



## RMS Releases New Reverse Mortgage Loan Origination System

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[Reverse Mortgage Solutions](#) (RMS) has rolled out their RM Compass® Loan Origination System, which is a front end system built to meet the needs of established reverse mortgage providers and to give new players a simpler entry into the business.

According to the press release, RM Compass® is in early use by two reverse mortgage companies with several set to follow shortly. The new LOS is configured as an Internet-based ASP (Application Service Provider) and can also be licensed for remote usage with all operational software maintained in-house. “The new reverse mortgage LOS is priced right for the emerging mortgage banker, higher volume mortgage broker, and money centered banks seeking a turnkey, cradle-to-grave solution”, said Robert D. Yeary, chairman and chief executive officer of RMS.

The company began operations in 2007, with a full servicing, subservicing, technology and consulting menu for the reverse mortgage market and already has established itself as one of the key players in the sector. “With RM Compass, originations can be fully integrated with a provider’s servicing components in a real-time solution that exceeds what previously has been available,” said Kevin Gherardi, CIO at RMS.

Prior to joining RMS last year, Gherardi was responsible for planning, designing and implementing aspects of HUD’s mortgage servicing system to support several unique reverse mortgages, including the industry standard HECM (Home Equity Conversion Mortgage) as well as systems that support conventional mortgage products.

To see what the LOS looks like, click the image below.



The screenshot displays the RM COMPASS web application interface. At the top, it shows the user's name (Chad Miller) and the date (Thursday, June 12, 2008). The main content area is divided into several sections:

- Loan Dates:** Counseling Date: 05/03/2008, Application Date: 05/12/2008, FHA Case # Date: 05/05/2008, Ext. Closing Date: 06/30/2008, Closing Date: 06/25/2008, Reversion Exp. Date: 06/30/2008, Disbursement Date: 07/01/2008.
- Loan Details:** Record No: 100158, Loan No: 00032, Messages: 2, Loan Channel: Retail, Loan Status: Active, Loan Sub-Status: Application.
- Borrower Info:** Last Name: Thatcher, First Name: Margaret, Age: 73, SSN: 581-77-8998, Phone: (904) 558-7758, Address: 2100 West Fairhaven S., Beverly Hills, CA 90210.
- Products & Pricing:** Product Type: HECM Monthly, Property Value: \$878,000.00, Int Rate: 5.50%, Margin: 1.50%, Pay Plan Type: Modified Tenure, Principal Limit: \$241,255.35, Net Principal Limit: \$218,984.35. A note indicates: Payment Options require attention...

Below these sections is a **ToolKit** sidebar with navigation options like LEAN SEARCH, ORIGINATION, PROCESSING, UNDERWRITING, CLOSING, FUNDING, SERVICING, and ADMINISTRATION. The main area features a **Scenarios** table comparing five mortgage options:

	HECM (A)	HECM (C)	HECM (F)	HOME KEEPEN (G)	FHA Equity Plus (H)
<b>Loan Details</b>	HECM (A)	HECM (C)	HECM (F)	HOME KEEPEN (G)	HECM (A)
Type	Monthly	Monthly	Fixed	Monthly	Monthly
Index	1-Year DMT	1 Month LIBOR Rate	WAF Index (Per)	1 Month CD	1 Month LIBOR Rate
Rpt Type	Modified Tenure	Line of Credit	Line of Credit	Line of Credit	Line of Credit
Margin	1.50 % <a href="#">[edit]</a>	1.50 % <a href="#">[edit]</a>	---	2.40 % <a href="#">[edit]</a>	3.00 %
Initial Interest Rate	6.50 %	3.96 %	5.26 %	7.375 %	5.96 %
Interest Rate Cap	20.00 %	14.40 %	---	18.38 %	17.36 %
Credit Line Growth Rate	12.47 %	4.50 %	---	6.00 %	5.00 %
Expected Rate	5.50 %	7.50 %	5.26 %	N/A	---
Monthly Service Fee	\$35.00 <a href="#">[edit]</a>	\$35.00 <a href="#">[edit]</a>	\$30.00 <a href="#">[edit]</a>	\$35.00 <a href="#">[edit]</a>	\$30.00 <a href="#">[edit]</a>
<b>Collateral</b>					
Collateral Value	\$878,000.00	\$878,000.00	\$878,000.00	\$878,000.00	\$878,000.00
Lending Limit	\$362,790.00	\$362,790.00	\$362,790.00	\$417,000.00	\$2,500,000.00
Max Cash Amount	\$362,790.00	\$362,790.00	\$362,790.00	\$417,000.00	\$878,000.00
<b>Principal Limit</b>					
Reverse Limit	\$241,255.35	\$170,148.81	\$241,255.35	\$84,371.81	\$270,262.50
Servicing Sub-Limit	\$6,468.49	\$5,999.37	\$5,792.85	\$0.00	\$0.00
Available Principal Limit	\$234,786.86	\$164,149.44	\$235,462.50	\$84,371.81	\$270,262.50
<b>Fees</b>					
Origination Fee	\$7,295.00	\$7,295.00	\$7,295.00	\$8,340.00	\$8,340.00
Other Closing Costs	\$1,294.00	\$1,294.00	\$1,294.00	\$1,294.00	\$1,294.00
Net Principal Limit	\$234,842.35	\$148,243.54	\$234,167.50	\$74,737.81	\$261,628.50
<b>Debits &amp; Payoff</b>					
Total Debit Payoff	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tour Repairs Set-Aside	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tax & Ins. Set-Aside	\$14,342.00	\$14,342.00	\$14,342.00	\$14,342.00	\$14,342.00
Net Available	\$204,842.35	\$133,901.54	\$220,425.50	\$60,395.81	\$246,918.50
<b>Payment Options</b>					
Initial Advance	\$462,000.00	\$204,389.87	\$0.00	\$0.00	\$0.00
Monthly Payments	\$15,085.00	\$0.00	\$19,203.13	\$0.00	\$0.00
ISA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Payment	\$315.75	\$0.00	\$0.00	\$0.00	\$0.00