



Press Release

RANCHO CORDOVA, CA | March 18, 2014 | Liberty Home Equity Solutions, Inc. (Liberty)

MoneyGuidePro® and Liberty Announce First-Ever Financial Planning Tool with Reverse Mortgages

PIEtech, designer of MoneyGuidePro® (MGP), the leading goal-centered financial planning software¹ for financial advisors, and Liberty Home Equity Solutions, Inc. (Liberty), a leading reverse mortgage lender, are pleased to announce their partnership to integrate reverse mortgage loan calculations for the first time ever in financial planning software, MoneyGuidePro®. The new features, which are planned for release third-quarter of 2014, will enable financial planners to incorporate the use of home equity through a reverse mortgage loan into retirement planning strategies.

Bob Curtis, founder, President and CEO of PIEtech, stated "As financial advisors continue to seek solutions to help ensure clients meet their retirement goals, we felt it is important to include the value of available home equity when developing a comprehensive retirement plan. Curtis added "Once I learned the facts about reverse mortgage loans, especially the FHA Home Equity Conversion Mortgage (HECM) program, I felt strongly that we need to provide our users with the ability to evaluate reverse mortgage loans as part of their financial planning process."

The HECM loan is a program insured by the Federal Housing Administration (FHA), which enables homeowners aged 62-plus years to convert their home equity into tax-free cash² with several disbursement options, including a monthly payment and a Line-of-Credit (LOC) feature. The HECM LOC has several unique qualities. The LOC cannot be frozen or reduced due to a reduction in home value. In addition, the LOC has a potential growth factor which enables the amount of the unused portion available to a client to grow, thus increasing their borrowing power. These unique features led Harold Evensky, John Salter and Shaun Pfeiffer to spearhead an extensive study centered on reverse mortgage loans. Harold Evensky is a leading Certified Financial Planner, President of Evensky & Katz and MGP Consultant. John Salter, Ph.D. is a Certified Financial Planner and an Associate Professor at Texas Tech University. Shaun Pfeiffer is an Associate Professor at Edinboro University.

"When I learned of the HECM loan features and the fact that the unused Line-of-Credit may grow over time, independent of the home's value, I was interested how the product might assist me with managing the cash and distribution requirements for my clients, especially when portfolio assets are depreciated," said Evensky. "Turns out, the use of a HECM loan as a 'Standby' can serve as portfolio longevity insurance when used as part of a retirement plan."

As part of the recently released Cash Reserve feature in MGP, users of the financial planning software will be able to seamlessly retrieve a HECM LOC loan quote so they can view how much money may be available to their clients, along with any monies that may be held in cash. By using the LOC disbursement option to meet a client's financial planning cash requirements when their portfolio is down, Evensky's research found that a \$500,000 client portfolio is 30 percent more likely to last 30



years, as compared to relying on Evensky's two-bucket strategy, which does not use a reverse mortgage loan.^{3,4}

The partnership will also allow MGP users to obtain quotes for HECM loan with monthly payment disbursement options as part of MGP's Retirement Income feature. Similar to the LOC disbursement option, MGP users will be able to view the impact a HECM loan may have on the probability of success for any client's retirement plan.

"Liberty is excited to partner with a thought leader like Bob Curtis and the MoneyGuidePro® team to provide financial advisors with tools that can enhance a client's retirement security," said Tom Dickson, Consultant for Liberty's financial advisor channel. "Through our experience, we have found that advisors embrace reverse mortgages once they learn the facts about the loan. "

"Integrating reverse mortgage loan calculations into the MGP interface is a significant step forward in partnering with financial advisors to quantify the impact of a reverse mortgage loan on a client's retirement plan." said Otto Kumbar, President and CEO of Liberty Home Equity Solutions, Inc. "We are pleased that MGP has entrusted Liberty with the responsibility of educating its valued clients on reverse mortgage loans."

About Liberty

Liberty Home Equity Solutions, Inc. (Liberty) is one of the nation's largest reverse mortgage lenders dedicated to educating financial advisors about reverse mortgages and how they may enhance the retirement security of their valued clients. Since August 2012, Liberty has delivered introductory information on reverse mortgage loans to over 7,500 financial advisors via nationally broadcast webinars.⁵ Liberty will present a webinar series tailored to MoneyGuidePro® users upon release of the new features. For more information on Liberty, visit www.LibertyHomeEquity.com.

About MoneyGuidePro®

MoneyGuidePro, the flagship product of PIEtech, Inc., is a web-based financial planning software program that helps advisors create, implement and maintain investment strategies that will best meet the lifetime financial goals of their clients. MoneyGuidePro provides retirement and college planning, asset allocation, insurance needs analysis and estate planning. For more information on MoneyGuidePro, visit www.moneyguidepro.com.

Liberty Media Contact:

Mary Smith | Director of Marketing
Direct: 916.384.1338
Mary.Smith@LibertyHomeEquity.com

PIEtech (MoneyGuidePro®) Contact:

Aspectus PR
Britney Schaeffer, +1-646-202-9816
moneyguidepro@aspectuspr.com

MoneyGuidePro® is a registered trademark of PIEtech, Inc.

1 <https://www.moneyguidepro.com/>, Financial Planning Magazine, 2013 Tech Survey, Release December 1, 2013.

2 Consult your financial advisor and appropriate government agencies for any effect on taxes or government benefits.

3 Salter, J. Ph.D., CFP®, AIFA®; Pfeiffer, S.; and Evensky, H. CFP®, AIF® (2013, October). Standby Reverse Mortgages and Sustainable Withdrawal Rate Research Updates. http://libertyhomeequity.com/wp-content/uploads/2013/12/LibertyPR_SRM_NewHECM_FINAL10.30.13.pdf

4 Salter, J. Ph.D., CFP®, AIFA®; Pfeiffer, S.; and Evensky, H. CFP®, AIF® (2012, August). Standby Reverse Mortgages: A Risk Management Tool for Retirement Distributions. http://libertyhomeequity.com/wp-content/uploads/2013/12/LibertyPR_SRM_NewHECM_FINAL10.30.13.pdf

<http://www.onefpa.org/journal/Pages/Standby%20Reverse%20Mortgages%20A%20Risk%20Management%20Tool%20for%20Retirement%20Distributions.aspx>

5 Liberty Speaker Series Attendee reports (August 2012 to March 2014)