WAC 208-620-830  What disclosures or statements must I provide to a borrower in a reverse mortgage transaction? In addition to any disclosures required by federal law, you must provide, at a minimum, the following:

1. Counseling disclosure. You must provide the following plain language statement in conspicuous bold sixteen-point type or larger, prior to receiving a complete and final loan application: "Important notice to reverse mortgage loan applicant: A reverse mortgage is a complex financial transaction that provides a means of using the equity you have built up in your home, or the value of your home, as a way to access home equity. If you decide to obtain a reverse mortgage loan, you will sign binding legal documents that will have important legal, tax, and financial implications for you and your estate. It is very important for you to understand the terms of the reverse mortgage and its effect. Before entering into this transaction, you are required by law to consult with an independent loan counselor. A list of approved counselors will be provided to you by the lender or broker. You may also want to discuss your decision with family members or others on whom you rely for financial advice."

2. Loan statements. You or the loan servicer must provide an annual, or more frequent, disclosure statement to the borrower, providing details of the loan advances, balance, other terms, and the name and telephone number of the lender's employee or agent who has been specifically designated to respond to inquiries concerning reverse mortgage loans.

3. Benefits and tax disclosure. You must provide the following statement prior to or simultaneously with receiving an initial loan application:

"If you receive advances under the terms of a reverse mortgage, you may lose your right to receive certain public funds, such as medicaid, and possibly others. Also, receiving advances under the terms of a reverse mortgage may have tax consequences for you. You may wish to obtain advice from a tax professional or an attorney before you decide on a reverse mortgage."