

## INSTRUCTIONS FOR COMPLETING MONTANA BOARD OF HOUSING

### REVERSE ANNUITY MORTGAGE LOAN APPLICATION

Attached is the form of the application to be used in applying for a Reverse Annuity Mortgage Loan (RAM). The information requested will be used by Montana Board of Housing (MBOH) in determining the eligibility of the borrower(s) for a RAM loan.

We have enclosed a sheet entitled "How To Fill Out The Application" which should answer most questions about the application. This sheet will also help you see whether you are likely to be eligible for the program.

Applications are handled on a first-come, first-served basis, based on the funds we have available for the designated pilot program. We cannot, however, make any guarantee on how long funds will remain available.

Submitting the application does not mean that you are required to take the loan if offered. You will only have to make a final decision after your home is appraised, and you have received an offer of a loan commitment from Montana Board of Housing.

We will review the completed application in regard to the eligibility requirements, and notify you, in writing, of the results of our review.

It is necessary that potential borrower(s) complete a reverse annuity mortgage counseling program in order to submit an application. The counseling network is provided through the Montana Aging Services Network, and the application may be completed during the counseling session.

Reverse Annuity Mortgage  
Program Specialist  
Montana Board of Housing  
PO Box 200528  
301 South Park Avenue  
Helena, MT 59620-0528  
1-800-761-6264  
(406) 841-2840

[http:// housing.mt.gov/Includes/BOH/Elderly/Application.pdf](http://housing.mt.gov/Includes/BOH/Elderly/Application.pdf)

Revised: March 22, 2012

**MONTANA BOARD OF HOUSING (MBOH)  
APPLICATION FOR REVERSE ANNUITY MORTGAGE LOAN (A.P.R. 5.0%)**

Borrower Name \_\_\_\_\_ DOB: \_\_\_\_\_ Age \_\_\_\_\_

Co-Borrower Name \_\_\_\_\_ DOB: \_\_\_\_\_ Age \_\_\_\_\_

Property Address: Street \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City \_\_\_\_\_, Montana Zip \_\_\_\_\_

County \_\_\_\_\_ Home Tel. No. : \_\_\_\_\_

Property Legal Description \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Lot Size \_\_\_\_\_ Estimated Property Construction Date (Year) \_\_\_\_\_

1. Amount of loan applied for: \$ \_\_\_\_\_ (Maximum is **\$150,000**; minimum is **\$15,000**)

2. Cash Advance, if any \$ \_\_\_\_\_ (Maximum **\$10,000** with some exceptions)

3. Names, birth date, and employment status of all other persons not listed above who reside in the household \_\_\_\_\_

\_\_\_\_\_

4. Are all Borrowers currently living in the home? Yes \_\_\_ No \_\_\_ Specify which are not. \_\_\_\_\_

\_\_\_\_\_

5. Manner in which title is held (sole ownership, joint tenants in common, joint tenants with rights of survivorship).

\_\_\_\_\_

(If there is a Co-Borrower, the Property must be owned jointly with rights of survivorship)

6. Indicate the number of dwelling units in the Property. \_\_\_\_\_
7. Is the Property a condominium? Yes \_\_\_\_\_ No \_\_\_\_\_ FHA\ VA Condominium Number # \_\_\_\_\_
8. Is there a mortgage or other lien on the Property? Yes \_\_\_ No \_\_\_ **If YES**, list what type of lien and how it will be cleared.  
\_\_\_\_\_
- 
9. Are real estate taxes paid up-to-date?  
Yes \_\_\_ (attach a copy of the most recent paid tax receipt.)  
No \_\_\_ **If no** describe how real estate taxes are to be paid before or at loan  
Closing. \_\_\_\_\_
- Amount of Annual Real Estate Taxes.\$ \_\_\_\_\_
10. Do you carry hazard insurance on your property? Yes \_\_\_\_\_ No \_\_\_\_\_ (Hazard insurance must be in force at or before closing of the RAM loan). If yes, complete the following:  
Company \_\_\_\_\_ Policy Number \_\_\_\_\_  
Amount of Coverage \$ \_\_\_\_\_ Renewal Date \_\_\_\_\_  
Insurance Agent \_\_\_\_\_  
Agent's Phone No. \_\_\_\_\_
- (Please attach copy of current Declarations Page from your hazard insurance policy.)
11. Did Borrower(s) file a federal income tax return for the previous year? Yes \_\_\_\_\_ No \_\_\_\_\_ (If yes, a complete copy must be attached to application.)
12. Annual Family Income (Anticipated total income from all sources for the subsequent 12 month period from application.)

A.	Total Income per tax return ( <b>or</b> total income of a taxable nature and its sources, <b>if</b> no return was filed)	\$ _____
B.	Add, any investment or business loss which was netted out of total income above	\$ _____
	<b>Add</b> , non-taxable income, such as:	
C.	Social Security	\$ _____
D.	Municipal bond interest	\$ _____
E.	Other (Please specify)	\$ _____
F.	<b>Less</b> Total Allowed Medical Expenses, if applicable	\$ _____
	<b>TOTAL ANNUAL FAMILY INCOME</b>	<b>\$ _____</b>

13. State the total number of people living in the household: \_\_\_\_\_person household

PLEASE LIST SOMEONE WE CAN CONTACT IF WE ARE UNABLE TO REACH YOU.

Name \_\_\_\_\_ Relationship \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone: \_\_\_\_\_ Cell Phone \_\_\_\_\_

Name \_\_\_\_\_ Relationship \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone: \_\_\_\_\_ Cell Phone \_\_\_\_\_

14. **Please attach the following to your RAM application:**
- a. **Copy of trust indenture/warranty deed**
  - b. **Copy of most recent paid real estate tax receipt**
  - c. **Copy of current declarations page from hazard insurance policy**
  - d. **Copy of completed counselors checklist**
  - e. **Copy of verification of income**
  - f. **Medical worksheet if applicable**

15. Application completed during counseling session? Yes \_\_\_\_\_ No \_\_\_\_\_

Name of Counselor(s) \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ ZIP \_\_\_\_\_ Phone #: \_\_\_\_\_

(Please print)

Date of Counseling Session \_\_\_\_\_

**AGREEMENT:** The undersigned have applied for the loan indicated in this application to be secured by a first mortgage on the Property, and represent that all statements made in this application are true and are made for the purpose of obtaining the loan. The original or a copy of this application will be retained by the MBOH, even if the loan is not granted. The undersigned are the owners of the Property, and intend to occupy the Property as their primary residence. The Reverse Annuity Mortgage Loan Program has been explained through the counseling provided by a Certified RAM Counselor.

\_\_\_\_\_  
Borrower Signature Date

\_\_\_\_\_  
Co-Borrower Signature Date

\_\_\_\_\_  
Counselor Signature Date

## HOW TO FILL OUT THE APPLICATION

Please Type or Print Legibly

- A. Fill in the names, dates of birth (month, day and year) and age of yourself, your spouse, if married, and any other title holders to the property.
- B. All borrowers, co-borrowers, title holders, and spouses of borrowers and title holders must be at least 68 and a co-borrower (Some exceptions may apply) to be eligible for the program.
- C. Fill in your address and telephone number. The property address must be your principal residence and the property for which you are applying to mortgage.
- D. Item #1 - Enter the amount of the loan you are applying for, keeping in mind the noted maximum and minimum loan amounts.
- E. Item #2 - Indicate the amount of cash advance you are requesting. If none, please so indicate.
- F. Item #3 - List the Name, Birth date, and Employment Status of all Adults living in the home other than the Borrower or Co-Borrower if any.
- G. Item #4 – Complete with a yes or no. If no, indicate which borrower is not an occupant.
- H. Item #5 - Indicate rights of survivorship if there is a co-borrower. Title to the property must be held as joint tenants with rights of survivorship.
- I. Item #6 - Complete with number of dwelling units in the property. Eligible properties are one-to-four family dwelling units.
- J. Item #7 - Complete as to whether the property is a condominium. Condominium units are now eligible in the program, but must have a Condominium registration ID number.
- K. Item #8 - Check "Yes" or "No". If you check "Yes", indicate type and amount of existing mortgage or lien in the available space. You may apply for the program if there is an outstanding mortgage or lien on the property. However, the property must be free of any mortgage or lien at loan closing. A one-time lump sum advance, on a case-by-case basis, is available to clear liens or pay off bills at the time of loan closing.

- L. Item #12 - Total family income - The income of all adult members of the household, other than full time students. The income is the amount of anticipate total income from all sources for the subsequent 12-month period from application. This includes non-taxable income such as social security and municipal bond interest. Any investment or business losses **cannot be subtracted**.

If you filed or will file a federal income tax return for last year, the amount in line A. should be adjusted gross income shown on that return, or the total from all returns if different members of the household filed separately.

If you did not file a federal income tax return last year, line A. should include any Income which would have been taxable if you had been required to file a return. This includes earnings, pensions other than Social Security, rent received, and any interest, dividends, capital gains or other investment income which is not tax-exempt.

The Other category, line E. includes all tax-exempt income not listed else where, including government benefits other than Social Security.

- M. Item #13 – Enter the total number of people living in the household.

If your annual family income as completed in Item #13 exceeds the limit for your household size, you will be ineligible for the program.

The Annual Family Income must not exceed the following:

1 person household	\$22,340
2 person household	\$30,260
3 person household and up	\$38,180

Remember to sign and date the application, and return it to:

**Montana Board of Housing**  
**301 S. Park Ave, Suite 240**  
**PO Box 200528**  
**Helena, MT 59620-0528.**