

# The key to a more secure retirement might already be in your pocket.

## How the power of home can help you “Age In Place.”

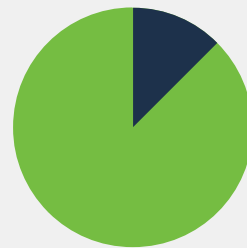
According to a University of Michigan national poll, 88% of Americans age 50-80 say it’s important to remain in their homes as they age.<sup>1</sup> But many homes aren’t designed to meet their needs: second-story bedrooms, stepped entryways, narrow doorways, and other issues can make everyday living a challenge for older adults.

### What is a reverse mortgage?

Its official name is a Home Equity Conversion Mortgage (HECM), a loan insured by the Federal Housing Administration (FHA) for homeowners age 62+. It allows you to:

- Access a portion of your home equity
- Use the income tax-free<sup>2</sup> cash proceeds as you wish
- Eliminate monthly mortgage payments<sup>3</sup>

You retain ownership of your home — all you have to do is continue to pay property taxes, homeowners insurance, and for home maintenance as you do now.



# 88%

**OF U.S. SENIORS WANT TO AGE IN PLACE<sup>1</sup>**

Making necessary modifications can be a significant expense, especially for retirees on a fixed income. Fortunately, a Home Equity Conversion Mortgage (HECM) may provide the funding solution. It lets homeowners 62+ convert home equity into cash they can use to comfortably remain at home.

### How can you use it?

The proceeds are used to pay off your existing mortgage. You get the rest as a lump sum, monthly payment, line of credit, or any combination of these. Use it in any way you choose, such as:

- Pay bills and everyday expenses
- Help cover the cost of healthcare or home care
- Make home repairs and upgrades to help Age In Place
- Open a line of credit for unexpected expenses<sup>4</sup>
- Help out family members

## REVERSE MORTGAGE VS. OTHER MORTGAGES

### REVERSE MORTGAGE/HECM

### MORTGAGE/HELOC

SIMILARITIES

Who has title and “owns” the property?	Borrower	Borrower
Is the mortgage secured by the property?	Yes	Yes
Who is responsible for taxes, insurance and home maintenance?	Borrower	Borrower

DIFFERENCES

Future credit line availability <sup>1,4</sup>	Guaranteed, increases over time	May be cut or suspended by lender
Required monthly mortgage payments	No	Yes
Loan balance	Increases	Decreases
Foreclosure risk due to nonpayment <sup>1,4</sup>	Limited to tax and insurance defaults	Defaults on monthly payments as well as tax and insurance
Heirs can be required to repay more than the home is worth at the time of sale	No	Yes

Let us help you unlock  
the power of home:

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1. Robinson-Lane S, Singer D, Kirch M, Solway E, Smith E, Kullgren J, Malani P. Older Adults' Preparedness to Age in Place. University of Michigan National Poll on Healthy Aging. April 2022.
2. Consult a financial advisor and appropriate government agencies for any effect on taxes or government benefits.
3. Property taxes, homeowners insurance, and home maintenance required.
4. A line of credit is only available on adjustable-rate HECM products.

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