

REVERSE MORTGAGE

Frequently Asked Questions

Q. How do I qualify for a reverse mortgage?

A. You must be at least 62 years old, own and occupy your own home, to qualify for a reverse mortgage. You must have enough equity in the house to pay off any outstanding loan balances, or have sufficient funds to cover all loan closing costs.

Q. How much money can I get?

A. The amount of your loan will depend on how old you are at the time of closing, how much your home is worth, the total amount of liens, and current interest rates. The type of reverse mortgage product and the payment options can also affect the amount of money you will receive.

Q. How do I receive the money?

A. You can choose to receive reverse mortgage funds as a lump sum, monthly income, line of credit or a combination of all three.

Q. What is due when the loan is repaid?

A. You must pay back the funds you have received, plus accumulated interest and any fees that were financed. You may also repay the reverse mortgage by refinancing with a conventional mortgage loan.

Q. What if I owe more than my home is worth?

A. All reverse mortgages are considered "non-recourse" loans. This means that you will never owe more than the value of the home regardless of the loan balance.

Q. Does the lender take the house?

A. A reverse mortgage is merely a loan against the property. The title remains in your name and the lender is only repaid the loan balance.

Q. When do I have to repay the loan?

A. The loan is due and payable when you sell the property, permanently leave the home, or become deceased. In the case of co-borrowers, it is the second to move out or die that triggers repayment. Until these events take place you live in the home and make no payments.