

# Special Feature: A Counseling Session *Listening In On A Borrower's Concerns*



NATIONAL FOUNDATION FOR  
CREDIT COUNSELING

*Knowing the difference can  
make all the difference.*

*In* order to demonstrate the extra value and process of counseling, Reverse Mortgage Magazine was invited to listen in on a live telephone session between Tim Robbins of CCCS of Montana, a member of the National Foundation for Credit Counseling, and a prospective borrower, James Clark, 83, of Chehalis, Wa. The following are excerpts from the hour-long conversation:



## THE BACKGROUND

**COUNSELOR:** James, I just wanted to give you a little background on what my role is and why we are doing a reverse mortgage counseling session. I work for a HUD-approved housing counseling agency, not for a lender.

I am an independent third party. My job is to provide information about reverse mortgages and answer any questions you may have. I am not here to tell you what to do, whether getting a reverse mortgage is a good idea or a bad idea. I am here to answer your questions and provide information. Does that make sense?

**CLIENT:** Yes, I understand that.

**COUNSELOR:** James, have you been informed that there is a cost for the counseling session?

**CLIENT:** Yes.

**COUNSELOR:** The cost is \$125. You don't have to pay that up front. You are welcome to finance it into your loan cost. If you do not get a reverse mortgage, you are still responsible for the \$125 charge.

**CLIENT:** All right.

**COUNSELOR:** Ok. Today, we are going to go over some basics about what a reverse

mortgage is and what makes it different from a regular mortgage. We are going to look at a couple of different reverse mortgage products and examine the differences between them. We are also going to look at potential options and alternatives. To begin, I am required to run through a simple budget, so that I can figure out what alternative options may be pertinent. The first thing we need to look at, James, are your sources of income right now?

**CLIENT:** I have a national pension through the Pipefitters and Plumbers Union of \$483.63/mo. I have a state pension from the same union of \$281/mo. And I have social security of \$1,046/mo.

**COUNSELOR:** So on a monthly basis, it's about \$1,800 roughly that's coming in. We will work with that as we run through a simple budget. I'm showing that on your current mortgage, you still have a balance of around \$157,000?

**CLIENT:** Yeah, it's \$156,898 and some odd cents.

**COUNSELOR:** Ok. And the property value itself is at about \$300,000, roughly?

**CLIENT:** Roughly, yes.

**COUNSELOR:** Ok. What's your current monthly mortgage payment?

**CLIENT:** \$1,477.

**COUNSELOR:** Ok. So it sounds like most of your income is going each month to that payment.

**CLIENT:** Yeah, with the wife here, we split it down the middle. But she deceased on April 18th.

**COUNSELOR:** I see. I'm sorry to hear that. So the loss of a second income is what got you interested in a reverse mortgage?

**CLIENT:** Right, because otherwise I couldn't afford to remain in this house.

**COUNSELOR:** Do you have just one mortgage? No second or home equity loans?

**CLIENT:** No.

**COUNSELOR:** Are your taxes and insurance paid from your current mortgage right now?

**CLIENT:** Yes, they are.

**COUNSELOR:** Ok. Let's run through a couple of standard bills that you may have each month. What do you pay for gas and electricity each month?

**CLIENT:** My electricity and gas runs \$165/mo.

**COUNSELOR:** Alright, how about phone bill? Do you have a regular phone and a cell phone?

**CLIENT:** Yes, I have both. My home phone runs around \$42. I believe my cell phone is \$49/mo.

**COUNSELOR:** The next typical bill we have is water, sewer and trash. What do you figure that runs you on a monthly basis?

**CLIENT:** Oh, I don't pay that. I'm on my own water and septic system.

**COUNSELOR:** Oh, very good. That works out pretty well. Then there's no trash costs for you as well?

**CLIENT:** It's \$26 and some odd cents every 2 months.

**COUNSELOR:** On a monthly basis, what do you figure you spend on groceries and then maybe dining?



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**CLIENT:** We never really ate out much, but I'd say now my groceries probably hit me around \$100/mo. I don't eat hardly at all anymore.

**COUNSELOR:** What about personal care, you know soaps, shampoos? Can we put in there maybe about \$15/mo. do you figure?

**CLIENT:** I would say that would be just about right.

**COUNSELOR:** Ok. I'm a pretty low maintenance guy, too. As far as the laundry expense, are you able to do the wash at home or do you have to...

**CLIENT:** I do that at home.

**COUNSELOR:** Ok. Do you have any pets or anything like that, James?

**CLIENT:** No, we don't.

**COUNSELOR:** Ok, let's talk about vehicles. Do you have any car payments?

**CLIENT:** I have one car payment that is \$271.10/mo.

**COUNSELOR:** Do you know how much you still owe on it?

**CLIENT:** Oh, I would say between \$7,000 to \$8,000.

**COUNSELOR:** And what does it take to license that vehicle?

**CLIENT:** This past year was \$75.75.

**COUNSELOR:** That only comes out to about \$6.25/mo. And how about insurance for the vehicle?

**CLIENT:** I pay every month. It's around \$153.00.

**COUNSELOR:** Ok. About \$153?

**CLIENT:** Yes, that's for everything. Car, homeowners and all.

**COUNSELOR:** Ok, that's good to know. How about fuel for the vehicle?

**CLIENT:** Oh, I figure roughly anywhere from \$50 to \$60/mo.

**COUNSELOR:** Not a lot of driving then?

**CLIENT:** No, not too much.

**COUNSELOR:** Ok. Do you have many car maintenance costs?

**CLIENT:** No, I take it in every 6,000 miles to have it serviced and that's all. It usually runs me around \$55 to \$58.

**COUNSELOR:** We'll just put in maybe say about \$15/mo. for on-going costs there.

Do you have any other vehicles that you have expenses on for insurance or licensing at all, or just the one?

**CLIENT:** I have a 1989 K-3500 Chevrolet. And I have a 1990 34' Pace Arrow motor home.

**COUNSELOR:** Do you keep those ones licensed as well?

**CLIENT:** Yes. My motor home I think was \$105. And my truck was pretty close to \$80.

**COUNSELOR:** And those are all paid off free and clear it sounds like.

**CLIENT:** Yes, they are all free and clear.

**COUNSELOR:** What about health care costs? Do you have any insurance or co-pay costs that you incur on a regular basis?

**CLIENT:** No. We are on Medicare and Blue Cross Blue Shield. My wife was covered through federal. I am in the process of trying to find out if I get to carry that through or not, otherwise I will have to go and see what it would cost me to carry this because I am very satisfied with that coverage.

**COUNSELOR:** Do you have any prescription costs on a regular basis, James?

**CLIENT:** I would say probably, oh heavens it's hard to tell because I get my prescriptions 3 months at a time. Every 3 months I would say maybe \$150 or \$175.

**COUNSELOR:** Ok. I am going to use the high amount just in case, so I will use that higher estimate of \$175. Any other health care costs that you have routinely?

**CLIENT:** Just my dentist bill. Well, every 3 months... it varies. It runs anywhere from \$170 to \$190.

**COUNSELOR:** Do you have any other tax expenses? Are you paying on any back taxes or anything like that?



**CLIENT:** No, I am not.

**COUNSELOR:** Any cable, satellite, or internet costs for you?

**CLIENT:** I just got my satellite.

**COUNSELOR:** Ok. What does that run you each month?

**CLIENT:** It runs me around \$85/mo.

**COUNSELOR:** Do you make any donations or tithe on a regular basis?

**CLIENT:** Just March of Dimes. Once a year type thing.

**COUNSELOR:** I am just going to recap where we are at on the budget. If we start out with income at about \$1,800 to \$1,900/mo., your living expenses right now are close to about \$2,600/mo. This puts you in the hole for about \$800, which I am sure you have felt in the last month since losing your wife. You feel like you are not able to keep up with it at this point? Do you have any retirement accounts or anything that you draw from outside of your pension?

**CLIENT:** No.

**COUNSELOR:** We need to take that into consideration down the road here as we talk about options and alternatives.

## DESCRIBING REVERSE MORTGAGES

**COUNSELOR:** Tell me what you know about reverse mortgages.

**CLIENT:** They buy off the equity in your home and put it in an account and I can leave it in there and I can draw if I need it, you know, down the line. That's about the full extent of what I found out so far. They said they don't own the home and I don't understand that, but I have a meeting with a lender this weekend to explain things for me.



**COUNSELOR:** James, the basic idea behind a reverse mortgage is that it's a loan against the value of your home. What makes it different from say your current mortgage is that you don't have to pay this one back until a future date, typically until you leave the residence permanently. I've had people kind of joke with me and say "I can leave the residence head first or feet first, it sounds like." The loan is tied to the last remaining borrower in the home, so if you passed away or left the residence permanently, at that point, the loan would become due and payable. What makes it a little bit different as well is there's no monthly payment. You know with your current mortgage, you are paying \$1,400/mo., which means you're gradually paying off your debt. And so your debt is getting smaller and your equity is actually growing with a regular mortgage. But the reverse mortgage is a little bit different because you are actually borrowing money and you are not making payments, so the amount you borrow is growing with interest each month. Your debt is actually getting a little bit bigger every month and the equity in your home is actually going down. We call that a rising debt/falling equity relationship. Do you understand this?

**CLIENT:** Yes, I do.

**COUNSELOR:** Any questions about that?

**CLIENT:** No. I understand.

**COUNSELOR:** One of the other features about a reverse mortgage that's different from other mortgages is what we call a non-recourse limit. This is a feature that is in there to primarily protect you as a borrower. What this says is if

the loan balance grows to be more than what your home is actually worth at the time the loan is due and payable, you only have to pay back what your home is actually worth. So in theory, you know, if your loan balance grew to be \$400,000, but your house sells for \$300,000, you're required to pay back the \$300,000. Do you have any questions about that?

**CLIENT:** No, I don't.

**COUNSELOR:** Not everybody can get a reverse mortgage. They are specific to seniors, those who are 62 years old and older. And so,

congratulations, you qualify on that one.

**CLIENT:** I am glad.

**COUNSELOR:** There are a few other requirements as far as what properties are eligible. The main thing is the home that you get the reverse mortgage loan on has to be your principle residence, which means you have to live there 6 months and one day out of the year. Do you live there year-round?

**CLIENT:** Oh, yes. Once in a while we take a trip, but we live here 12 months out of the year.

**COUNSELOR:** Ok. So that's your principle residence then. The other thing is that for the most part, just certain property types are eligible, so is your home a single-family residence?

**CLIENT:** Yes.

**COUNSELOR:** Ok. That's the most common property type. One other characteristic of a reverse mortgage is that it has what's called a first-lien requirement, which means a reverse mortgage needs to be the only lien on the home or the only loan against the home.

**CLIENT:** Right.

**COUNSELOR:** One of the features of a reverse mortgage is it can pay off your existing mortgage on the home. Is that something that you have possibly discussed with your lender already?

**CLIENT:** No, not yet. I have a meeting with her Saturday.

“They said they don't own the home and I don't understand that, but I have a meeting with a lender this weekend to explain things for me.”

—The Client

**COUNSELOR:** Well, this is something that you may want to jot down. I will send you some of this information. Since you have a mortgage on your home right now, the proceeds that you actually get from the reverse mortgage must first be used to pay off your current mortgage.

**CLIENT:** I'm aware of that. That is what interests me.



## PAYMENT OPTIONS

**COUNSELOR:** James, tell me a little bit about why you are considering a reverse mortgage?

**CLIENT:** Without it I will lose my home because I can't afford to pay \$1,477/mo., without my wife's earnings. I only have a little over \$5,000 now in my bank, so this would be very satisfactory for me to do. I actually don't want to sell the home. I want to live here as long as I can.

**COUNSELOR:** I can understand that. Have you considered any other options or alternatives besides a reverse mortgage?

**CLIENT:** No, I haven't.

**COUNSELOR:** Ok. We will go through a few of those things and again it all depends on what your preferences are. It sounds like you are pretty set on staying in the home, that selling it and moving somewhere else is not an option you want to consider at this point.

**CLIENT:** It is not an option.

**COUNSELOR:** We are going to look at how much you can receive and then we will go through the payment options. Your house has an estimated value of about \$300,000.

**CLIENT:** Right.

**COUNSELOR:** The lender is not going to lend you that full amount. If they lent you the full amount, interest would start being charged and you would be behind from the start. So they are



going to consider a couple of factors. The first thing is obviously how much the house is worth. Then they are going to look at your age and they will look at interest rates. And based on those 3 factors, they will determine how much they will loan you and that's called a principal limit. That's the actual value of the

loan. There are a couple different reverse mortgages out there. One of them is an adjustable rate that fluctuates on a monthly basis.

Most reverse mortgages, James, have adjustable rates, which means the amount of interest being charged on the loan can go up or down depending on what interest rates do. This one fluctuates on a monthly basis. It starts out at a pretty low interest rate of about 3.7% is what we are showing right now. That includes a monthly FHA insurance premium of 0.5%. So based on that interest rate, your age and the home value, with this product I estimate a principal limit for you of about \$234,000.

That's only an estimate of what the loan amount would be. Now that's not what they are actually going to pay you because the lender will need to take out some costs right up front.

**CLIENT:** Can you explain the costs?

**COUNSELOR:** First, you have mortgage insurance. This is a type of government insurance required on reverse mortgages and it is there to primarily protect you. It's provided by the FHA and it protects you from the possibility of your home value decreasing between now and when you sell it. The upfront cost is 2% of what your home is worth, so that amount comes out at \$6,000. Plus the 0.5% per year I mentioned earlier.



**CLIENT:** \$6,000, ok.

**COUNSELOR:** Then, there is an origination fee. Again that is a percentage of the loan amount or of the lending amount. Our estimate on that

**COUNSELOR:** JAMES, TELL ME A

LITTLE BIT ABOUT WHY YOU ARE CONSIDERING A REVERSE MORTGAGE?

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for a \$300,000 home is about \$5,000. The next category of costs are standard closing costs, like a credit report, property inspection, your title search and the appraisal. Your lender will have to give you precise numbers. Our rough estimate on those costs is in the neighborhood of about \$2,400. So those are your actual up-front costs. You don't have to walk into your

loan closing with your checkbook and pay those. They can just be financed out of the loan itself.

**CLIENT:** Oh, that's good.

**COUNSELOR:** It makes it a little bit easier to swallow, because these costs are somewhat higher than what you typically see with a regular mortgage.

So, if we take that \$234,000 principal limit we started with and we take those closing costs that are about \$13,400, then we are now down

to about \$220,600, roughly. There's one other element that they take and put to the side. On these loans there is a monthly service fee that goes to pay for the servicing of the loan to make

sure that you get your statements and your payments. The monthly service fee on this one is about \$35/mo. The lender must estimate the value of this future monthly cost and put that lump sum to the side. They hold that back and every month they are going to take \$35 out of it. The amount we are estimating on that service set aside is about \$4,300. This \$4,300 is still actually your money. They are just holding it back to pay that monthly cost.

**CLIENT:** Right.

**COUNSELOR:** In the event, that you end up finishing up this loan say in 10 years and you still have some money left over in that service set aside, it goes back to you, back into

the equity of your home. Any questions about that one?

**CLIENT:** No, I've written it all down here.

**COUNSELOR:** So, the remaining principal is \$220,600 after we have taken out the closing costs. Then, if we take out that \$4,300 service set aside, that's going to leave us with about \$216,300. So that's what's actually left that can go to pay off your existing mortgage. And then whatever is left over goes back to you.

**CLIENT:** Right.

**COUNSELOR:** So your existing mortgage was \$156,898. The reverse mortgage would pay that off and our estimates, which are again just rough estimates, are showing that you would have about \$59,000 left over.

**CLIENT:** All right.

**COUNSELOR:** What's left over can come back to you in a few different payment options. I spoke





earlier about one type of reverse mortgage where the interest rate adjusts on a monthly basis. There are a few others that you may look into. One of them adjusts on an annual basis. So your interest rate, rather than going up or down once a month, can go up or down once a year.

**CLIENT:** Oh, I see.

**COUNSELOR:** Typically, that one starts out at a higher interest rate. We are showing it starting out at just over 4%. The costs are about the same, but when it comes down to the bottom line, instead of about \$59,000 you are left with about \$53,000. So you can see that the higher interest rate whittles away how much money you receive. That kind of gives you a side by side breakdown between those two products. Do you have any questions about the different types of reverse mortgages out there, James?

**CLIENT:** No, I don't.

**COUNSELOR:** One thing to keep in mind, because these are adjustable interest rates, there is a ceiling for how much they can actually go up and down over the life of your loan. The one that goes up and down on a monthly basis can never go up by more than 10%. If we start out at 3.7%, it's never going to go above 13.7%. That gives you a little protection. A 13.7% rate is pretty high. It's been a long time since we have seen anything like that. The annual adjusting product can only go up by 5% over the life of the loan and in any one year it can't go up more than 2%. If you look between the two products, as you consider it, those are some features you might want to compare between the two. Is one or the other sounding better to you at the moment?

**CLIENT:** No, I'll have to think about it.

**COUNSELOR:** Let's look at the funds that you will have left over after your current mortgage is paid off. Let's go with that monthly adjustable-rate product, for example, that had around \$59,000 left over for you. There are a few ways you can receive that money. You can take it all upfront as a lump sum, or you can take a certain amount each month for a given number of months, which is called a term payment option. Or you can say I want monthly payments for as long as I live in the home. That's called the tenure payment option. The other payment option is a credit line. The credit line itself, in my mind, functions similar to a bank account almost. That \$59,000 that is available to you, James, sits there in a credit line and you just basically access it as you need it.

**CLIENT:** I see.

**COUNSELOR:** That gives you a lot of flexibility. You can take as much or almost as little as you want, as long as it's available to you.

**CLIENT:** Right. I see that.

**COUNSELOR:** One of the other features of the credit line is it does not earn interest, but it's actually growing at the same interest rate charged on your loan, plus half a percentage point. If your interest rate on the loan is 3.7%, then your credit line growth rate is 4.2%. Do any of those options sound like they would fit your needs better than another?

**CLIENT:** Oh yeah. The credit line.

**COUNSELOR:** You know a nice thing about that too is that money is not added to your loan until you actually borrow it. The \$59,000 sitting in your credit line is not costing you anything yet. When you start to borrow funds the interest is added to your loan balance.

**CLIENT:** Right, I understand that. I am just going to leave it in a credit line. I won't use it unless I need it. The way it looks

right now with my income and everything, once I get squared away I can save money every month.

**COUNSELOR:** If we look back at the budget, if you didn't have that mortgage payment you would be in pretty good shape. You'd actually have about \$700 left over each month from your pensions and Social Security plus your \$5,000 in savings and your \$59,000 line of credit from the reverse mortgage balance.

If you also pay off your car loan, your line of credit will be less, but you will have more money each month.

**CLIENT:** I figured it with my son and I told him I would like to save anywhere from \$400 to \$500 a month for myself, you know, for my future needs.

The only question I have is the time element between my talking with you and when it goes to the lender. How much time does that take?

**COUNSELOR:** I will put all the information we have discussed in the mail to you as soon as we are done. I'll include a copy of your budget and a copy of the numbers that we are going through as well and also a copy of your counseling certificate and that's an important feature. That certificate says that you talked with me and that we covered specific things. It's going to have my signature. And you have to be sure that you sign it and that makes it valid. If you do go forward with the reverse mortgage, the lender will need the signed certificate as part of the documents for your application. I will send you two copies, one for your record and one for your lender, if you decide to go forward with it.



## WARNINGS

### COUNSELOR:

So we talked a little bit about the payment options. There are some pros and cons to each. The one thing to remember is whatever you borrow is going to be added to your loan balance.

**CLIENT:** Right.

**COUNSELOR:** So that loan balance will start to be charged interest and grow. With the lump sum option, which it didn't sound like you were really interested in, once you use it and that money is gone you can't tap into it anymore. The credit line gives you the flexibility it sounds like you might be looking for.

**CLIENT:** That's what I am looking for.

**COUNSELOR:** So that sounds like it might be a good option. Be sure to discuss it further with your lender.

**CLIENT:** I will.

## PAYING BACK THE LOAN

**COUNSELOR:** So the question that always comes up is when do I have to pay this back or how do I actually pay back the loan itself? There are a couple triggers for when you have to pay that loan back. The most common one is when you actually leave the residence permanently.

**CLIENT:** Right.

**COUNSELOR:** So either you pass away or you sell the residence or you move away, whatever it may be, those are going to be the triggers that require you to pay back the loan.

**CLIENT:** Right.

**COUNSELOR:** The amount of time you have to pay back the loan varies a little bit and it depends on the servicer. Typically you have six months and you can ask for an extension out to 12 months. So you typically have a year to pay it back. What you will actually owe is what you borrowed plus the interest.

**CLIENT:** Right.

**COUNSELOR:** The most common scenario we see is that people sell the property to pay the loan itself. If your loan balance is \$200,000 and you sell the property for \$300,000, that \$100,000 goes back to you. So do you have any questions about any of those aspects of it?

**CLIENT:** No, I just want to know what the payment is going to be.

**COUNSELOR:** The payment itself?

**CLIENT:** Do I have a monthly payment?

**COUNSELOR:** You do not.

**CLIENT:** I wasn't clear on that.

**COUNSELOR:** That's the unique thing: it pays off your existing mortgage and you do not have a monthly payment. You're not actually required to pay anything back until the loan becomes due and payable which is only when you leave the residence.

**CLIENT:** Oh, ok but I can pay on it if I wish?

**COUNSELOR:** If you wish. Let me ask you a question. Do you have any kids or any heirs that you were planning on leaving the home or property to?

**CLIENT:** Well, I've signed everything over. I have taken care of that with my oldest son, but I am having my will changed so I will leave it with my three children.

**COUNSELOR:** If you do decide to go forward with the reverse mortgage, you will want to make sure you talk to your kids about it.

**CLIENT:** Oh, I have already talked to them.

**COUNSELOR:** Ok. Because in the event you do pass away, they will be responsible for settling your estate, which means they will be responsible for paying back this loan, most likely again through selling the property and paying it back that way.

**CLIENT:** Right.

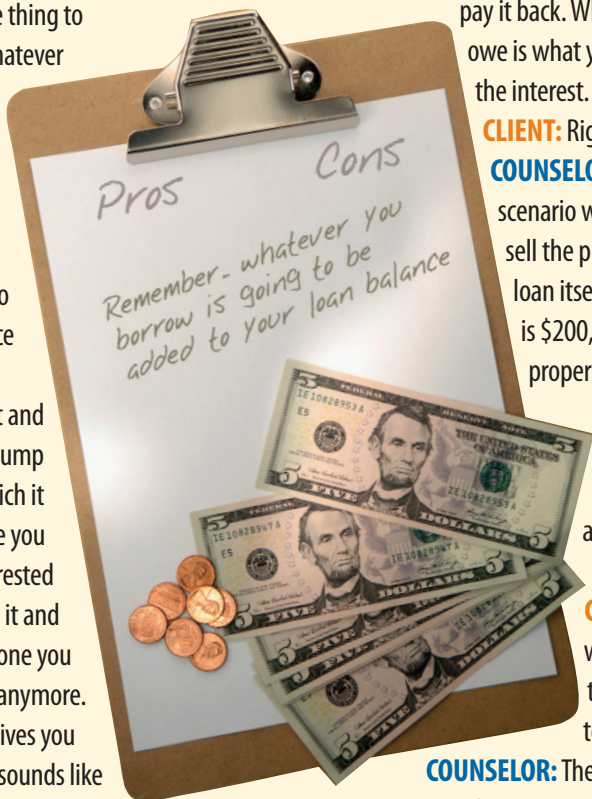
**COUNSELOR:** It sounds like you have already done so, but I would encourage you to involve them as you make the decision as well. And this is something important. You are responsible for your property taxes and your insurance.

**CLIENT:** I understand that.

**COUNSELOR:** It sounds like you are already paying your insurance. Are your taxes part of your existing mortgage? That's an expense that you aren't used to. A part of the loan contract itself says that you have to keep up on your property tax and insurance and in the event that you don't, your loan servicer can actually come and say that you need to pay this or we are going to close up the loan and you will need to pay us back. The other thing to consider is what kind of state the property is in. Is it in a good state of repair or are there significant repairs that need to be done?

**CLIENT:** Nothing needs to be done. I just had a new roof put on last year.

**COUNSELOR:** Good, because when they do the property inspection, if something is not right, they will let you know and demand you fix it before receiving the loan. But it sounds like things are okay. I just wanted to mention those. One other thing I wanted to talk about is income-tax consequences. The reverse mortgage itself is a loan, so it's not income. So it means that you will not pay income taxes on the reverse mortgage loan. The other side is that there are not a lot of tax benefits to a reverse mortgage up front. The interest you pay on your mortgage right now you can claim as a deduction on your taxes each year. The reverse mortgage is different because you are not technically paying interest until the end of it so there's no tax benefit until the end of the reverse mortgage when you pay it back. I want



to take a quick break here and see if you have any questions for me?

**CLIENT:** No, I don't.

**COUNSELOR:** Ok, we talked about the reason you are looking for a reverse mortgage is that you are looking to pay off the existing mortgage that you have. Just to repeat, looking at options and alternatives, it doesn't sound like you are interested in really selling the property or scaling back at all.

**CLIENT:** I am not interested in selling.

**COUNSELOR:** Have you thought about getting a roommate to bring in some extra income?

**CLIENT:** No, I have had two wonderful women and I don't want any more.

**COUNSELOR:** That's understandable. Did you have any other credit card debt or anything that you need to pay off?

**CLIENT:** I have \$250 to pay off that I put on a credit card for my daughter when she flew up here.

**COUNSELOR:** All right. Well, that's not a real large amount. It sounds like what's really affecting you right now is the existing mortgage. The rest of your expenses are really reasonable. It looks like you are in line for a one person

household. What I am going to send you is a list of potential resources in the state of Washington. This will put you in touch with the local area agency on aging, local prescription programs, things like that especially since you are looking at an insurance transition. You might contact them and see what options are available to you. There might be some additional money available to you.

**CLIENT:** Right. Thanks.

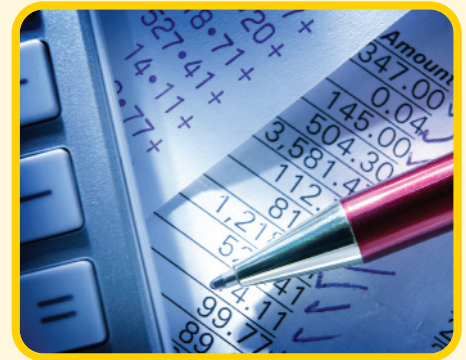
**COUNSELOR:** I will send that out and highlight some things you might want to consider as well.

**CLIENT:** Ok, that would be terrific.

**COUNSELOR:** One thing you might want to look at is a program that's available on property tax relief.

**CLIENT:** That sounds interesting.

**COUNSELOR:** I am looking back through my checklist to make sure that I have covered everything that I am supposed to as a counselor. Is there anything that you are still wondering about, anything that we haven't covered or anything you would like to go back over again?



**CLIENT:** No, I think I am pretty well up on it. I have written down a few notes. I appreciate the way you talked to me and explained everything.

**COUNSELOR:** You can call me back at any time. Again, I can't tell you what to do, but I can answer any of your questions. I will send two copies of your certificate with my signature on it. Make sure you get yours on there.

**CLIENT:** Ok, it was very nice to talk to you.



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*Knowing the difference can  
make all the difference.*

Founded in 1951, the National Foundation for Credit Counseling (NFCC), Inc., promotes the national agenda for financially responsible behavior and builds capacity for its Members to deliver the highest quality financial education and counseling services. The NFCC is the nation's largest and longest-serving national nonprofit credit counseling network, with more than 100 Member Agencies and nearly 850 offices in communities throughout the country. Each year, NFCC Members assist more than 3.2 million consumers, helping many to drive down their debt and take control of their finances.

To learn more about the NFCC or to locate an NFCC Member Agency in your community, call 1-800-388-2227 or visit [www.debtadvice.org](http://www.debtadvice.org).