

Reverse Mortgage



Reverse Mortgage Defined

A reverse mortgage, also known as a Home Equity Conversion Mortgage, is a loan against home equity, providing cash advances to a borrower, and requiring no repayment until the home is no longer the principal residence of the borrower.

How is the cash out calculated?

- ▶ The amount that can be borrowed is based on the HUD formula that factors in the age of the youngest homeowner, the interest rate, appraised value of the property, and the county where the property is located.

Interest Rates

- ▶ Reverse mortgages have adjustable interest rates that either adjust annually or monthly.
- ▶ The interest rate is linked to the one-year U.S. Treasury Security Rate.
- ▶ Any adjustment in the rate has no effect on the amount or the number of loan advances the customer can receive, but causes the loan balance to grow at a faster or slower rate.

Who can qualify?

- ▶ You must be least 62 years of age
- ▶ You must own your home
- ▶ Your home must be owner-occupied
- ▶ You must receive counseling from a HUD-approved counseling agency

Benefits of receiving a Reverse Mortgage:

- ▶ Funds can be used for any purpose including: to pay taxes, insurance, supplement your income, and/or make home repairs/improvements.
- ▶ No monthly payments are required.
- ▶ Ability to remain independent in your home.

When does loan repayment commence?

- ▶ When the property is no longer owner-occupied.
- ▶ If borrower(s) reside(s) outside of home for over 12 consecutive months.
- ▶ At the time of borrower(s) passing, at which time, the loan must be paid in full.



Contact Information

If you are interested in learning more about a reverse mortgage please contact:

Emmett Gross

Reverse Mortgage Counselor

Phone: (414) 461-6330

Fax: (414) 461-6320

7830 West Burleigh Street
Milwaukee, Wisconsin 53222

Emmett_Gross@hri-wi.org

Additional Resources for Seniors:

www.hud.gov

www.aarp.org/revmort/

[www.aurorahealthcare.org
/services/seniorsvcs/
index.asp](http://www.aurorahealthcare.org/services/seniorsvcs/index.asp)

www.county.milwaukee.gov/aging

www.benefitscheckup.org

To find a complete list of HUD
approved HECM lenders go to:

[www.hud.gov/offices/hsg/sfh/
hecm/hecmhome.cfm](http://www.hud.gov/offices/hsg/sfh/hecm/hecmhome.cfm)

and click on

“HUD Approved HECM Lenders”

Housing Resources, Inc.

7830 W. Burleigh Street
Milwaukee, Wisconsin 53222

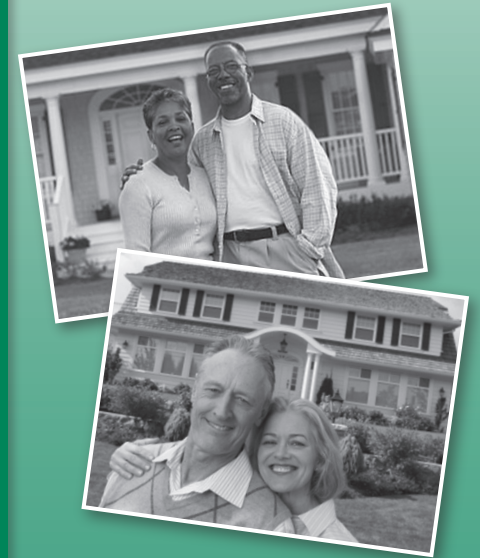
414 461-6330 PH

414 461-6320 FX



United Way
of Greater Milwaukee

Reverse Mortgage



Housing Resources, Inc.
reaches out to the community
to expand homeownership
opportunities through
education, credit counseling,
home purchase, maintenance
and wealth building.

HRI Mission Statement