

## Reverse Mortgage New Financial Planning

You've worked hard your whole life, you have done all you could to prepare. You contributed to your 401K, saved, invested, and yet you are still not comfortable you have sustainable cash flow through retirement. What other options are available to you?

### Introducing the Reverse Mortgage

A loan designed for adults over the age of 62. What a reverse mortgage is, it allows for flexibility and greater financial freedom in retirement. One way you can access home equity is through a Home Equity Conversion Mortgage (HECM), also known as a reverse mortgage loan. Plus it now has built-in safeguards and lower costs over time(win-win.) A reverse mortgage has been and continues to be the best alternative to improve cash flow, in lieu of tapping into retirement funds or trying to time the market. Looking to prepare for the unexpected? Long term care costs? Investment fluctuations? Your equity is your best financial tool if used properly.

Throughout this tutorial, you will discover the various ways a reverse mortgage can help you create a better, more secure retirement. This is not a ***"One Size Fits All"*** solution. Call us to talk with a reverse mortgage specialist, so that we can customize a plan for your life and retirement.

Although we are not financial planners in terms of securities and investments, we are in fact mortgage professionals. We know how to customize a plan that will reflect and protect what your investment professional has in place.

To create a more stable financial plan, more and  
more seniors are tapping into their most valuable asset, their equity!



Answer the following questions in relation to your retirement:

1. **The basics** - What is the total net amount of money you need on a monthly basis to cover all of your bills and basic living expenses?
2. **Income** - What sources of income are you relying upon, to fund your retirement? Pension, 401K, Social Security, Annuity Income? Of that which can change on a monthly, quarterly, or yearly basis?
3. **Savings Depletion** - Of the above, will the withdrawal or usage cause you to begin to cut into the principal? If so, when? Will that change your current standard of living?

4. **Emergency** - As you know life happens. When it does do you have a separate emergency fund or source to cover those expenses? Will you have to rely on credit cards or high-interest pay back loans?
  
5. **Estate** - Asset protection. In short, what do you want to leave for your children and family when you pass on. Do you have an estate plan? How will your spouse access those pensions and 401k's? Will the beneficiary be impacted upon the passing of one spouse? IE. loss of income?

Often these questions lead to difficult conversations on the standards of life. The lifestyle you want to lead in retirement. For many retirees or soon to be retirees, they realize that their lifestyle could negatively be impacted by retirement. However, it doesn't have to be. Once you understand and are using all of your available financial resources.

One of the best practices is having a non-biased 3rd party review your financial roadmap. Many of our now, clients, used us to be an "evaluator" of their retirement resources. We look at financials and situations clinically, historically, and allows us to help you project for the next 20 or 30 years of your life.



## What is a Reverse Mortgage?

You now have begun to look at your own finances differently. Liabilities, assets, income, and more. Now it is time to understand the basics and power to a reverse mortgage.

**A reverse mortgage is an opportunity for borrowers age 62 or older to unlock the equity in their homes by turning it into tax-free cash, cash flow without having to make any monthly mortgage payments.**

In short, no new debt. There are two key parts to this equation: no new debt and tax-free cash flow. You don't want as the old saying goes **"Rob Peter to pay Paul."** It isn't necessary. At retirement, you are looking to alleviate the burden of debt, not acquire new. Fewer payments more expendable cash. This is why a reverse mortgage maybe your best option.

## Qualification

Qualification is very simple and easy. Unlike the traditional mortgage process, reverse mortgages are designed for ease and simplicity to access your home's equity:

1. To be eligible, the borrower on title must be 62 years or older (a non-borrowing spouse may be under age 62).
2. The home must be the borrower's primary residence.
3. The borrower must own the home and meet the financial requirements of the HECM program. Borrowers are responsible for paying property taxes, homeowner's insurance, and home maintenance. Nothing new, you already pay for these items.



Sound Great? Here is what is next.....

Reverse mortgage loan proceeds can be accessed in several ways:

**Lump-Sum Payout:**

Maximize your cash payout now to pay off large expenses.

**HECM Growing Line of Credit:**

Gain lifetime access to a growing line of credit while eliminating monthly mortgage payments.

**Monthly Installments:**

Receive monthly payouts for a fixed term or for the rest of your life.

Not a “One Size Fits All” scenario. You can do a combination of all three of the above. As a mortgage professional, it is our job to assess your needs now, 5 years from now, and through your lifetime. You are not bound to living in the moment! A reverse mortgage provides for a lifetime of flexibility.

## Put Your Reverse Mortgage into Action

1. **Market Downturns** - You do not need to be a financial advisor, to know about market volatility. You haven't gotten to this point in your life, where you have seen your 401k one morning, have half the value of the prior day. While we are working, although unnerving, we continue to work, earn an income, and contribute. When we are retired, it becomes no longer an "unrealized" loss, it can impact our daily lives.

[A reverse mortgage can insulate us from market downturns.](#)

2. **"Rightsizing"** - HECM for Purchase loan combines a reverse mortgage with your equity from the sale of your previous home, or from other savings and assets. Use that to buy your next primary residence in one transaction. Yes, it must be your primary residence. Regardless of how long you live in the home or what happens to your home's value, you only make one down payment toward the purchase. All **monthly mortgage payments are eliminated**. Plus access to money! Making the buying and selling of homes simple and easy.

3. **Social Security** - The elephant in the room! Yes, you are entitled to social security, you have been paying into the plan for 30 or 40 years! Yes, you will never get out what you put in. How important is social security to your plan? If it is significant, then you need to have protections in place. From increase freezes to possible reductions in benefits. Social security is more volatile today than 20 years ago.

[A reverse mortgage can insulate you from social security dependence.](#)

4. **Taxes** - Yes, taxes. Did you know distribution from retirement or investment accounts may put you or keep you in a higher tax bracket? Your ability to reduce taxes is paramount. No reason to cut a large check once a year to simply pay for distributions. A reverse mortgage and utilizing the equity in your home, allows you to skip the tax bill and potentially lower your overall effective tax rate.

[A reverse mortgage can insulate you from high tax brackets & bills.](#)



## Sales Process? No, We Safeguard You!

There is no sales process for this financial solution. This is first and foremost education, preparation, and execution. In fact, due to the nature of the audience(you), there are safeguards in place to ensure you are comfortable, before, during, and after. Here is how we do it:

### **Counseling**

All reverse mortgage applicants undergo independent, third-party, HUD-approved counseling. Why? This will ensure that you the borrower understands fully all the financial details associated with your reverse mortgage. What the obligations are. Are there other alternatives that may be available? Why do we believe in third-party counseling? We want you the borrowers to feel comfortable with the process and every detail.

### **No Pre-Payment Penalty**

Although the loan is not due and payable until the last borrower or eligible non-borrowing spouse leaves the home or does not comply with the loan terms, you may choose to repay the loan at any time without incurring additional costs. Rare but it is an option for some.

### **Non-Recourse Loan**

HECMs are non-recourse loans. Neither you nor your heirs will ever owe more than the loan balance or the value of the property at maturity, whichever is less; and your heir is not obligated to use their money other than the home to repay the debt. Protecting you and your family. This puts your family's mind at ease, as well as yours.

## What's Next?

The process is simple:

1. We set a time to have a conversation together. A “get to know” meeting. We want to understand you, your spouse, and the financial dynamic.
2. After our “get to know” meeting, we will present our assessment and solution to you. We go through all scenarios and answer every single question.
3. Once we have completed the assessment and your ready to move forward, we will proceed with the application and appraisal.

You are in control of the process from the beginning to the end. We can move as quickly or as methodically as you desire. We are not chasing rates or locking in rates. That doesn't happen in this process.

Let's start the process today. You can reach us 3 different ways:

Call: 1-888-898-9688

Email: [info@24hr.mortgage](mailto:info@24hr.mortgage)

Visit us online: [www.24hr.mortgage](http://www.24hr.mortgage) and schedule an appointment.

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