



# USE A HECM TO *Purchase a home*

A Home Equity Conversion Mortgage can be used to help senior homebuyers complete the purchase of a primary residence and have flexible mortgage payments, or none at all. This is exciting news to senior buyers who have wanted to downsize, upsize, move closer to family, move to a senior community or for those who simply find their current home no longer meets their needs.

### Specifics:

- Available to seniors who are age 62 and older
- No monthly mortgage payments required\*
- Minimized income and no credit score requirements
- Government insured, FHA loan
- Homeowner remains solely on title
- Eligible properties: existing single family homes and FHA approved condominiums

### Candidates

- Are at least 62 years of age
- Home will be their primary residence
- Are looking to hedge assets, manage expenses or fund retirement goals

### Advantages:

- Borrowers retain ownership and continue to live in the home, provided all program requirements are met

\*Customers do not need to repay the loan as long as they continue to live in the house as their principal residence, pay their property taxes and insurance(s) and maintain the property to FHA standards. Mortgage payments can be made, but are not required.

### EXAMPLE

Frank & Peggy Milone want to sell their home & purchase a new home. They are both 70 years old.

Sell existing home for :     \$400,000  
 Pay off existing mortgage: \$100,000

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Cash left over from sale:     \$300,000

Now they can purchase a **NEW** home using a Home Equity Conversion Mortgage!

	Downsize	Upsize
Cost of new home	\$290,000	\$500,000
HECM proceeds**	(128,711)	(225,101)
<b>**example only**</b>		
Milone's would only need to pay	\$161,289	\$274,899
Cash left over after purchase:	\$138,711	\$25,101

Frank & Peggy now live in a new home with no monthly mortgage payments & they have a significant amount of cash left over for future needs.

**\*\*Proceeds illustrated for example purposes only using a 70 yr old borrower & 2.5% margin. Your results will differ based on individual elections made by the consumer for product, rate, margin & current interest rate.**

*for your Retirement Financing needs contact:*

This is an FHA-insured loan. Homeowners must be 62 years of age or older and live in the home as their primary residence. Homes must meet FHA/HUD minimum property standards. Borrowers must maintain hazard and flood insurance premiums, property taxes, utilities and make any property repairs. Although there are no mandatory monthly principal and interest mortgage payments, interest accrues on the portion of the loan amount disbursed if no payments are made. Reverse mortgages can use up all or some of the equity in your home and the amount you owe can increase over time. Loan must meet underwriting requirements. Program rates, fees, terms and conditions are not available in all states and subject to change. All products and services offered through