



# The Reverse Mortgage Center LLC

*Enhancing Retirement Solutions • Serving All of Michigan*

Provided by *Lisa Haggai*, Owner & Reverse Mortgage Specialist (231) 218-0307

## **TRUE or FALSE?**

- **The mortgage company takes the home away from you**  
**FALSE:** You always retain full ownership of the home. The lender is simply added as a lien on the property just as a typical conventional mortgage would be
- **There are no monthly mortgage payments on a Reverse Mortgage**  
**TRUE:** Unlike a conventional mortgage you don't have to make any monthly payments to repay the mortgage, thus freeing up money in your monthly budget
- **Reverse Mortgages are backed by FHA/HUD**  
**TRUE:** Because Reverse Mortgages are backed by FHA/HUD you can never end up owing more than the value of your home, even if the housing market declines
- **The maximum loan limit has recently increased to \$822,375**  
**TRUE:** As a part of the recent stimulus package the maximum loan limit has increased up to \$822,375 which means you can borrow more of the equity in your home!  
**\*\*\* NEW \*\*\* There are now JUMBO loans available in MI for homes valued up to \$6 Million as well!**
- **My Heirs will be responsible for the debt**  
**FALSE:** The Reverse Mortgage is repaid by selling the house once it is no longer your primary residence. Because it is an FHA/HUD backed loan your heirs are protected from being personally liable for the loan, no matter how much you owe
- **I already have a Reverse Mortgage so I can't benefit from the recently increased loan limit of \$822,375**  
**FALSE:** If your home is valued at more than your current Reverse Mortgage limit, you may be able to get more money by refinancing your Reverse Mortgage due to the increased loan limits & new jumbo loans. Call Lisa to see if refinancing would be beneficial for you
- **The Mortgage company can kick me out of my house at any time**  
**FALSE:** As long as you keep current on your property taxes, home insurance & general home maintenance you can not be kicked out of the house, even if you end up owing more than the future value

- **You have to be at least 62 years old to qualify for a Reverse Mortgage**  
TRUE & FALSE: Reverse Mortgages are specifically designed for seniors. For traditional HECM's the minimum age is 62.  
**\*\*\* NEW \*\*\* However, there are now programs available for those as young as 60 for homes valued at over \$500,000!**
- **You can use the Reverse Mortgage funds to supplement your monthly income, travel or pay off an existing mortgage**  
TRUE: It's YOUR money and you can do whatever you'd like with it
- **If you currently owe money on your home you can't get a Reverse Mortgage**  
FALSE: Depending on how much you owe on the home in comparison to it's value, you may be able to obtain a Reverse Mortgage and use it to pay off your existing mortgage, therefore eliminating the existing monthly payments and freeing up money in your monthly budget
- **You have to repay the Reverse Mortgage in a predetermined number of years**  
FALSE: Reverse Mortgages are designed to enable people to live in their homes the rest of their lives, where they are most comfortable. There is no time limit to repay the loan as long as it continues to be your principle primary residence & your taxes and insurance are kept current
- **There is no cost to obtain a Reverse Mortgage**  
FALSE: Just like any mortgage there are closing costs involved in obtaining a Reverse Mortgage. Typically closing costs on a Reverse Mortgage are higher than a standard conventional mortgage, however the majority of the costs can be funded in with the loan so there is very little out of pocket expense for you.  
**\*\*\* NEW \*\*\* There are now programs available that have closing costs for under \$300!**
- **You can now purchase a home with a Reverse Mortgage**  
TRUE: Whether you are downsizing or purchasing a vacation home, you can now use a Reverse Mortgage to purchase a home with no monthly mortgage payments
- **Lisa Haggai is LOCAL and can give you a free quote and answer any questions that you may have regarding Reverse Mortgages**  
TRUE: I am here to help you get the most of your Reverse Mortgage. I have been in the Reverse Mortgage industry for over 20 years. I am licensed, fully bonded, local in the Traverse City community and am someone that you can trust. I'd be happy to answer any questions or concerns that you may have.

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