



IN THIS ISSUE

Use A Monthly
Optional Payment
Loan

Are you concerned
about capital
gains?

THE INFORMED HOMEOWNER

IS NOW THE BEST TIME TO SELL YOUR HOME?

By Ryan Kleis - You have lived in and loved your home for many years, but there are times when you might have wondered if your home is still the right fit for you. So, when is the best time to sell your home? When the housing prices are high? When the economy is strong? For many, the right time to sell a home has nothing to do with the economy or housing prices, but with how much their **house is becoming a burden**. Here are a couple reasons why a move might be needed more than wanted. First, **your home is simply too big**. When you downsize, you not only can put more cash in the bank, but spend less time keeping the home maintained. Maintaining a

home that is too big can be very expensive, time consuming, and downright unsafe if you are still performing some of the more strenuous upkeep yourself. With a downsized home, you can worry less about money and have more free time. This is valuable time you can be using find new hobbies, be with your family, or just kick up your feet more often and relax. If you currently have similar issues and would like more time for what matters in your life, downsizing might the key. Second, **shortage of retirement funds can necessitate a change**. Many retired homeowners wait too long to sell, and this puts them in a cash crunch. Trying to sell and find a new home when cash is tight can be a problem

and often leads to fewer choices and tough decisions. If you are finding that you are barely making it by each month, don't wait for a potentially catastrophic event to put you in financial jeopardy before you decide to sell. The best thing you can do for yourself and your family is to sell earlier, because doing so will put you in the position of power to control your outcome. If any of these situations sound familiar to you, don't wait to sell. The power of acting early will pay big dividends for you and your family. If you would like to speak to your Realtor® about selling your current home, or simply get more information, you can **reach our FREE 24/7 pre-recorded information line at (888) 887-2036**.

24/7 PRE - RECORDED INFORMATION LINE (888) 887-2036

OPTIONAL PAYMENT MORTGAGE

By Ryan Kleis - There is a loan many 62-year-olds and older homeowners are using that **allows them to start a home equity line-of-credit, purchase a new home, or refinance their current loan.** With this loan, they choose when or if they make a monthly mortgage payment. It works much like a traditional home loan - you receive a monthly statement showing how much you owe, but with this loan, **you are not required to make a monthly payment.** Instead, the interest that was due for the month is simply added to what you already owe. Any amount due is paid in the future when you decide to sell the home or pass away. There are strong regulations in place to protect you. So, even if you decide to skip monthly mortgage payments, you will continue to own your home, allow your heirs to inherit the property and access future equity. For many homeowners, this is a wonderful way to have extra cash in the bank and control their mortgage balance. How much you can borrow will depend on the value of your home and your age. You may qualify even if you have low income or bad credit. **To learn how other homeowners are using this loan, call the FREE pre-recorded information line at (888) 887-2036. ***

CONCERNED ABOUT CAPITAL GAINS?

By Robert Ross - If you've owned your primary residence for a while, its value most likely has increased since you've purchased it. When you sell, you might wonder "will my capital gain "profit" be subjected to income taxes. It will depend on: Are you single, married or widowed? What did you originally pay for your home? Have you made any improvements to your home? If you have a capital gain from the sale of your primary home, you may qualify for a Section 121 exemption up to \$250k of your gain if you file your tax return single (up to \$500k if you file a joint return with your spouse). Widowed taxpayers may be able to increase their exclusion amount to \$500k if you meet one of the following: 1) You sell your home within 2 years of the death of your spouse. 2) You haven't remarried at the time of the sale. 3) Neither you nor your late spouse took the exclusion on another home sold less than 2 years before the date of the current home sale. And 4) You meet the 2-year ownership and residence requirements (including your late spouse's times of ownership and residence if need be). The other 2 items to be deducted from the gain are 1) the price you originally paid for the home (AKA cost basis), and 2) any improvements to the home to be added to your cost basis allowable under the IRS rules. If you are widowed, you might be eligible for a step up in your cost basis based on the value when your spouse passed away. Consult a tax professional when figuring out if you have a capital gain, as tax laws change frequently. **You can call the FREE pre-recorded information line at (888) 887-2036.**



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