

Non-Borrowing Spouse (NBS) Job Aid ● ● ● ● ● ● ● ● ● ●



Eligible vs. Ineligible Non-Borrowing Spouse

Eligible is defined as a NBS who **does qualify** for the Deferral Period

Ineligible is defined as a NBS who **does not qualify** for the Deferral Period

Qualifying Attributes of the Deferral Period for the NBS:

- The NBS of the HECM borrower, was their spouse at the time of loan closing and they have remained married for the duration of the borrower's life.
- The NBS was properly disclosed to Smartfi® at origination and specifically named as a Non-Borrowing Spouse in the HECM documents.
- The NBS has occupied, and continues to occupy, the property associated with the HECM as their primary residence.
- All owners, including NBS, shown on the subject property are eligible to remain on title and are no longer required to be removed prior to the closing of HECM transaction.

At the Time of Application

- The Loan Officer must identify any NBS and determine whether the NBS is currently eligible or ineligible, for the Deferral Period.
- An Eligible NBS may become an ineligible NBS should any of the qualifying factors cease to be met.
- Once an NBS is determined to be an Ineligible NBS, they cannot later become eligible for the Deferral Period.
- The NBS must complete HECM counseling and sign the HECM counseling certificate.

The Principal Limit is based on the age of the borrower or Eligible NBS, whichever is younger.

Certifications at Time of Closing

Loans with an Eligible NBS

Eligible NBS Certification completed by the borrower.
Eligible NBS Certification completed by the Eligible NBS.

Loans with an Ineligible NBS

Borrower Certification: Ineligible NBS completed by the borrower.
Ineligible NBS Certification completed by the Ineligible NBS.

Loans with Unmarried Borrowers

Unmarried Mortgagor Certification completed by the borrower.