AMERICAN FINANCIAL SOLUTIONS | a nonprofit credit counseling agency

REVERSE MORTGAGE COUNSELING FEE POLICY

American Financial Solutions (AFS) charges a reverse mortgage counseling fee to compensate our counselors and cover other agency expenses. While we receive some funding from HUD, it is not enough to fully cover our costs.

Our current fee for a reverse mortgage counseling session is $200.00. If there is a need for two borrowers to be counseled separately or if additional sessions are required to include family members, there will be an additional fee of $100.00.

This fee is due at or before the counseling session. We accept debit and credit cards by phone, as well as money orders and cashier's checks by mail. Mailed payments must be received before we can issue a counseling certificate.

Please note, lenders are not permitted to pay the counseling fee directly. *If a lender has advised you to request your counselor to bill them, they are referring to the "financed fee" option, which is only available to low-income clients. See below for more details.*

Hardship Policy and "Financed" Fees

Clients whose total monthly household income (all sources) is less than 200% of the Federal Poverty Level are eligible to "finance" the counseling fee if desired. *If this option was not discussed when you scheduled your appointment,* ***please inform your counselor before the session***. ***Your counselor will need to collect detailed information about your income and assets to determine your eligibility for this option.***

Financing the fee means that the fee is paid to AFS when the reverse mortgage is finalized, using your loan funds. It is not paid by the lender. So, it is still your money; it just comes from your loan instead of out of your pocket at the time of counseling.

If you choose to finance the fee and decide not to proceed with the reverse mortgage, or if your application is denied, we will not bill you for the counseling. This means AFS does not receive payment for our services and must use grant funds to cover the counselor's expenses. Therefore, we can only offer the financed fee option to eligible clients.

If your income is higher than the guidelines, but you have a hardship that makes it difficult to afford the counseling fee, please discuss this with your counselor before the counseling session. You will need to write a letter to explain your hardship and request the fee be financed or waived. We will review your current financial situation and notify you of available fee options. These options and the reason for the decision will be noted in your file.