**Section 1000.710 Reverse Mortgage Loans**

a) For purposes of this Section:

1) "Reverse mortgage loan" means a loan secured by the existing equity in homestead property, the proceeds of which are used for the purpose of making home improvements or repairs, or paying insurance premiums or real estate taxes on the homestead property.

2) "Homestead property" means *the domicile and contiguous real estate owned and occupied by the mortgagor.*

b) No reverse mortgage loan shall be granted in an amount which exceeds the existing equity in the security homestead property.

c) At the minimum, pertinent documentation should support by such means as, including but not limited to: the value determined (market value), (listing of comparable sales), the equity interest (market value of the property less the mortgage) owned by the borrower, and the ability (financial statements) and desire (credit reports) to repay the loan in accordance with the terms.

(Source: Amended at 13 Ill. Reg. 8927, effective May 26, 1989)