

Five Questions to Ask Your Loan Officer about Reverse Mortgages

1. Q: Does the mortgage company own my home after taking out a reverse mortgage?

A: No, you still own your home, all equity (home value – loan balance) transfers to you or your heirs.

2. Q: If my home's value falls below its original value when the loan was financed, can the lender cut off my line of credit (funds available to you from the loan)?

A: No, the homeowner is guaranteed to receive the money they were originally promised. The lender takes the risk. If your home value falls, the lender is the one who takes a loss, not you. The line of credit grows independently from the market value.

3. Q: Can I obtain a reverse mortgage on an investment property or second home?

A: No, the home must be your primary residence that you live in.

4. Q: At what age can I qualify for a reverse mortgage?

A: Only one borrower on title needs to be age 62 or older to qualify for a reverse mortgage.

5. Q: Can I ever lose my home by taking out a reverse mortgage?

A: No, if your home value falls below the future loan balance, the risk is on the lender and you can remain in the house as long as it's your primary residence. It is your responsibility to pay your taxes and insurance and maintain the home up to FHA and HUD standards.



Call Dan Eichhorn Your Reverse Mortgage Expert Today!



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