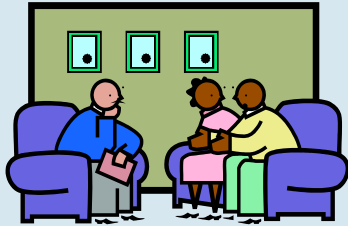


## Reverse Mortgage Counseling

NHS of Southwest WI provides independent, objective, confidential information to homeowners considering a reverse mortgage.



A Home Equity Conversion Mortgage (HECM) is an FHA insured reverse mortgage requiring a counseling session. NHS can provide the counseling and certificate required for a HECM. A \$125 counseling fee applies only if a reverse mortgage is obtained and can be financed into the closing costs of the loan.

### Additional Resources:

Association for the Advancement of Retired Persons (AARP)

[www.aarp.org/revmort](http://www.aarp.org/revmort)  
*Reverse Mortgage Loans:  
Borrowing Against Your Home*

Federal Trade Commission  
[www.ftc.gov](http://www.ftc.gov)

National Commission on Aging  
[www.ncoa.org](http://www.ncoa.org)  
*Use Your Home to Stay at Home*



**NHS of Southwest WI**  
125 E Seminary Street  
Richland Center, WI 53581  
608-647-4949



## Reverse Mortgage A Good Option for Me?



**NHS of Southwest WI**  
125 E Seminary Street  
Richland Center, WI 53581

**608-647-4949**

*"Neighbors Helping Neighbors"*

## Reverse Mortgages What Are They?

- A loan against the equity in a home
- Provides cash advances to owner living in the home
- Repayment is required when the homeowner sells the home, moves out of the property, or dies

### How much money can a homeowner get?

The amount is based on:

- Age of youngest borrower
- Interest rates and fees
- Property value



### Who's eligible?

- \* **Must be at least 62 years of age**
- \* **Own and live in the home**
- \* **Home must be in good condition**
- \* **Existing mortgages must be paid off**
- \* **Other limitations may apply**

## 5 Payout Options

1. **Term:** Monthly advances for a fixed number of months or years
2. **Tenure:** Monthly advances for as long as remain in the home
3. **Credit Line:** Money on demand
4. **Line of Credit plus Monthly Payment**
5. **Lump Sum** paid at close of reverse mortgage

### How Does Repayment Work?

Generally, the loan is paid back out of the proceeds of the home when it is sold.

Heirs may keep the home by paying the loan off with cash or by obtaining their own mortgage.

The homeowner or heirs will never be responsible to pay back more than what the house is worth.

## What's In Your Future?

- As you age, will your home be accessible if you need a walker or have difficulty climbing stairs?
- How will you maintain the home in good repair—mow grass, wash windows, shovel snow, or other chores?
- Will you be able to afford property taxes, insurance and maintenance expenses?

### Are There Other Options?

- Sell and downsize to another home, rent, or move into assisted/independent living
- Home equity line of credit
- Explore eligibility in programs for financial assistance
  - Aging and Disability Resource 647-4616
  - Health and Human Services 647-8821
  - NHS of Southwest WI for 0% rehab loans 647-4949