



100 Cummings Center Suite 303C, Beverly, MA 01915 • Telephone 800.696.3896 • FAX 978.279.9226

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## Six Myths About Reverse Mortgages

### **Myth #1- The lender will own your home.**

-You continue to retain ownership of your home. The lender does not take control of the title!

### **Myth #2- Your heirs must pay the loan back.**

-A Reverse Mortgage is a **non-recourse** loan. The lender can only derive repayment of the loan from the proceeds of the sale of the property with you or your heirs retaining all of the equity. Your heirs owe nothing even if the property loses value!

### **Myth #3- You need income, good credit, or good health to qualify.**

-A Federally Insured/Federally regulated Reverse Mortgage has no income, credit or health requirements. Even a current bankruptcy or pending foreclosure is allowed!

### **Myth #4- You have to make monthly payments.**

-Although you always have the right to make interest or principal payments monthly there is in fact is **no repayment requirement**. Furthermore, 91% of seniors who use a Reverse Mortgage do not make any payments at all!

### **Myth #5- Your home must be debt free to qualify for a Reverse Mortgage.**

- You may have a mortgage or other debt on your home. In fact, a lot of seniors extinguish their current property debt and payments with a Reverse Mortgage and still have significant equity remaining for additional cash purposes!

### **Myth #6- Only "cash poor" senior citizens can benefit.**

- Not all seniors have a great need for cash or additional monthly income. A Reverse Mortgage is also an excellent financial or estate planning tool. One can even buy a new primary residence or second home with no mortgage or purchase long-term care insurance or life insurance.