



## **Pentagon Federal Credit Union and Sun West Mortgage Announce First in the Nation Approach to Reverse Mortgage Initiative**

For Immediate Release

ALEXANDRIA, Va./EWorldWire/March 18, 2010 --- Pentagon Federal Credit Union (PenFed) and Sun West Mortgage Company (Sun West) today announced a joint initiative that allows PenFed to offer reverse mortgage services to its members. Under this new initiative, PenFed will initially market the federally insured Home Equity Conversion Mortgage (HECM) reverse mortgage to its members located in Washington, D.C.; Maryland and Virginia. PenFed expects to launch this product nationwide after the initial pilot is complete.

This development will be particularly beneficial to PenFed's members because the PenFed Reverse Mortgage eliminates the upfront origination fee - two percent of the adjusted property value - and the \$35 monthly servicing fee, which are customary in the industry. Consequently, PenFed's competitively priced reverse mortgage will make additional home equity available to the homeowner.

"We have eliminated both of these fees because PenFed is committed to providing the best value to our members," says Shashi Vohra, vice president of business development for PenFed. "PenFed's HECM comes with no origination fee, no servicing fee, and a lower rate than is offered by most other financial institutions."

Sun West will provide systems to originate and service the HECM loans. Pavan Agarwal, executive vice president of Sun West stated that, "We work with numerous providers of the HECM product, and we believe PenFed's approach is a revolutionary, first-in-the-nation development. The bottom line is that seniors can now access their home equity at a much lower cost."

The HECM reverse mortgage is unique in that it allows senior homeowners who are 62 or older to borrow against the equity in their property. The borrower can use the funds in any manner they wish; for home repairs and improvements, medical costs, in-home care, education, and supplemental retirement income, with no obligation to repay the loan until they permanently leave their home. In addition, the borrower's estate will never owe more than the value of the home.

"The reverse mortgage could be an excellent way for many seniors to supplement their income. We have removed the majority of the upfront fees, and we offer a very competitive interest rate on the existing HECM reverse mortgage product. Overall, we believe this is an excellent opportunity for our members," stated Mr. Vohra.

### **About Pentagon Federal Credit Union**

Pentagon Federal Credit Union, established in 1935, with more than 950,000 members, and assets in excess of \$14.5 billion provides worldwide service to Army, Air Force, Coast Guard, Department of Defense, and Department of Homeland Security personnel; members of the VFW; employees or volunteers of the American Red Cross; and others in the military and their families.



For more information about Pentagon Federal Credit Union and to learn more about this joint initiative, visit PenFed.org (['http://www.penfed.org'](http://www.penfed.org)).

#### About Sun West Mortgage Company Inc.

Sun West Mortgage Company Inc., currently licensed in over 45 states, is an FHA, VA, USDA, Freddie Mac, Fannie Mae and Ginnie Mae approved full-service mortgage banker. It is an approved Ginnie Mae HMBS Issuer, Servicer and Master Servicer. Sun West has been serving its nationwide client base since 1980. Its diversified loan programs include FHA Reverse Mortgages, FHA Single Family, HUD Multifamily, VA, Conventional and Home Equity mortgages. Sun West is one of the few direct lenders to provide in-house underwriting, funding, and servicing for reverse mortgage products. Based in California and doing business nationally, Sun West is dedicated to offering exceptional customer service coupled with integrity, reliability, strength and stability.

#### About ReverseSoft OnLine

ReverseSoft Online is Sun West's flagship loan origination system for reverse mortgages. Built on over 29 years of FHA lending and mortgage technology experience, it combines an intelligent work flow and a high-speed underwriting engine, based on a rich library of rules with the flexibility and scalability to seamlessly integrate with third-party systems.

Learn more about:

Sun West Mortgage Company at '<http://www.swmc.com>'

ReverseSoft Online at '<http://www.reversesoftware.com>'

Reverse Mortgage Calculator at '<http://www.SimpleHECMCalculator.com>'

For more information about Sun West Mortgage Company and to learn more about this joint initiative, visit SWMC.com (['http://www.swmc.com'](http://www.swmc.com)).

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