



HUD Office of Housing Counseling

HECM Updates, Client Budget and Resource Identity Tool (CBRIT) Demonstration

May 24, 2022

Questions?

- Participants are in listen only mode
- Chat
 - Submit any technical issues via the Chat box
 - Send the message to the Host
- Q&A
 - Submit any content related questions via the Q&A box
 - Send to Host, Presenter and Panelists

The screenshot displays two overlapping windows from a 'Question and Answer' application. The background window is titled 'Chat' and features a large text input area. At the bottom, a 'To:' dropdown menu is set to 'ICF Host', with a red box highlighting it and the text '(Direct Message)' to its right. Below the dropdown is a 'Type message here...' input field. The foreground window is titled 'Question and Answer' and contains a 'Welcome to Q&A' message. Below the welcome text is a large text input area with the placeholder 'Type your question here...'. At the bottom of this window, there is a 'Send anonymously' checkbox, a 'Cancel' button, and a 'Send' button. A red box highlights the entire Q&A input section.

Materials

- The PowerPoint has been posted for this session. We will provide the link in the Chat box
- Webinar materials are posted on the HUD Exchange in the [Webinar Archive](#) 7-14 days after the live webinar
 - Find by date or by topic

Housing Counseling Webinar Archives

Page Description

This page contains links to the archived versions of previously recorded webinars presented by the Office of Housing Counseling. In order to listen to the archived webinar, you will need call the 800 # listed and enter the access code. Any course materials, including the PowerPoint Presentations are also posted. You should have the presentations available when you listen to the webinar. If you have any questions regarding the webinars archived on this site, please contact [Virginia Holman](#).

Training Archive – Audio Replay and Transcript:

- Audio replay numbers are only available for 12 months after the date of the webinar
- Transcripts are available for webinars from February 2016 going forward

Get Credit for Training Sessions

If you have attended or completed any of the training sessions below, select the "Get Credit" button on the training page in order to get credit and add the course to your transcript. You must have a HUD Exchange account in order to get credit for training sessions.

Need a HUD Exchange Account?

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Want to view webinars by topic?

The Office of Housing Counseling has a new page where webinars are organized by topic instead of date.

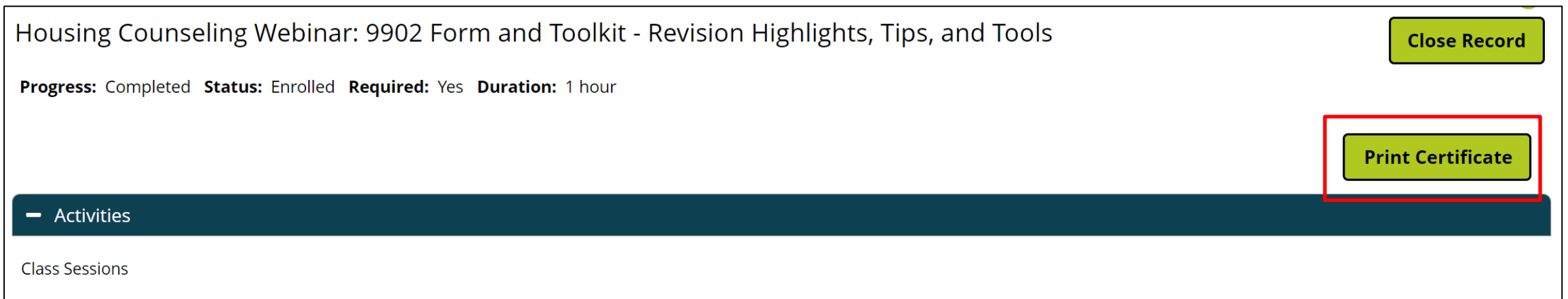
[Filter by Topic](#)

Click on the title to view webinar materials, and get credit for viewing the webinar.

Webinar Title and Link	Description	Date
Fringe Benefit Costs	This webinar discussed the Office of Management and Budget's (OMB's) cost principles related to fringe benefits and how to properly document and calculate fringe benefits.	February 15, 2022
Training NOFO Grant Execution	This webinar was recommended for all grantees awarded funding under the 2021 Housing Counseling Training NOFO (TNOFO).	February 8, 2022

Webinar Certificate

- Webinar attendance will be marked following the live webinar
- Once attendance is marked you can print a Webinar Certificate by logging into your account and going to your [Learning Transcript](#)
- Select the Course Name and click “Print Certificate”. *Not all HUD Exchange trainings offer Webinar Certificates*



Housing Counseling Webinar: 9902 Form and Toolkit - Revision Highlights, Tips, and Tools

Progress: Completed **Status:** Enrolled **Required:** Yes **Duration:** 1 hour

Close Record

Print Certificate

— Activities

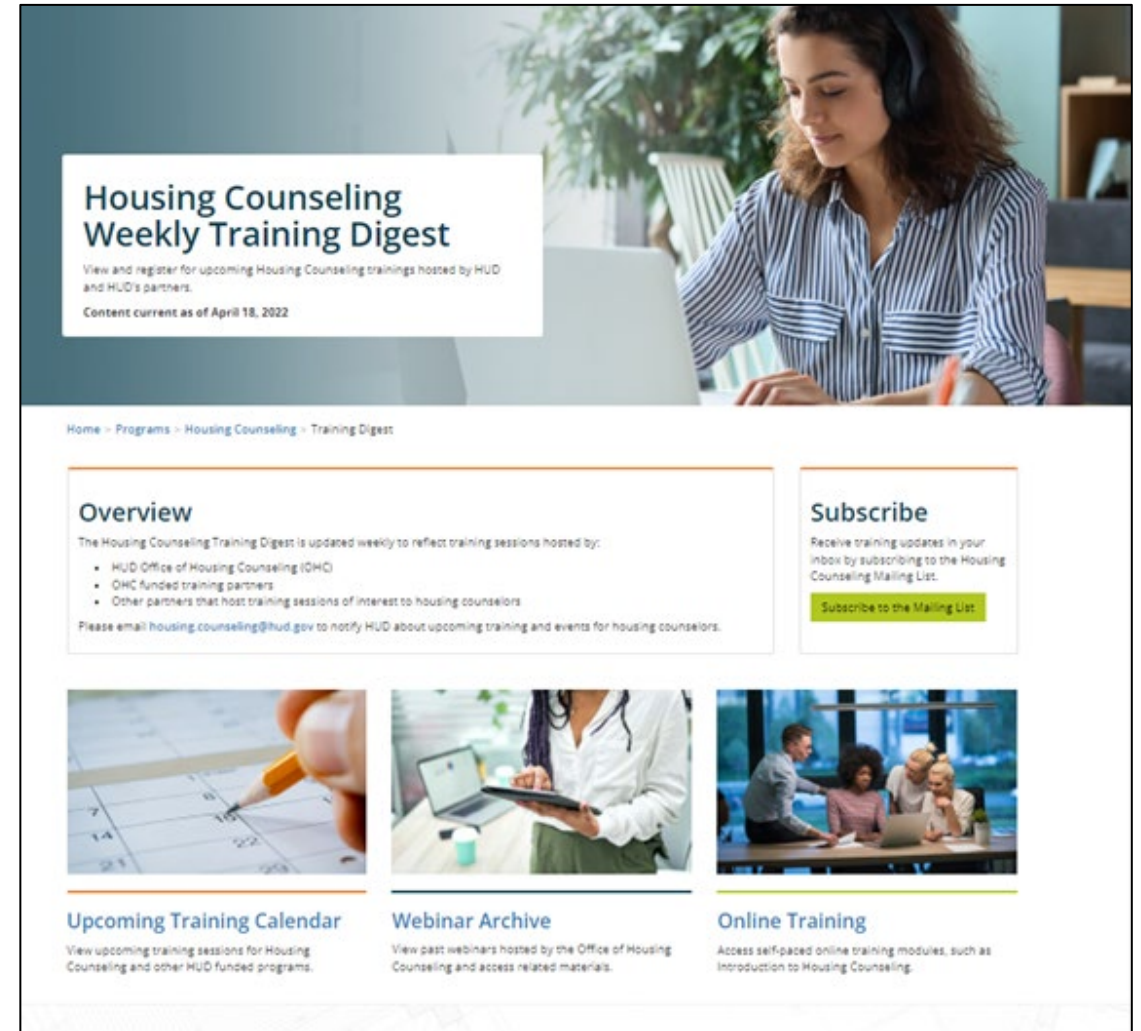
Class Sessions

Continuing Education Requirements

- Home Equity Conversion Mortgage (HECM) certified roster counselors must successfully complete HECM related continuing education units (CEUs) every 2 years
- This webinar counts as a CEU!
- Remember to upload your certificate from this webinar to FHA Connection (FHAC) to receive credit
- Approved courses and links to training providers available on [HUD Exchange](#)

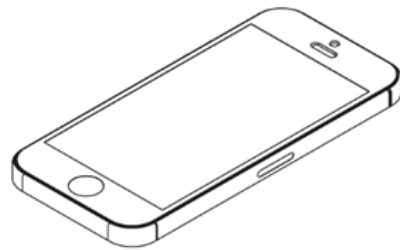
Housing Counseling Training Digest

- [Visit the Training Digest on the HUD Exchange](#)
- View upcoming training hosted by HUD and other partners



Feedback and Polling

- There will be questions provided in Mentimeter throughout this presentation
- When prompted by the icon to the right, please respond to questions at www.menti.com using your computer or smart phone



1

Grab your phone

www.menti.com

2

Go to www.menti.com



3

Enter the code and vote!

**Time for
Mentimeter!**



Agenda

- Welcome
- HECM Updates
- Client Budget and Resource Identity Tool (CBRIT)
Demonstration
- Q&A
- Resources



Jerrold H. Mayer

Director

Office of Outreach and Capacity Building

HUD Office of Housing Counseling

Presenters

- Clair Weatherby, ICF, Technical Assistance Provider
- Tracy Badua, Office of Program and Grant Administration
- Jerry Wagner, President, IBIS



HECM Updates

9902 Data Trends

Category	Data Point	FY 2020	FY 2021	% Change
One-on-one counseling	Reverse Mortgage	70,159	84,272	+ 20%

- HECM counselors provided counseling to 20% more clients!
- Updates to the HUD 9902 quarterly report will allow agencies to capture data about resolving or preventing reverse mortgage delinquency or default

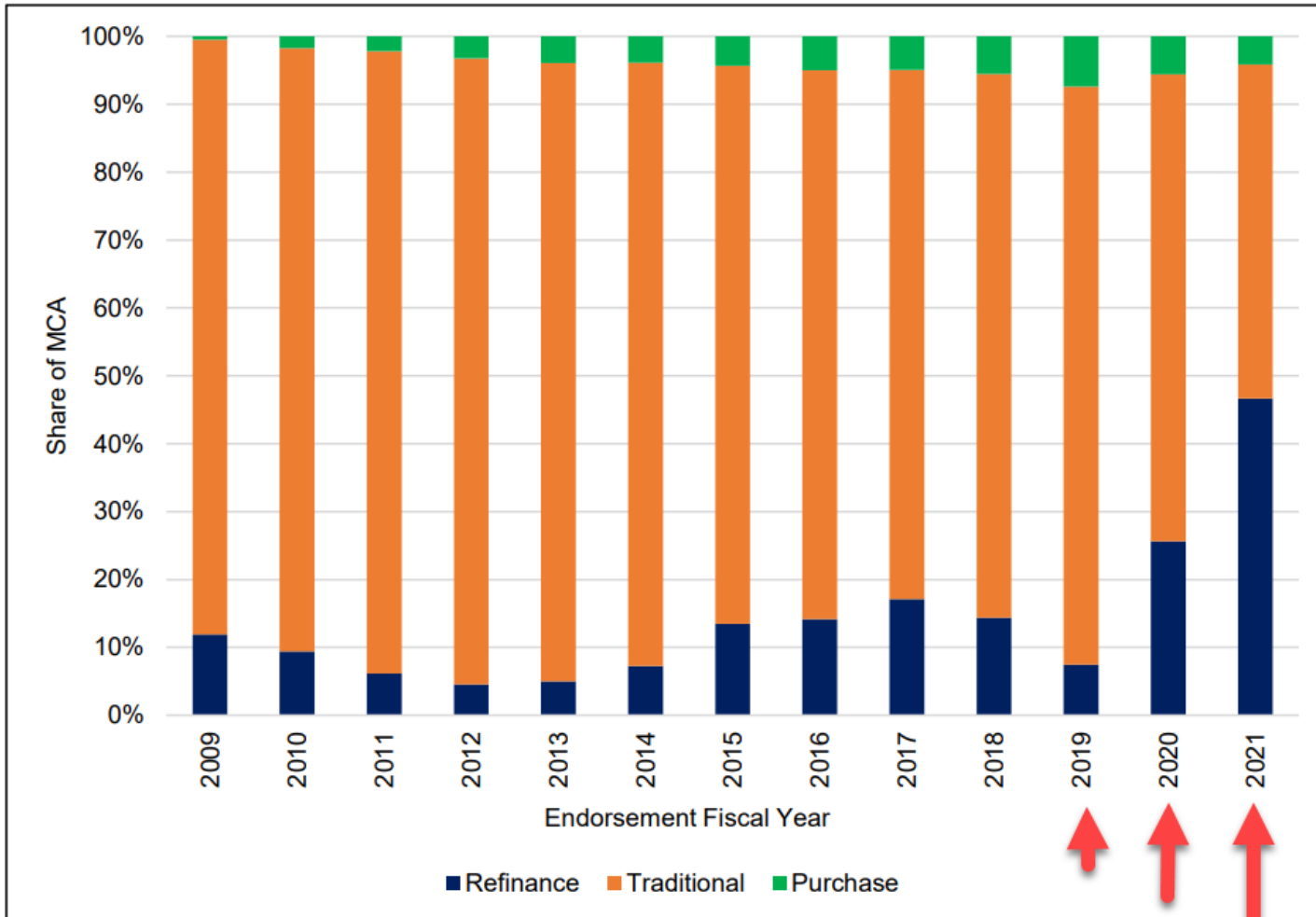
FHA Data Trends

Category	FY 2020	FY 2021	% Change
HECM Loan Endorsements	41,865	49,215	+ 18%

- New HECM loan originations went up along with counseling

HECM Market Trends

Exhibit III-29: FHA HECM Endorsement Activity by Mortgage Purpose

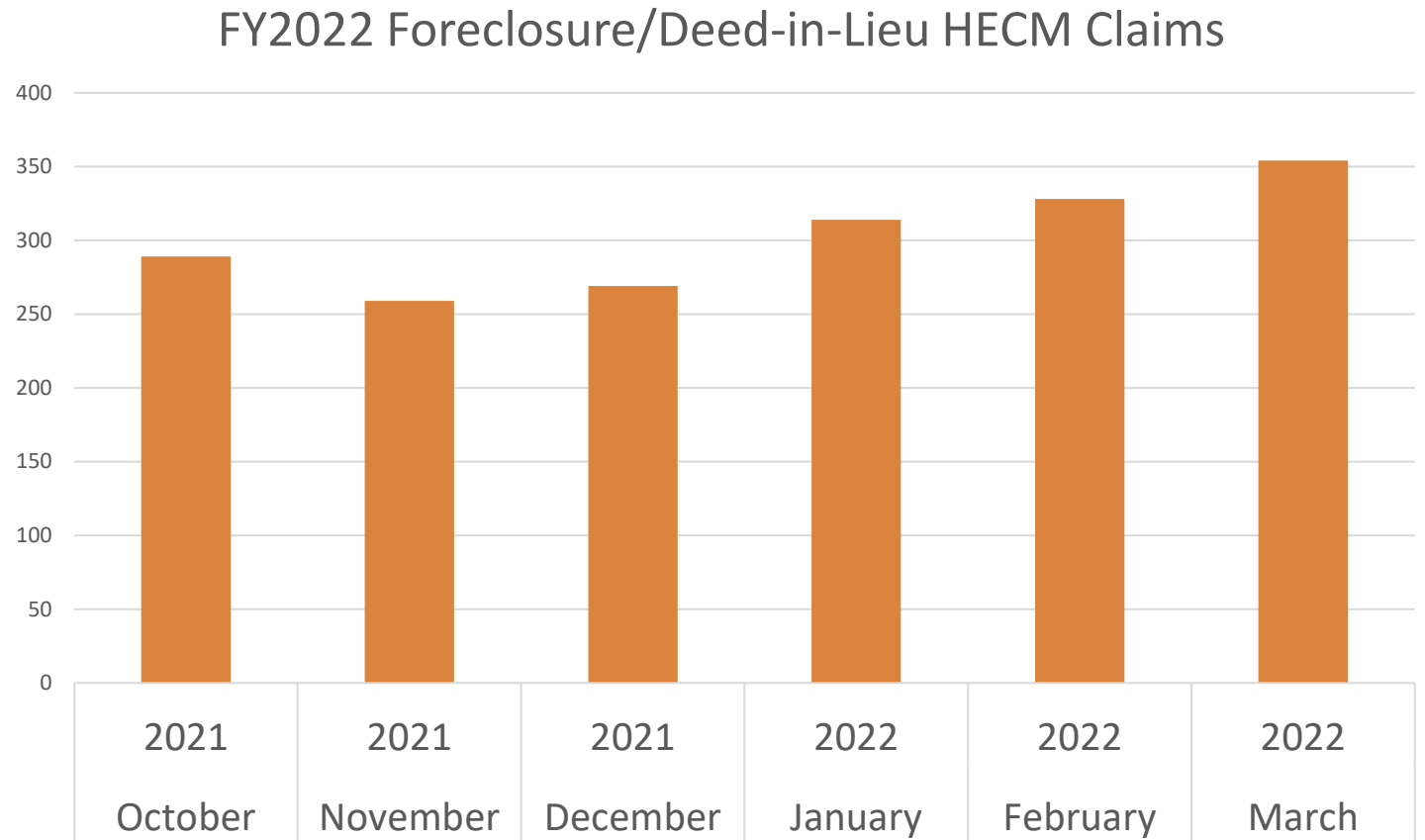


- As a proportion of all HECM activity, refinance nearly doubled from FY 2020 to FY 2021
- Follows the same trend as forward mortgage refinance

SOURCE: U.S. Department of HUD/FHA, October 2021.
Refer to data table D-29 in Appendix D.

HECM Claim Trends

- Overall foreclosure/deed-in-lieu and short sale numbers are low as compared to FY21, likely due to COVID relief that allowed servicers to hold off on filing claims
- However, need for HECM default counseling may be on the rise, as monthly Foreclosure/Deed-in-Lieu #'s are rising



HECM Default Counseling

- Any HUD-Certified Housing Counselor may assist borrowers facing default on a HECM loan (not required to be a HECM roster counselor)
- Refer to the [HUD Housing Counseling Guidelines For Home Equity Conversion Mortgage \(HECM\) Borrowers with Delinquent Property Charges](#) for guidance and resources on this topic



Client Budget & Resource Identity Tool (CBRIT)

Introduction to Client Budget & Resource Identity Tool (CBRIT)

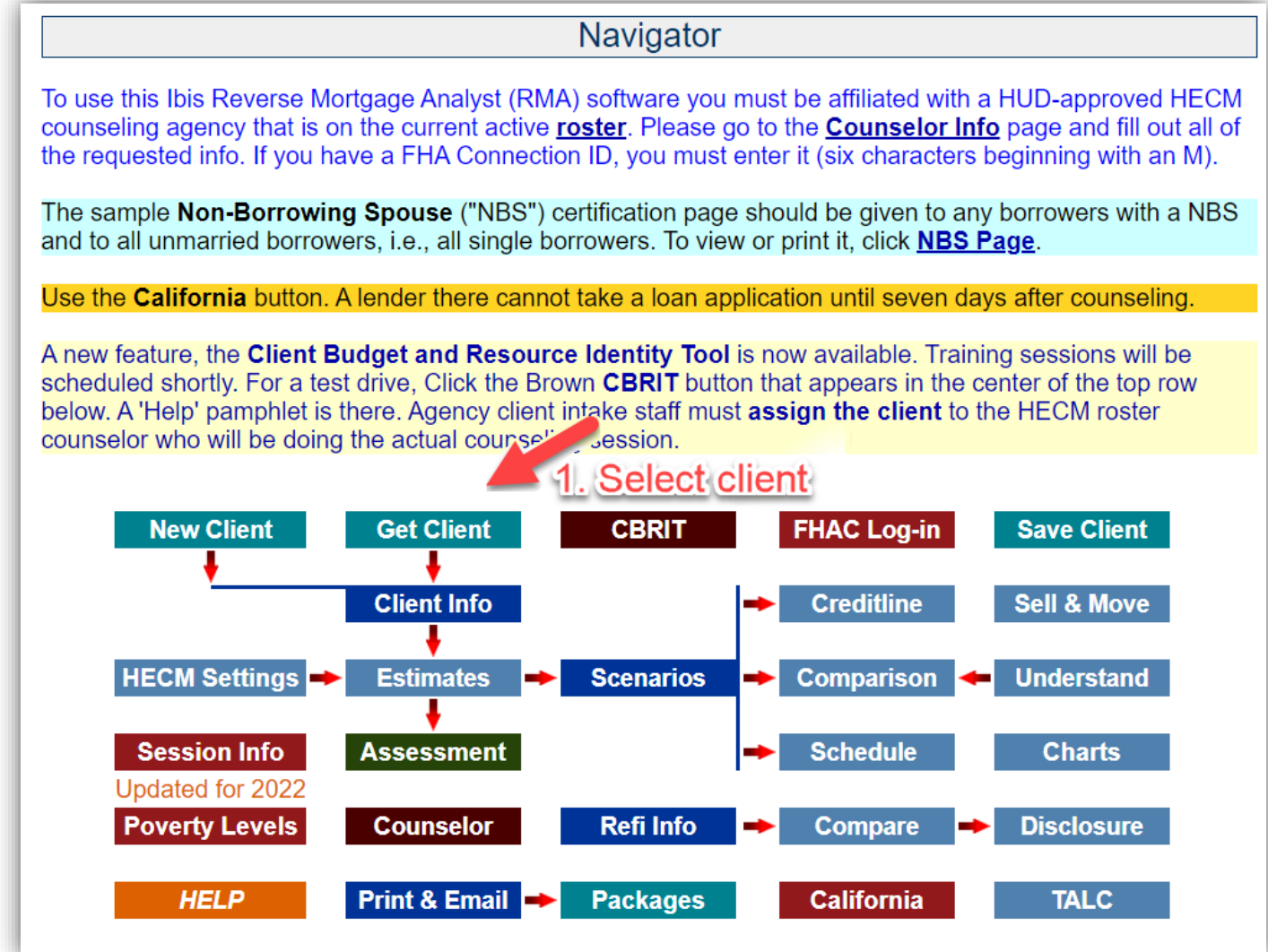
- Went live in March 2022 and replaces the previous Financial Interview Tool (FIT) and previous BenefitsCheckUp (BCU)
- Provides both budgeting and a “Resource Identity” function to find non-HECM resources the client may be eligible for
- Meets Housing Counseling Handbook requirements for creating a HECM client budget
- Required for creating the client budget for counseling on origination
- HUD Housing Waiver

CBRIT Access

- HECM Roster Counselors should access CBRIT through the existing HECM Loan Comparison and Underwriting Tool (HLCUT)
- May also be used by any HUD Certified Housing Counselor in HECM default counseling (don't need to be a HECM roster counselor to use it)
- CBRIT is free to use for all HUD Certified Housing Counselors

Accessing CBRIT for HECM Roster Counselors

- To use the CBRIT Tool, first log in to the [Ibis Reverse Mortgage Analyst \(RMA\) website](#)
- On the landing page, choose the client you wish to work with by selecting “Get Client”



Accessing CBRIT, continued

- Select your client.
New clients must be assigned to a counselor first
- Then, return to the Navigator page

Select a Client

All clients associated with your User ID are shown in the saved client list below. **Two dates are shown:** (1) the date the client was last saved, and (2) the date the client first entered your database. Your agency also has access to these clients. Click on any name to bring up that client's saved information; click on the "garbage can" icon to delete the client's record. *Note: If you have made changes to the current client, click on the Save Client link above (to save) before opening another client.*

Page Size: 10 <<Prev Next>> Page:1

<u>Borrower</u>	<u>Saved Date</u>	<u>Created Date</u>	<u>User</u>	<u>Tag Note</u>	<u>Assign User</u>	<u>Delete</u>
Wagner, Jerry NY 11233 (Kings)	4/6/2022	4/6/2022	Weatherby, Clair NeighborWorks Orange County CA			

Filter by: Borrower Last Name As Go

Jerry Wagner Age (69)

Navigator | Client Info | Estimates | Scenarios | Questions | Print | Save Client | Calendar | Notes | Logout

HECM Settings

Return to Navigator page

Loan closing date Month Day Year
6 6 2022

Effective January 1, 2021, Ginnie Mae will no longer accept LIBOR-based loans. It appears that all HECM lenders will be switching to the Constant Maturity Treasury (CMT) indices. Shortly Ibis RMA will use CMT rates as its default setting. Until then, select appropriate products below.

HECM 1	HECM 2	HECM 3	
Adjusting Period	Monthly	Annual	Fixed Rate

Accessing CBRIT, cont'd

- Client name will show at the top of the page
- Select the “CBRIT” button to proceed to the tool

Navigator | Calendar | Logout

Jerry Wagner Age (69)

Navigator

To use this Ibis Reverse Mortgage Analyst (RMA) software you must be affiliated with a HUD-approved HECM counseling agency that is on the current active [roster](#). Please go to the [Counselor Info](#) page and fill out all of the requested info. If you have a FHA Connection ID, you must enter it (six characters beginning with an M).

The sample **Non-Borrowing Spouse** ("NBS") certification page should be given to any borrowers with a NBS and to all unmarried borrowers, i.e., all single borrowers. To view or print it, click [NBS Page](#).

Use the **California** button. A lender there cannot take a loan application until seven days after counseling.

A new feature, the **Client Budget and Resource Identity Tool** is now available. Training sessions will be scheduled shortly. For a test drive, Click the Brown **CBRIT** button that appears in the center of the top row below. A 'Help' pamphlet is there. Agency client intake staff must **assign the client** to the HECM roster counselor who will be doing the actual counseling session.

Select CBRIT

New Client Get Client CBRIT FHAC Log-in Save Client

Client Info Creditline Sell & Move

CBRIT Landing Page

C

B

R

I

T

Client Budget & Resource Identity Tool

[Start Here](#)

Client Interview

Budget

Resources

Spanish

Help

Logout

Jerry Wagner

Welcome to CBRIT (the Client Budget and Resource Identity Tool)

Three tools are included in CBRIT to help you understand your client's living and financial situation and their possible needs. The tools are available in English and Spanish. Use the tabs on the top right of your screen to select a language. **HECM counselors must use these first two tools for every client.**

Interview Tool

A Client Interview Tool helps you learn more about your client's needs and their home.

Budget Tool

A Client Budget (CB) that can be done broadly or in detail. The detailed version is best if your client has any difficulty meeting their monthly expenses.

Resources Tool

The Resource Identity Tool (RIT) shows local, statewide, and national resource and assistance programs for seniors.

Your client's information will populate here

Client Information	
City	Brooklyn
State	NY
Zip Code	11233
Home Value	450,000
Borrower Age	68
Coborrower Age	0
Plan Horizon	21
LESA	0
Property Taxes	
Home Insurance	
Flood Insurance	
HOA / PUD / Condo Fees	

CBRIT Key Features

The screenshot shows the CBRIT interface with the following elements:

- Header:** "Client Budget & Resource Identity Tool" on the left. On the right, there are links for "Spanish" (with a globe icon), "Help" (with a question mark icon), and "Logout" (with an arrow icon). Below these is the user name "Jerry Wagner" and a "Save" button (with a floppy disk icon).
- Navigation Bar:** "Start Here", "Client Interview" (underlined), "Budget", and "Resources".
- Client Interview Section:** The title "Client Interview" is followed by a "Print" button (highlighted with a red box) and a callout "Print or email a PDF copy".
- Text Content:**
 - "Through a few key questions, this Client Interview will help me better understand your financial and living circumstances. We would like to discuss personal and financial goals that may affect your decisions about applying for a reverse mortgage."
 - "This Interview plus a personal budget for you will help me assess any immediate budget shortfalls, and identify other risks that could affect your ability to use a reverse mortgage to meet your longer-term personal goals."
- Callouts:** "Interview tool is available in Spanish" (top right), "Remember to save your work" (bottom right), and "Print or email a PDF copy" (next to the Print button).

- Each page on CBRIT can be emailed or printed as a PDF
- Spanish available for all pages
- Remember to save your work!

CBRIT Key Features

Client Interview [Print](#)

Through a few key questions, this Client Interview will help me better understand your financial and living circumstances. We would like to discuss personal and financial goals that may affect your decisions about applying for a reverse mortgage.

This Interview plus a personal budget for you will help me assess any immediate budget shortfalls, and identify other risks that could affect your ability to use a reverse mortgage to meet your longer-term personal goals.

☐ If your client's financial situation looks alright, say:

☒ If your client's financial situation looks difficult, say:

Based on your financial information, this interview and a complete budget will help us see if there are sufficient funds to pay for future property taxes, home insurance, and other property expenses such as HOA dues, condo fees, and any assessments. A HECM LESA (Life Expectancy Set-Aside) may be a good choice for you even if your lender does not require one. A LESA should cover property taxes, homeowners insurance, and flood insurance premiums over the life expectancy of the youngest borrower. You will be responsible for the payment of these property charges when funds in the LESA are insufficient or no longer available.

1. How long do you plan to remain in your home?

- ☐ Two years
- ☐ Five Years
- ☒ Ten Years
- ☐ As long as possible

2. There are alternatives to a reverse mortgage that you may consider. First here are some Financial Alternatives:

- ☐ Would you like to hear about a Home Equity Loan?
- ☐ Do you have an Individual Retirement Account (IRA)?
- ☒ Do you have an existing forward (regular) mortgage?

You may be able to refinance your mortgage to obtain a loan with better terms including a lower interest rate. In some cases, you may be able to obtain cash through a refinance provided there is sufficient income to qualify.

- Suggested counselor script appears in blue when you select a client response

CBRIT Budget Overview

Start Here Client Interview Budget Resources

Budget

Toggle between "Details" view and "Totals" view

Some planners believe in a **70-20-10 budget**. Expenses, Savings, and Debt re in monthly or annual figures. On a line, you can make entries in either the mo

Assets

The budget uses income and expenses. If your client has liquid assets that they may sell ove financial planners.

- Click “Show Totals” to switch between worksheet and totals
- Budget tool will auto-calculate monthly or annual income – enter whichever client has available

Income

If you enter “take home pay” rather than Gross Income amounts do NOT enter the appropriate Taxes and Deductions below. You can mix take home and g

	Current Situation		
	Monthly	Annual	% of Total
Gross Income	<input type="text"/>	<input type="text"/>	

CBRIT Budget Columns

Income						
If you enter "take home pay" rather than Gross Income amounts do NOT enter the appropriate Taxes and Deductions below. You can mix take home and gross entries if you enter taxes only on the gross amounts.						
	Current Situation			With New HECM		
	Monthly	Annual	% of Total	Monthly	Annual	% of Total
Gross Income						
You have entered amount(s) below for individual items in this category. To enter the total amount(s) for this category instead, please clear the amount(s) entered below.						
Asset Dissipation	Annual Rate	4	%	191	2,288	5.8%
Salaries				1,500	18,000	45.6%
Social Security				1,400	16,800	42.5%
Spousal Support						
Roommate Support						

- Budget tool has 6 columns:
 - Left 3 columns = client current situation
 - Right 3 columns = client situation if HECM is chosen
- If client has Life Expectancy Set Aside (LESA), there will be no property tax or home insurance expenses listed

CBRIT Resources

[Start Here](#) [Client Interview](#) [Budget](#) [Resources](#)

Resources

[Print](#) [National Resources](#)

Select for PDF of resources available across the country

The Resource Identity Tool (RIT) shows local, statewide, and national resource and assistance Aging (AAA) websites. They are your best first choice:

There are 58 State Agencies on Aging. These include the District of Columbia and seven U.S. territories.

There are 791 Area Agencies on Aging (local AAA).

Of these, 226 are resources for Native Americans. These Tribal Nation and Tribe resources are listed separately.

So far, there are 1,500 other senior resources included in RIT. Please suggest others that I can add.

First RIT shows the two closest, in-state, local Area Agencies on Aging. You may tell your client about these. There is a lot to know about senior benefits. RIT shows many other resources that your client can use.

Neither Ibis Software Corporation nor HUD have reviewed all of the linked sites shown. The contents of any such linked site. The inclusion of any link does not imply endorsement by HUD.

Zip Code 11233 Shows resources closest to client zip code

Following resources found for the above zip code.

Type: Area Agency on Aging
New York City Department for the Aging

- Select "National Resources" to view a PDF of national services for the aging
- Local resources automatically display based on client's zip code

HECM Default Counselor CBRIT Access

Sign-in

Login ID*

Login ID is a required

Password*

Password is a required

Submit

Reset Password

Sign-up

Sign-up

Company*

FHA Connection ID*

First Name*

Last Name*

Email Address*

Phone Number*

Login ID*

Submit

Reset Password

Sign-in

Note: If you are a registered HECM counselor, please access CBRIT from the [HLCUT](#) navigation page. HECM counselors don't have to create a CBRIT account to access it.

Note: If you are a registered HECM counselor, please access CBRIT from the [HLCUT](#) navigation page. HECM counselors don't have to create a CBRIT account to access it.

1. When a counselor registers for an account, they will need to use the sign-up function located on CBRITool.com
2. Counselor will provide the required information and submit
3. HUD will review the account request for approval
4. Please contact IBIS directly regarding access issues: 800-566-5077



Questions and Answers



Time for
Mentimeter!





HECM Resources

HECM Resources on HUD Exchange

- Links to key HUD policies, notices, and mortgagee letters
- Partner Agency Resources from NeighborWorks, CFPB, Insured Retirement Institute and much more!
- Past and future trainings
- Information on counselor eligibility, application, continuing ed, use of FHA Connection

Home Equity Conversion Mortgage

Overview

This page provides information on Home Equity Conversion Mortgage (HECM) Counseling for Housing Counselors, and provides two sets of resources for Origination and Default Counseling.

FHA insures a reverse mortgage known as HECM. Reverse mortgages allow homeowners to convert equity in their homes into income that can be used to pay for home improvements, medical costs, living expenses, or other expenses. The equity that the homeowner builds up over years of making mortgage payments can be paid to the homeowner.

HECM Origination Counseling assists seniors through the process of determining if they are qualified for and obtaining a loan. Counselors cover a number of required topics including eligibility, loan amounts and loan limits, and future repayments. HECM Origination Counselors must be certified, registered within FHA Connection, and are required to maintain education on a bi-annual basis.

HECM Default Counseling assists seniors who are at risk of defaulting on HECM loans. Although monthly payments on reverse mortgages are not required, there is still a risk of default if the borrower fails to pay real estate taxes, homeowner association fees, or local assessments (e.g., sewer); maintain hazard insurance; or remain in the property as the principal residence. **Default Counselors are *not required* to be HECM roster counselors.**

Client Budget and Resource Identity Tool (CBRIT)

This tool is intended for HUD Certified HECM Housing Counselors. CBRIT replaces the Financial Interview Tool (FIT). The Resource Identity portion of CBRIT helps counselors direct HECM clients to various non-HECM resources for which they may be eligible and provides instructions for accessing those resources.

[Access CBRIT](#)

[Visit the HUD Exchange](#) for
HECM Counseling Resources

Office of Housing Counseling



- Find us at: hudexchange.info/counseling
- [HUD HECM Counseling Website](http://HUDHECM.org)
- Email us at: Housing.counseling@hud.gov
- [Search for HUD Approved Housing Counseling Agencies](#)



Thank You For Attending