



ORIGINS

## Origins: Embracing Change, Controlling the Narrative of Reverse Mortgages

By **Chris Clow** | August 18, 2019

For a lot of reverse mortgage originators, the story of their careers often begins in the traditional, forward mortgage space before finding a new home in reverse. From there, paths can take a number of different routes concerning how an originator chooses to appeal to and connect with a base of borrowers, and how best to serve them.

Steven Sless, reverse mortgage division manager at Primary Residential Mortgage, Inc. in Owings Mills, Md. is one such reverse mortgage industry participant who started in the forward space. It took a few years before he found his place in reverse, but he discovered it after taking it upon himself to learn more about the product, which also emphasized how important he feels it is to take control of the narrative shaping the industry's public perception.



In the latest edition of RMD's "Origins" series plotting the path of originators into the business, Sless shares what turned him onto reverse mortgages in the first place, and offers a forward-looking perspective on what it will take for the industry to embrace a brighter future.

### **How long have you been working in the reverse mortgage industry?**

I've been in the mortgage industry since 2003. In 2008, I made the transition over to reverse and haven't looked back since. It's been one heck of a journey with plenty of challenges along the way but it's also been the most rewarding and gratifying work I can think of.

Throughout the years, we have had the pleasure of helping so many deserving clients achieve peace of mind and financial security. Over this time, I've also had the pleasure of establishing some very special bonds and wonderful relationships with our borrowers and their families. These bonds are what I am most proud of today.

### **How did you first learn about the reverse mortgage product, and what led to your initial realization that the industry could serve as a career path for you?**

I first learned about reverse mortgages around 2005 when a wholesale account representative visited our offices in an effort to turn us onto reverse. At that time, I had the same reservations about the product that many prospective borrowers and financial professionals still have today. It wasn't until 2008 that I decided to educate myself and debunked my own misconceptions.

### **What would you say was your earliest big test you found most challenging in your origination career?**

I would say coming to the realization that the one constant in this business is change. In 2008, I was 26 and thought I was at the top of my career. I learned quickly that things change in this business at the blink of an eye. I've now come to accept change and have actually embraced it.

### **What is your most unusual case that you've had to deal with in your capacity as an originator, and how did you solve it?**

We had a property several years back which was a total shell in northern Virginia. We had a contractor complete \$90,000 worth of work, bringing the house up to FHA code which allowed us to close the loan. This entire process took almost two years to complete.

### **What would you classify as your biggest accomplishment in your work as a reverse mortgage originator?**

My biggest accomplishment without a doubt is having the pleasure of helping so many clients achieve peace of mind. Many of these clients required months and in some cases years of education and constant reassurance. I'm also extremely proud of how many who have worked under me have gone on to shine bright.

So many former teammates have gone on to lead organizations and are now thriving in their careers.

**What do you think is needed for potential borrowers to be more fully educated about home equity release?**

Our industry must control the narrative. Too often we let the media or other naïve outside influencers control our messaging. We should all be working diligently to engage local media, publish our own articles and educate the masses through social media and other platforms.

There should also be a separate licensing requirement for reverse mortgage originators. The fact is, borrowers are being underserved by having traditional loan originators using reverse mortgages as an additional source of revenue. Reverse mortgages are not just another tool in the toolkit yet they are treated as such all too often.

**Where do you see the reverse mortgage industry in 5-10 years?**

I'm confident that while current volume may not reflect it, our industry is positioned to thrive over the next 5-10 years. The fact remains that housing wealth needs to and will play a more vital role in retirement planning as the baby boomer population grows older. While only time will tell whether or not proprietary products will eventually take the place of the traditional HECM, there is no better way for the aging population to access the wealth amassed in their home than with a reverse mortgage product.

**What is the industry's biggest challenge today, and how can it be overcome?**

For me this answer is simple: it's all about the ROI. Reverse mortgages require a tremendous amount of education for both borrowers and referral partners alike. This requires not only time but a significant monetary investment.

More needs to be done on a national level to, again, control the narrative and to educate the masses about the product we are so passionate about. Since 10/2/2017, many organizations have either scaled their marketing spend way back or stopped marketing all together. I remain adamant that this is a product which requires a tremendous amount of marketing.

**Complete the sentence: If I could change one thing about the reverse mortgage it would be: \_\_\_\_\_**

I'd love to have a HECM saver type option to better serve the higher net worth clientele. Additionally, I would love to see an option for a qualified borrower to be able to access all available funds at closing.

There could be restrictions and guidelines in place, but to restrict a borrower who has proven to be fiscally responsible that they must wait a year to obtain all of their funds is short sighted and in my opinion was an over correction.

**If I could erase one reverse mortgage misconception it would be: \_\_\_\_\_**

That a borrower can lose their home because of a reverse mortgage. This is, again, another example of the media controlling the narrative.