

SCHEDULE RM – ANNUAL SUPPLEMENTAL CONSOLIDATED DATA ON REVERSE MORTGAGES

Throughout these instructions, **you** and **your** refers to the reporting savings association and its consolidated subsidiaries; **we** and **our** refers to the Office of Thrift Supervision.

Starting as of December 31, 2010 complete this schedule annually.

RM010: DO YOU HAVE ANY REVERSE MORTGAGE LOAN ACTIVITY FOR THE CALENDAR YEAR TO REPORT IN THIS SCHEDULE?

Please read the entire set of instructions and Thrift Financial Report line items before responding to the initial inquiry RM010.

Respond **No** if you have no loans or referrals meeting the definitions of *reverse mortgage loans* as defined in this schedule. If you respond **No**, you **should not** complete any other lines in this schedule.

Respond **Yes**, if you have loans or referrals to report in Schedule RM. Please note that you report certain line items for the entire calendar year and certain line items as of the end of the year.

Reverse mortgages are used by homeowners age 62 or older to convert a portion of the equity in their homes into a source of income. The borrower receives the cash flow in monthly payments or a line of credit. A reverse mortgage is a non-recourse loan, which means if the balance of the loan exceeds the value of the property; the lender may not seek recourse for the excess amount owed. Furthermore, homeowners do not have to repay the reverse mortgage until they are no longer occupying the home as a primary residence. On August 16, 2010, OTS in conjunction with the federal banking agencies and Federal Financial Institutions Examination Council (FFIEC) issued *New Directions 10-20: Reverse Mortgage Products: Guidance for Managing Compliance and Reputation Risks*.

The U.S. Department of Housing and Urban Development (“HUD”) created one of the first reverse mortgage programs administrated through the Federal Housing Administration (“FHA”). The FHA underwrites and insures the largest volume of reverse mortgages through its “Home Equity Conversion Mortgage” (“HECM”) product. On November 25, 2009, HUD announced that the national FHA loan limit

for the HECM in 2010 remains at \$650,000.¹ **Report HECM loans on lines RM110, RM310, RM330, RM420, RM510, RM610, RM620, and RM630.**

Report all other (Non-HECMs) reverse mortgage programs as “Proprietary” on lines RM112, RM312, RM332, RM422, RM512, RM612, RM622, and RM632. This includes reverse mortgage loan products developed by private companies and Fannie Mae’s former reverse mortgage product known as “The Home Keeper Mortgage.” On September 3, 2008, FNMA announced to its reverse mortgage lenders that they planned to terminate “The Home Keeper Mortgage” product, effective December 31, 2008.² In addition, include any state or local government products.

Complete Schedule RM on a consolidated basis from the savings association downward to any consolidated service corporation involved in reverse mortgage activities. Do not consolidate your holding company in this schedule. You should apply generally accepted accounting principles (GAAP) unless we specifically state otherwise in these instructions.

RM010: Do you have any reverse mortgage loan activity for the calendar year to report in this Schedule?

AMOUNT OF MORTGAGE LOANS OUTSTANDING:

RM110: Amount of Home Equity Conversion Mortgage Loans

Report the amount of outstanding HECMs as of December 31.

RM112: Amount of Proprietary (Non-HECM) Reverse Mortgage Loans

Report the amount of outstanding Proprietary (Non-HECM) mortgage loans as of December 31.

ANNUAL INTEREST INCOME FROM:

RM310: Home Equity Conversion Mortgage Loans

Report the annual interest income related to HECMs for the calendar year-to-date.

RM312: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the annual interest income related to Proprietary (Non-HECM) reverse mortgages for the calendar year-to-date.

¹ Reference HUDs MORTGAGEE LETTER 2009-50, dated November 25, 2009 at www.hud.gov for details.

² Fannie Mae’s Reverse Lender Letter 2008-3: Announcement to Terminate Purchase of Home Keeper Reverse Mortgages.

NUMBER OF REFERRALS OVER THE CALENDAR YEAR TO ANOTHER LENDER FROM WHOM YOU RECEIVED COMPENSATION FOR SERVICES PERFORMED FOR THE LENDER IN CONNECTION WITH THE LENDER'S ORIGINATION OF THE REVERSE MORTGAGE:**RM330: Home Equity Conversion Mortgage Loans**

Report the number of referrals to another lender over the calendar year from whom you received compensation for services performed for the lender in connection with the lender's origination of the reverse mortgage.

RM332: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the number of referrals to other lenders during the calendar year from whom you received compensation for services performed for the other lender in connection with the other lender originating the reverse mortgage.

ANNUAL ORIGINATION FEE INCOME FROM:**RM420: Home Equity Conversion Mortgage Loans**

Report the annual origination fee income related to HECMs for the calendar year-to-date.

RM422: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the annual origination fee income related to Proprietary (Non-HECM) mortgage loans for the calendar year-to-date.

COMMITMENTS OUTSTANDING TO ORIGINATE MORTGAGES SECURED BY:**RM510: Home Equity Conversion Mortgage Loans**

Report the amount of commitments outstanding to originate HECMs as of December 31.

RM512: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the amount of commitments outstanding to originate Proprietary (Non-HECM) mortgage loans as of December 31.

ANNUAL MORTGAGE LOANS ORIGINATIONS FOR PERMANENT LOANS ON:**RM610: Home Equity Conversion Mortgage Loans**

Report the total originations of Home Equity Conversion Mortgage Loans for the calendar year.

RM612: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the total originations of proprietary loans for the calendar year.

**ANNUAL LOANS AND PARTICIPATIONS PURCHASED
SECURED BY:****RM620: Home Equity Conversion Mortgage Loans**

Report the annual loans and participations purchased secured by HECMs for the calendar year to date.

RM622: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the annual loans and participations purchased secured by proprietary loans for the calendar year to date.

**ANNUAL LOANS AND PARTICIPATIONS SOLD SECURED
BY:****RM630: Home Equity Conversion Mortgage Loans**

Report the annual loans and participations sold secured by HECMs for the calendar year to date.

RM632: Proprietary (Non-HECM) Reverse Mortgage Loans

Report the annual loans and participations sold secured by proprietary loans for the calendar year to date.