FINANCE of AMERICA – REVERSE – | RETIREMENT STRATEGIES

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# Is a Reverse Mortgage Right for Your Client?

Unlocking home equity can be a key component to improving retirement. **If you answer yes to any of the following questions** about your client's financial situation, a reverse mortgage may be a sensible addition to their overall retirement strategy.

## Risk Management

- Does your client need more protection against long-term care events and/or unexpected expenses?
- Does your client have an existing HELOC, or have you recommended a line of credit?

## Home Purchasing

- Is your client considering purchasing a 2nd home and/or investment property?
- Does your client need to efficiently own 2 homes without draining invested assets (ex. divorce)?

## Income & Investing

- Does your client still pay a mortgage?
- Does your client want/need to retire before their social security maximum benefit age?
- Is your client younger than 72, want/need additional income, and holding tax-deferred investments?
- Is your client short on paying the tax on a Roth conversion?

## Estate & Legacy Planning

- Is your client interested in legacy planning while still living (ex. charitable donations, trusts, funding grandchildren's education)?

Reach out to the **Retirement Strategies Division** at Finance of America Reverse at **strategies@fareverse.com** with any questions or to determine your client's borrowing power.

These materials are not from HUD or FHA and were not approved by HUD or a government agency.



**When the loan is due and payable, some or all of the equity in the property that is the subject of the reverse mortgage no longer belongs to borrowers, who may need to sell the home or otherwise repay the loan with interest from other proceeds. The lender may charge an origination fee, mortgage insurance premium, closing costs and servicing fees (added to the balance of the loan). The balance of the loan grows over time and the lender charges interest on the balance. Borrowers are responsible for paying property taxes, homeowner's insurance, maintenance, and related taxes (which may be substantial). We do not establish an escrow account for disbursements of these payments. A set-aside account can be set up to pay taxes and insurance and may be required in some cases. Borrowers must occupy home as their primary residence and pay for ongoing maintenance; otherwise the loan becomes due and payable. The loan also becomes due and payable (and the property may be subject to a tax lien, other encumbrance, or foreclosure) when the last borrower, or eligible non-borrowing surviving spouse, dies, sells the home, permanently moves out, defaults on taxes, insurance payments, or maintenance, or does not otherwise comply with the loan terms. Interest is not tax-deductible until the loan is partially or fully repaid.**