



**Reverse Mortgage
Loan
Information Kit**

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What is a reverse mortgage?

A loan against your home that requires no payment for as long as you live there.

How is it different?

- To qualify for most loans, the lender checks your income to see how much you can afford to pay back each month. But with a reverse mortgage, you do not have to make monthly payments. Your income has nothing to do with getting the loan or the amount of the loan.
- With most home loans, if you fail to make your monthly payments, you could lose your home. But with a reverse mortgage, you don't have any monthly payments to make. So you can't lose your home by failing to make them.

Who can get one?

- You must own your home, and generally all of the owners must be at least 62 years old.
- Your home generally must be your "principal residence" - which means you must live in it more than half the year.
- For the federally-insured "Home Equity Conversion Mortgage" (HECM), your home must be a single-family property, a 2-4 unit building, or a federally-approved condominium or planned unit development (PUD). For Fannie Mae's "HomeKeeper" mortgage, it must be a single family home, PUD, or condominium.
- Reverse mortgage programs generally do not lend on cooperative apartments or mobile homes, although some "manufactured" homes may qualify if they are built on a permanent foundation, classed and taxed as real estate, and meet other requirements.
- If you have any debt against your home, you must either pay it off before getting a reverse mortgage or - this is what most borrowers do - use an immediate cash advance from the reverse mortgage to pay it off. If you don't pay off the debt beforehand, or do not qualify for a large enough immediate cash advance to do so, you cannot get a reverse mortgage.

How much cash can you get?

The amount of cash you can get from a reverse mortgage depends on the program you select and - within each program - on your age, home, and interest rates.

- It can vary by a lot from one program to another. A typical consumer might get \$30,000 more from one program than from another. But no single program works best for everyone.
- For all but the most expensive homes, the federally-insured "Home Equity Conversion Mortgage" (HECM) generally provide the most cash.
- Within each program, the amount of cash you can get depends on the age(s) of the owner(s), the value (and in some cases the location) of the home, and current interest rates. In general, the most cash goes to the oldest borrowers living in the homes of greatest value at a time when interest rates are low. On the other hand, the least cash generally goes to the youngest borrowers living in the homes of lowest value at a time when interest rates are high.

But remember, the total amount of cash you actually end up getting from a reverse mortgage will depend on how it's paid to you plus other factors.

How is it paid to you?

That's up to you. You could take it

- as an **immediate cash advance** at closing, that is, a lump sum of cash paid to you on the first day of the loan
- a **credit line account** that lets you take cash advances whenever you choose during the life of the loan - until you use it all up
- OR as a **monthly cash advance**
 - for a specific number of years that you select,
 - OR for as long as you live in your home,
 - OR - if you use the loan to buy an annuity - for the rest of your life, no matter where you live
- OR as any **combination** of immediate cash advance, credit line account, and monthly cash advance

How much total cash?

- if you take a credit line account, the total amount of cash you actually get will depend on two things: (1) how much of your available credit line you use, and (2) whether the credit line is "flat" or "growing."
- With a flat credit line, the amount of remaining available credit at any time only changes if you take a cash advance, at which point it decreases by the amount of the advance. For example, if you have a flat \$50,000 credit line and take out \$10,000, you would have \$40,000 left whenever you decided to take more.

- But with a growing credit line, your remaining available credit grows larger by a given rate. For example, if you took \$10,000 from a \$50,000 credit line that grows by 8% each year, and then came back for more three years later, there would then be over \$50,000 left to use - because the remaining \$40,000 growing at 8% per year would become \$50,388 after three years.
- So a growing credit line can give you a lot more cash over time than a flat one. That's why you need to look at more than the size of a credit-line when a reverse mortgage starts. You also should consider how much available credit would be left in the future. This will also depend, of course, on how much you take out and when you take it.
- The credit line in the Home Equity Conversion Mortgage (HECM) program grows larger each month by the same rate as the one being charged on the loan balance. It keeps growing for as long as there is any credit left, that is, until you withdraw all your remaining credit.
- Fannie Mae's HomeKeeper credit line is flat. The remaining available credit does not increase.
- If you take monthly loan advances, the total amount of cash you actually get will depend on whether you select a plan that sends them to you for a specific number of years, or for as long as you live in your home. It will also depend how long you actually live in your home.
- If you use a reverse mortgage to buy an annuity, the total amount of cash you actually get will depend on how long you live - no matter where you live. The net value of that cash to you, however, may depend on other factors.

What happens to your debt?

It grows larger and larger as you keep getting cash advances, make no payments, and interest is added to the amount you owe (your "loan balance").

That is why reverse mortgages are called "rising debt, falling equity" loans. As the amount you owe (your debt) grows larger, your equity (that is, your home's value minus any debt against it) generally gets smaller.

Is that why it is called "reverse"?

- Yes. In a "forward" mortgage (the kind you normally use to buy a home), your regular monthly payments make your debt go down over time until you have it all paid off. Meanwhile, your equity is rising as you owe less and less, and as your property value grows (appreciates). So forward mortgages are "falling debt, rising equity" loans - just the opposite of reverse mortgages.
- Here is another way to think of it. In a forward mortgage, you use debt to turn your income into equity. In a reverse mortgage, you use debt to turn your equity into income. You are reversing the deal you used to buy your home. Then, you had income and wanted equity. Now, you have equity and want income. In both cases you use debt to turn what you have into what you want.

When do you pay it back?

- When the last surviving borrower dies, sells the home, or permanently moves away. "Permanently" generally means you have not lived in your home for 12 months in a row.
- You might also have to pay it back if you fail to pay your property taxes, fail to keep up your homeowner's insurance, or let your home go to waste. But if you do, the lender may be able to make extra cash advances to cover these expenses.

Just remember, reverse mortgage borrowers are still homeowners and therefore are still responsible for taxes, insurance, and upkeep.

What do you owe?

The total amount you will owe at the end of the loan (your "loan balance") equals

- all the cash advances you've received (including any that were used to pay loan fees or costs)
- plus all the interest on them -
- up to the loan's "nonrecourse" limit (see answer to next question).

Interest rates can change based on changes in published indexes. But the more adjustable they are, the lower they start – so they give you larger cash advances.

And they will be lower than less adjustable rates all during the time that index rate changes don't exceed the caps on the less adjustable rates.

What is the most you can owe?

You can never owe more than the value of the home at the time the loan is repaid. Reverse mortgages are generally "nonrecourse" loans, which means that in seeking payment the lender does not have recourse to anything other than your home. Not your income, your other assets, or your heirs.

So even if you receive monthly loan advances until you are aged 115, your home declines in value between now and then, and the total of monthly advances becomes greater than your home's value - you can still never owe more than the value of your home. If you or your heirs sell your home in order to pay off the loan, the debt is generally limited by the net proceeds from the sale of your home.

How do you pay it?

- If you sell and move, you would most likely pay back the loan from the money you get from selling your home. But you could pay it back from other funds if you had them.
- If the loan ends due to the death of the last surviving borrower, the loan must be repaid before the home's title can be transferred to the borrower's heirs. The heirs could repay the loan by selling the home, using other funds from the borrower's estate or their own funds, or by taking out a new forward mortgage against the home.

What is left?

Not all reverse mortgage borrowers end up living in their homes for the rest of their lives. Some who expect to remain living there change their minds. Others face later health problems that require a move.

So it makes sense to plan for the possibility that you may sell and move some day. How much equity would be left if you did?

- If, at the end of the loan, your loan balance is less than the value of your home (or your net sale proceeds if you sell), then you or your heirs get to keep the difference. The lender does not "get" the house. The lender gets paid the amount you owe, and you or your heirs keep the rest.
- **IMPORTANT:** If you take the loan as a credit line account, be sure to withdraw all remaining available credit before the loan ends. You will have

the money sooner that way, and it could be more than otherwise might be left. For example, a growing credit line could become greater than the leftover equity in some cases.

- If you have purchased an annuity and then sell your home, you could continue receiving monthly annuity advances for the rest of your life. If the loan ends due to the death of the last surviving borrower, and if the annuity purchased by the borrower includes a death benefit or "period certain" payments, then the annuity's beneficiaries would receive additional cash.

What is the out-of-pocket cost?

The out-of-pocket cash cost to you is most often limited to an application fee that covers a property appraisal (to see how much your home is worth) and a minimal credit check (to see if you are delinquent on any federally-insured loans).

Most of the other costs can be "financed" with the loan. This means that you can use reverse mortgage funds advanced to you at closing to pay the costs due at that time, and later advances to pay any ongoing costs. The advances are added to your loan balance, and become part of what you owe - and pay interest on.

If a lender charges an origination fee that is greater than the amount that can be financed with the loan, you have to pay the difference in cash at closing.

What are the other costs?

- The specific cost items vary from one program to another. Many of them are of the same type found on "forward" mortgages: interest charges, origination fees, and whatever third-party closing costs (title search & insurance, surveys, inspections, recording fees, mortgage taxes) are required in your area. Other types of costs can be more exotic, and unique to reverse mortgages: monthly servicing fees, "equity-sharing" fees, "shared appreciation" fees, "maturity" fees.
- Although total loan costs between the HECM and HomeKeeper programs can vary enormously, many of the individual cost items within each program do not vary from one lender to another. Within each program, the costs that may be different from one lender to another are generally the **origination** fee and the **servicing** fee. So if you've decided on HECM you want to get the best deal, these are the specific fees to compare.

- The largest total cost differences you will find are the ones between different programs, for example, between the HECM and HomeKeeper programs. But it is virtually impossible to evaluate or compare the true, total cost of reverse mortgages unless you consider their Total Annual Loan Cost (TALC) rates.

What is the total cost?

Federal Truth-in-Lending law requires reverse mortgage lenders to disclose the projected annual average cost of these loans in a way that includes ALL of the costs and benefits, and also takes into account the nonrecourse limits.

This Total Annual Loan Cost (TALC) disclosure shows you what the single all-inclusive interest rate would be if the lender could only charge interest and not charge any other fees. Specifically, it tells you the annual average rate that would produce the total amount owed at various future points if only that rate were charged on all the cash advances you get that are not used to pay loan costs. In other words, it shows you what you are paying in total for the money you get to spend.

How does the total cost vary?

On any given loan, TALC rates depend on two major factors: time and appreciation.

- TALC rates are generally greatest in the early years of the loan and decrease over time, for two reasons 1) the initial fees and costs become a smaller part of the total amount owed, and 2) the likelihood increases that the rising loan balance will catch up to - and then be limited by - the nonrecourse limit.
- TALC rates also depend on changes in a home's value over time. The less appreciation, the greater the likelihood will be that a rising loan balance will catch up to - and then be limited - by the home's value. On the other hand, when a home appreciates at a robust rate, the loan balance may never catch up to (and be limited by) it.

What does that mean?

If you end up living in your home well past your life expectancy or your home appreciates at a low rate, you might get a true bargain. But if you die, sell, or move within just a few years or your home appreciates a lot, the true cost could be very high.

There's no way of avoiding this fundamental risk. You just have to understand it in general, assess the potential range of TALC rates on a specific loan, and decide if it's worth the benefits you expect you'll get from the loan.

Just remember, TALC rates are not really comparable to the Annual Percentage Rates (APRs) quoted on "forward" mortgages because

- unlike APRs, TALC rates include **all** the costs
- unlike APRs, TALC rates do **not** assume you take all of the loan on the first day (if they did, TALC rates would be much closer to APRs)

It's also important to remember that you get benefits from a reverse mortgages that you don't get from a "forward" mortgage:

- no monthly payments, and no payment of any kind for as long as you live in your home
- an open-ended monthly income guarantee, or a guaranteed credit line (which may grow larger until you use it all)
- a total debt limit equal to the net value of your home (even if it's less than what your loan balance would otherwise have been), no matter how long you live, and no matter what happens to the value of your home

So you may pay more for a reverse mortgage. But the benefits are not available on any other type of debt. And - if you live long, or if your property value doesn't grow much - you can end up with a lower than expected cost.

If you are considering a credit line, however, you need to know that official TALC disclosures do not account for the added value of growing credit lines. If you are a couple, you need to know that official TALC disclosures are all based on the life expectancy of single owners. The total cost rates generated by NCHCEC's Calculator correct these shortcomings.

One more key point: lenders don't have to show you TALC rates on a loan until after you apply for it. So if you want to see and compare true, total costs before you apply, be sure to deal with Sources that can meet your information needs. Ask them for a Personal Reverse Mortgage Analysis showing you all your choices - including TALC rate comparisons generated by NCHCEC software.

What is it worth?

Only you can decide what a reverse mortgage is worth to you. It probably depends most on what you would use one for: increasing your monthly income,

having a cash reserve (credit line account) for irregular or unexpected expenses, paying off debt that requires monthly payments, repairing or improving your home, getting the services you need to remain independent, or generally improving the quality of your life.

It may be helpful in evaluating the worth of a reverse mortgage to consider a major alternative: selling your home and moving. Do you have any idea

- how much money you could get by selling your home?
- what it would cost to buy & maintain or rent a new one?
- how much you could safely earn on sale proceeds not used for a new home?

NCHEC's Personal Reverse Mortgage Analysis estimates how much cash you could spend on housing each month using proceeds from the sale of your home. So look into other housing options. Seeing your housing alternatives first-hand and in-person may help you decide about a reverse mortgage.

- You may find a different home, neighborhood, or community with an array of services or amenities that is much more attractive than you would expect to find.
- Or, you may only confirm what you were pretty sure of all along: that where you live now is easily the best place for you to be.

Either way, looking will give you a much better idea of the overall costs and benefits of staying versus moving. That will give you a better sense of what's valuable to you. And make it easier to evaluate the cost of a reverse mortgage.

Also take a look at other financial and services options that you may prefer to - or combine with - a reverse mortgage.

What about public benefits?

Social Security and Medicare benefits are not affected by reverse mortgages. But Supplemental Security Income (SSI) and Medicaid are different. In general, these programs count loan advances differently than annuity advances.

- Loan advances generally do not affect your benefits if you spend them during the calendar month in which you get them. But if you keep an advance past the end of the calendar month (in a checking or savings account, for example), then it will count as a "liquid asset." If your total

liquid assets at the end of any month are greater than \$2,000 for a single person or \$3,000 for a couple, you could lose your eligibility.

- Annuity advances reduce SSI benefits dollar-for-dollar, and can make you ineligible for Medicaid. So if you are considering an annuity, and if you are now receiving - or expect someday you may qualify for - SSI or Medicaid, check with the SSI, Medicaid, and other program offices in your community. Get specific details on how annuity income would affect these benefits.

What about taxes?

An American Bar Association guide to reverse mortgages advises that generally

- the IRS does not consider loan advances to be income
- annuity advances may be partially taxable
- interest charged is not deductible until it is actually paid, that is, at the end of the loan.

What about "borrowing"?

Many of us have been well served by these borrowing cautions:

- don't borrow in general
- don't borrow against your home in particular
- **"Don't Borrow"** Borrowing usually means using money you haven't earned yet. You borrow today in the hope that you will be able to earn enough in the future to repay it. So you are borrowing against your uncertain future earnings - which sounds like "counting your chickens before they hatch." That's generally not a good idea unless you have a steady job and good prospects.

But this caution doesn't really apply to reverse mortgages because you are not borrowing against future income. In fact, you are borrowing against home equity that you have already earned. So you aren't counting your chickens before they hatch. You are hatching the nest egg you've already earned.

- **"Not Against Your Home"** Borrowing against your home usually means paying back a loan every month. But if you lose your job or your income drops, you could miss some payments and lose your home to foreclosure. That's why it's generally not a good idea to borrow against your home unless it's for a very basic purpose. You want avoid jeopardizing your home ownership.

But this caution doesn't apply to reverse mortgages either, because no monthly payment is required. You can't lose your home by missing a payment because there are none to make.

What about "spending"?

Many of us have also been well served by these spending cautions: "You don't know how much you will need and how long you will live. So don't spend your savings. Wait till you really need them."

Makes a lot of sense. But - if you literally followed these cautions forever, you would never use any of the money you spend a lifetime building up. And that doesn't make much sense. Why go to the trouble of earning it and saving it if you're never going to use any of it? So in retirement, this spending caution should be amended:

- when should you consider using how much savings?
- which savings (for example, home equity)?

As amended, this caution clearly does apply to reverse mortgages. Because the more home equity "savings" you use now, the less you'll have later. So the questions now become:

- If you ever do take a reverse mortgage, should you do it now or wait until later to decide? (In the future, you may be eligible for more cash because you will be older and your home may be worth more. On the other hand, interest rates may be higher, and that would decrease the amount otherwise available.)
- If you take one now, how should you take it: credit line, monthly, or a combination? If you take a credit line, how much of it should you use now versus later? If you take a monthly advance, should you select a specific number of years, for as long as you live in your home, or should you buy an annuity providing lifetime advances no matter where you live?

A lot might depend on how much cash you'd qualify for today. Call your First Nations Mortgage loan officer for an estimate.

What about "investing"?

Should you take a lump sum of cash from a reverse mortgage and invest it someplace? Except for purchasing a sound annuity, that's generally a lousy idea - unless, of course, you can afford to lose money.

Remember, to come out ahead on any investment, you'd have to earn a greater rate of return on it than the TALC rate you are paying on the reverse mortgage. And the odds against doing that safely are mighty long.

A much better alternative is to take a HECM credit line. You only get charged interest on the cash advances you've actually taken, and the remaining available credit grows larger every month. And this growth is not an "interest" earning, so you are not taxed on it.

How much could you get in a HECM credit line, and by what rate would it begin growing? Call your First Nations Mortgage loan officer for an estimate.

FHA Reverse Mortgages (HECMs) for Consumers

The Home Equity Conversion Mortgage (HECM) is FHA's reverse mortgage program which enables you to withdraw some of the equity in your home. You choose how you want to withdraw your funds, whether in a fixed monthly amount or a line of credit or a combination of both.

You can also use a HECM to purchase a primary residence if you are able to use cash on hand to pay the difference between the HECM proceeds and the sales price plus closing costs for the property you are purchasing.

HECM counselors will discuss program eligibility requirements, financial implications and alternatives to obtaining a HECM. They will also discuss provisions for the mortgage becoming due and payable. Upon the completion of HECM counseling, you should be able to make an independent, informed decision of whether this product will meet your needs. You can search online for a HECM counselor.

You can use a reverse mortgage calculator to help you see if you qualify. If you meet the eligibility criteria, you can complete a reverse mortgage application by contacting a FHA-approved lender.

Borrower Requirements

You must:

- Be 62 years of age or older
- Own the property outright or have a small mortgage balance
- Occupy the property as your principal residence
- Not be delinquent on any federal debt
- Participate in a consumer information session given by an approved HECM counselor

Mortgage Amount Based On

- Age of the youngest borrower
- Current interest rate
- Lesser of appraised value or the HECM FHA mortgage limit

Financial Requirements

- No income or credit qualifications are required of the borrower
- No payment as long as the property is your principal residence
- Closing costs may be financed in the mortgage

Property Requirements

The following eligible property types must meet all FHA property standards and flood requirements:

- Single family home or 1-4 unit home with one unit occupied by the borrower
- HUD-approved condominium
- Manufactured home that meets FHA requirements

How the Program Works

If you are a homeowner age 62 or older and have paid off your mortgage or have only a small mortgage balance remaining, and are currently living in the home, you are eligible to participate in FHA's reverse mortgage program. The program allows you to borrow against the equity in your home. You can select from five payment plans:

- **Tenure** - equal monthly payments as long as at least one borrower lives and continues to occupy the property as a principal residence.
- **Term** - equal monthly payments for a fixed period of months selected.
- **Line of Credit** - unscheduled payments or in installments, at times and in an amount of your choosing until the line of credit is exhausted.
- **Modified Tenure** - combination of line of credit plus scheduled monthly payments for as long as you remain in the home.
- **Modified Term** - combination of line of credit plus monthly payments for a fixed period of months selected by the borrower.

You can change your payment options for a fee of \$20.

Unlike ordinary home equity loans, a FHA reverse mortgage HECM does not require payment as long as the home is your principal residence. Lenders recover their principal, plus interest, when the home is sold. The remaining value of the home goes to you or your heirs. You can never owe more than your home's value.

If the sales proceeds are insufficient to pay the amount owed, FHA will pay the lender the amount of the shortfall. FHA collects an insurance premium from all borrowers to provide this coverage.

The amount you can borrow depends on your age, the current interest rate, other loan fees, and the appraised value of your home or FHA's HECM mortgage limit for your area, whichever is less. Generally, the more valuable your home is, the older you are, and the lower the interest, the more you can borrow. If there is more than one owner, the age of the youngest owner is used to determine the amount you can borrow. For an estimate of HECM cash benefits based on your age, home value, and current interest rate, go to the online calculator.

There are no asset or income limitations in order for you to be eligible for a HECM. In addition, there is no limit on the value of homes qualifying for a HECM. The value of your home will be determined by an appraisal. However, the amount that you may borrow is derived from the lower of the appraised value or the FHA HECM mortgage

limit for your area. For most areas, the HECM mortgage limit is \$625,500. The \$625,500 limit does not apply to parts of Hawaii, Guam and the Virgin islands, which may have higher limits. You are charged an upfront insurance premium of 2 percent of the maximum claim amount that may be borrowed plus a 0.5 percent annual premium.

HECM Costs

You can pay for most of the costs of a HECM by financing them and having them paid from the proceeds of the loan. Financing the costs means that you do not have to pay for them out of your pocket. On the other hand, financing the costs reduces the net loan amount available to you.

The HECM loan includes several fees, including an origination fee, closing costs, mortgage insurance premium, interest and servicing fees.

Origination Fee

You will pay an origination fee to compensate the lender for processing your HECM loan. A lender can charge a HECM origination fee up to \$2,500 if your home is valued at less than \$125,000. If your home is valued at more than \$125,000 lenders can charge 2% of the first \$200,000 of your home's value plus 1% of the amount over \$200,000. HECM origination fees are capped at \$6,000.

Closing Costs

Closing costs from third parties can include an appraisal, title search and insurance, surveys, inspections, recording fees, mortgage taxes, credit checks and other fees.

Mortgage Insurance Premium (MIP)

You will incur a cost for HECM insurance. You can finance the mortgage insurance premium (MIP) as part of your loan. You will be charged an upfront MIP at closing which will be 2% of the lesser of your home's value or the FHA HECM mortgage limit for your area. You will also be charged a monthly MIP that equals 0.5% of the mortgage balance.

The HECM insurance guarantees that you will receive expected loan advances and that you will not have to repay the loan for as long as you live in your home. The insurance also guarantees that, if you or your heirs sell your home to repay the loan, your total debt can never be greater than the value of your home.

Servicing Fee

Lenders or their agents provide servicing throughout the life of the HECM. Servicing includes sending you account statements, disbursing loan proceeds and making certain that you keep up with loan requirements such as paying taxes and insurance. HECM lenders may charge a monthly servicing fee of no more than \$30 if the loan has an annually adjusting interest rate and \$35 if the interest rate adjusts monthly. At loan origination, HECM lenders set aside the servicing fee and deduct the fee from

your available funds. Each month the monthly servicing fee is added to your loan balance.

Interest Rate

HECM borrowers can choose an adjustable interest rate or a fixed rate. If you choose an adjustable interest rate, you may choose to have the interest rate adjust monthly or annually. Lenders may not adjust annually adjusted HECMs by more than 2 percentage points per year and not by more than 5 total percentage points over the life of the loan. FHA does not require interest rate caps on monthly adjusted HECMs.

Repaying a HECM

A HECM loan must be repaid in full when you die or sell the home. The loan also becomes due and payable if:

- You do not pay property taxes or hazard insurance or violate other obligations.
- You permanently move to a new principal residence.
- You, or the last borrower, fail to live in the home for 12 months in a row. An example of this situation would be if you (or the last borrower) were to have a 12-month or longer stay in a nursing home.

You allow the property to deteriorate and do not make necessary repairs.

Reverse Mortgage Helps Senior Buy New Car

John went from driving a Model A Ford to new car with the help of a Federal Housing Administration (FHA) reverse mortgage. The Model A was John's first car, but the Subaru Frontier was the first new car he had ever bought in his 90 years. Often senior citizens have equity in their homes but need to convert that equity into cash. That's what John did with the reverse mortgage.

John's son learned about the FHA reverse mortgage program at a local home show and approached his father about the idea of getting one. John contacted a lender, where he and his family learned more about the program and decided to apply for it. During the loan process John discovered his house had appreciated by over \$100,000.

The cash from a reverse mortgage may be drawn in several ways - a lump sum, monthly payments, a line of credit, or a combination of these. The money can be used for any purpose, including: paying off outstanding debt, medical expenses, buying equipment or services that allow a person to remain in their home, buying prescription drugs, home repairs, or travel. In John's case, he was able to pay off some debt, buy new headstones for his parents and baby brothers' graves, and put the balance into a line of credit. Then, when his car needed several repairs, he decided to do something he had never done before - buy a new car.

At the age of 90, John has seen many changes in the world. He went from breaking wild horses during the depression to driving a truck for 35 years, logging over 900,000 miles just in the Black Hills area. John is happy with his reverse mortgage. Not only did it allow him to buy a new car, but also it has given him a sense of security, knowing that he has money available if the need arises.



John with his first new car



John used the equity in his home to purchase a new car

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