

## MISCONCEPTIONS

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*You will no longer own your home.*

**FALSE**

You retain ownership of your home. The Lender does not take control of the title.

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*The Lender cannot wait for you to “get out of your house” so the lender can be repaid.*

**FALSE**

The HUD approved Lender(s) are not in the business of selling homes.

They are in the business of helping seniors use some of their equity to meet whatever financial needs they may have.

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*Your heirs will have to repay the loan.*

**FALSE**

All forms of reverse mortgages are Non-Recourse Loans. The lender can only recover repayment of the loan from the proceeds of the sale of the property.

If the property decreased in value and the loan amount was greater, **the lender is paid the difference from the HUD Mortgage Insurance not from your heirs or by the other assets in your estate.**

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*You will lose all of your equity.*

**FALSE**

You continue to own your home and the equity left in it.

Since your home can continue to appreciate in value, it's possible that the remainder of your equity can increase even after the outstanding loan balance is paid.



## Reverse Mortgage Guide



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## WHAT IS A REVERSE MORTGAGE?

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-A reverse mortgage is a Government backed loan available to homeowners who are 62 years of age and older.

-A reverse mortgage provides the homeowner the means to access the equity in their home for personal needs, long term care and investment opportunities.

-A reverse mortgage enables the borrower to own a home without making a monthly mortgage payment and without negatively impacting the continued appreciation of the home. There is never a risk of ever losing the home.

## CAN I GET A REVERSE MORTGAGE?

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To benefit from a Reverse Mortgage there are **two** requirements that need to be met in order to qualify.

- 1) Be at least 62 years old
- 2) Occupy the property as your primary residence..

## WHAT CAN I USE THE MONEY FOR?

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The money you receive can be used for **any reason!** Some of the most common uses include:

- Purchasing long-term care insurance
- Paying off debts
- Doing home improvements
- Traveling
- Etc...

## WHAT DO I DO TO RECEIVE THE MONEY?

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There are four options for receiving your money. The option you choose is completely up to you and based specifically on your needs. The options include:

**-Lump Sum Payment:** This allows you to take all the money at once, tax free.

**-Line of Credit:** The money is left in an account until a need to use it arises. While the money is in the account, interest is compounded and the amount of money grows.

**-Tenure Plan:** In this option, the money is paid out monthly throughout your life.

**-Term Plan:** You can receive a set amount of money over a specified number of years until the funds are exhausted.

**You may use any of these options or a combination of them in order to customize a plan that best fits your needs. You may also change your plan at anytime.**

## HOW IS THE REVERSE MORTGAGE REPAYED?

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The loan becomes due only when you no longer live in the property. At that point, you or your estate may settle the loan by selling the property, or refinancing the mortgage.

## REVERSE MORTGAGE FACTS

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-All proceeds are tax-free.

-You **do not** have to have **income** or **good credit** to qualify.

-**Social Security and Medicare** benefits are not affected by a Home Equity Conversion Mortgage loan.

-There is no payment of any kind required during the life of the loan.

-the interest is paid when the loan is repaid—during the life of the loan.

-The loan does not become due and payable until the last surviving borrower dies, sells the home or permanently leaves the residence.

## WILL I EVER BE FORCED TO LEAVE MY HOME?

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You can **NEVER** be forced from your home as long as you meet these three responsibilities:

- 1) Occupy the home as your primary residence.
- 2) Pay homeowner's insurance.
- 3) Pay all property taxes.

**CALL 1-866-625-1221**