

Tag 1:

What does an HECM reverse mortgage provide your client?

STABILITY....GROWTH....FLEXIBILITY....

Tag 2:

- **FACT:** One out of every three retired workers receives ALL of their retirement income from Social Security benefits.
- **FACT:** The average Social Security benefit paid to a retired worker and their family is \$22,536 per year, ONLY \$3,446 above the 2012 poverty line.
- **FACT:** An HECM reverse mortgage can provide your client with a tax-efficient source of supplementary retirement funds.

Support:

STABILITY – An HECM offers your client **non-recourse protection**, eliminating the burden of leaving loved ones with another bill to pay. Since HECM is FHA insured, your client will never* owe more than the balance of the loan, or the worth of the property (whichever is **lower**). In fact, if your client chooses never to withdraw from their available line of credit, the only costs he/she pays for this protection are the closing fees and the \$35/month service fee plus interest.

GROWTH – No matter what happens in the housing market, the Maximum Claim Amount (established at loan origination) **never changes**. In fact, the Principle Limit grows every month by 1/12th the expected average mortgage interest rate **plus** the .01% Mortgage Insurance Premium.

FLEXIBILITY – HECMs offer several unique options for the homeowner. Whether they choose to receive the loan through equal monthly payments, a lump sum, or through a line of credit, the HECM offers clients direct access to freeing up the equity trapped in their home **without** a required monthly repayment. Additionally, your client can choose between:

- *HECM Standard*, which offers a variable interest rate, flexible disbursement options, limited interest accrual, a growing credit line, and monthly cash flow.
- *HECM Saver*, which offers a fixed rate, lower upfront costs, predictable interest rates, and immediate payout.
- *HECM for Purchase*, which allows the homeowner to eliminate mortgage payments, preserve cash, and lower their cost of living.

Footnote:

*Provided the home is sold and no other assets (besides the home) are used to repay the debt