- ☐ Extra income for everyday expenses (other than health needs)
- ☐ Improve quality of life or to afford extras
- ☐ Plan ahead for emergencies or unexpected expenses
- ☐ Provide financial help to family
- ☐ HECM for home purchase
- ☐ HECM refinance

2. Do you plan to use the reverse mortgage to purchase financial products?

- ☐ No ☐ Yes - (check all that apply)
 - ☐ An annuity
 - ☐ Long-term care insurance
 - ☐ Investments
 - ☐ Other financial product

Question #2:

Homeowners must be very careful in deciding to use a reverse mortgage to buy other financial products. They need to consider the additional costs and risks of this purchase decision.

3. How many years have you lived in your current home? (Enter the closest round number. If your client has lived in their home less than a year, please enter 1.)

4. How long do you plan to stay in your current home? (check only one)

- ☐ Less than 3 years
- ☐ 3 to 7 years
- ☐ More than 7 years

Availability of Help

5. What is your marital status? (check only one)

☐ Married/Domestic partner

☐ Widowed

☐ Divorced/Separated

☐ Single

*(If **Married/Domestic partner** is checked, answer the following)*

If one spouse passes away, is the other spouse covered under their pension? (check only one)

☐ No pension

☐ Has pension, spouse not covered

☐ Has pension, spouse covered

☐ Has pension, don't know if spouse is covered

☐ Don't know if have a pension

Do you have life insurance to support the surviving spouse? (check only one)

☐ No

☐ Yes

☐ Don't know if have life insurance

*(If **Widowed/Divorced/Separated** is checked, answer the following)*

Were you widowed/divorced/separated in the past 12 months?

☐ No ☐ Yes

*(If **Widowed/Divorced/Separated/Single** is checked, answer the following)*

Do you live alone?

☐ No ☐ Yes

Gender of Homeowner:

☐ Male ☐ Female

Question #5:

Married/Domestic partner -

Among couples who do not have life insurance, or pension benefits for the surviving spouse/partner, home equity may be an important financial safety net. They need to use this asset wisely in order to sustain the surviving spouse/partner.

Widowed - Recently widowed, divorced, or separated homeowners are often in a transitional situation, where they are uncertain of their desire or ability to continue to live in their current house.

Divorced/Separated -

Homeowners who live alone are less likely to get help with everyday activities. Some may become depressed due to isolation. They can find it hard to respond to changes in their health or home environment without additional support.

6. Do you have family, friends, or other people nearby that you can rely on for help with a problem or emergency? 📌

____ No ____ Yes

Question #6:

Homeowners who do not have reliable help nearby may become overwhelmed by a problem or emergency situation. They may depend on their reverse mortgage to pay for ongoing help.

Quick Health Check

7. How would you rate your current health? 📌

Homeowner #1 (check only one):

____ Good

____ Fair

____ Poor

Homeowner #2 (check only one, skip if not applicable):

____ Good

____ Fair

____ Poor

Homeowner #3 (check only one, skip if not applicable):

____ Good

____ Fair

____ Poor

Question #7:

Homeowners whose self-reported health is poor often face substantial out-of-pocket health care expenses each month that can quickly draw down a reverse mortgage.

8. Have any of the homeowners stayed in a hospital or nursing home in the past 6 months due to an accident or illness? 📌

____ No ____ Yes

Question #8:

Homeowners who recently stayed in a hospital or nursing home can be in a transitional situation, where they are uncertain of their desire or ability to continue to live in their current house.

9. Do any of the homeowners have any difficulty doing everyday activities such as: (check all that apply) 📌

- ☐ Bathing and/or dressing
- ☐ Reading the mail and/or hearing conversations
- ☐ Doing household chores, yard work, and/or simple home repairs
- ☐ None of the above

Question #9:

Homeowners who are having difficulties with everyday activities may find it hard to stay at home for many years and fully benefit from a reverse mortgage without additional support. They may struggle to do home repairs, or pay insurance and other bills. They may need to pay for help at home which can quickly draw down a reverse mortgage.

10. Have any homeowners had a fall in the past 6 months? 📌

- ☐ No ☐ Yes

Question #10:

Homeowners who fall may be facing many different challenges such as uncontrolled health problems, an unsafe home environment, or increasing frailty. They may find it hard to stay at home for many years and fully benefit from a reverse mortgage without additional support.

11. Do any of the homeowners currently rely on help from: (check all that apply) 📌

- ☐ Family or friends
- ☐ Paid helper or caregiver
- ☐ None of the above

Question #11:

Homeowners who already rely on help from others to stay at home may benefit from public benefit programs. They may depend on their reverse mortgage to pay for ongoing help.

Monthly Cash Needs

12. What is your total monthly household income?

\$ _____

13. How much are you getting from Social Security each month?

\$ _____

14. Without a reverse mortgage, do you now have any difficulty, or expect any difficulty in the future, paying for: 🏠

____ Everyday expenses (such as food, utilities, transportation, etc.)

If yes, extra amount you may need each month from a reverse mortgage:

\$ _____

____ Medications, other health or home care expenses

If yes, extra amount you may need each month from a reverse mortgage:

\$ _____

____ Property taxes or homeowners insurance

If yes, extra amount you may need each month from a reverse mortgage:

\$ _____

____ Other cash needs

If yes, extra amount you may need each month from a reverse mortgage:

\$ _____

____ None of the above

Question #14:

Homeowners who already have difficulty, or expect difficulties, in making ends meet will depend heavily on their reverse mortgage to stay at home and fulfill borrower obligations.

15. Do you have homeowners insurance? 🏠

____ No ____ Yes

If no, when did you let it lapse? (check only one)

____ Never had it

____ Let it lapse within the past 12 months

____ Let it lapse more than 12 months ago

Question #15:

Homeowners who do not currently have homeowners insurance face extra expenses. They may present a foreclosure risk if they do not keep up with this additional responsibility.

16. In the last two years, have you ever been late in making a property tax or homeowners insurance payment? 🏠

____ No ____ Yes

If yes, were you late because you did not have enough funds to pay for these expenses?

____ No ____ Yes

Question #16:

Homeowners who have a history of late property tax or homeowners insurance payments may present a foreclosure risk.

17. Are any of the homeowners financially supporting elderly relatives, adult children, grandchildren, or others?

____ No ____ Yes

If yes, extra amount you need each month, if any:

\$ _____

18. Are any of the homeowners getting benefits from Supplemental Security Income (SSI), Medicaid, Veterans Affairs, or other public programs? 🏠

____ No ____ Yes

Funds for Major Expenses

19. Do you have any non-housing debt (credit cards, car loan, personal loan) that you plan to pay off with a reverse mortgage?

____ No ____ Yes

If yes, estimated amount of debt:

\$ _____

20. Do you plan to use the reverse mortgage to pay for a major purchase in the next 12 months (such as new furniture, RV, family event or education)?

____ No ____ Yes

If yes, estimated cost:

\$ _____

21. How old is your house? (check only one) 🏠

____ Less than 10 years old

____ 10-25 years old

____ More than 25 years old

22. Does the house have stairs, a steep pathway or other barriers that could make it hard to stay at home over time? 🏠

____ No ____ Yes

Question #18:

Homeowners who receive benefits from means-tested public programs must be very careful that the loan type and payment plan they select do not affect their eligibility for these benefits.

Question #21:

Homeowners who live in houses that are old are likely to need to make major home repairs and do additional maintenance which can quickly draw down a reverse mortgage.

Question #22:

Older homeowners may need to modify their homes to make them safe and suitable, so they can stay at home for many years and fully benefit from a reverse mortgage.

23. Is your house likely to need major repairs or home improvements within the next 12 months?

____ No ____ Yes

If yes, estimated cost:

\$ _____

24. Would you need to rely on your reverse mortgage to pay for any large future expenses? 🛠️

____ No ____ Yes

Question #24:

Homeowners with few resources may depend on their reverse mortgage to deal with uncertainty, so they can stay at home for many years and fully benefit from a reverse mortgage.

25. Depending on your needs and income level, I may be required to complete a BenefitsCheckUp Assessment with you, as part of the counseling session. Even if it is not required, I recommend that you complete this assessment, to learn about public programs that can help you pay for prescription drugs, healthcare, housing, utilities and more. Would you like to complete a BenefitsCheckUp assessment?

____ No ____ Yes