

Enhance Your Financial Security

With a Home Equity Conversion Mortgage

Many homeowners across the nation have chosen a Home Equity Conversion Mortgage (HECM) to help them meet financial and personal goals. A HECM loan can be a smart and secure financial option for seniors who want to tap into a portion of equity in their home to gain access to tax-free¹ funds.

Funds Available, Distribution Options, Interest Rates and Costs

- Fixed and variable loan rates may be available
- Most closing costs and fees can be financed as part of the loan, resulting in little or no up front fees ²
- Amount available is based on the age of the youngest borrower, current interest rates, existing mortgage amount, and the lesser of the appraised value of your home, sale price or the maximum lending limit.
- Receive your funds in a lump sum, a regular monthly payment, a credit line, or a combination of these options
- The funds available to you may be restricted for the first 12 months after loan closing, due to HECM requirements. You may need to set aside additional funds from loan proceeds to pay for taxes and insurance. Consult your advisor for detailed program terms.

Eligibility

- Homeowner must be at least 62 years old
- Must have sufficient equity in your home
- Single family home, two to four unit³ owner-occupied home, townhouse, approved condominium or manufactured home
- Must meet financial eligibility criteria as established by HUD

Benefits

- Eliminates existing monthly mortgage payments⁴
- Stay in your home and maintain the title
- Heirs inherit any remaining equity after paying off the HECM loan
- Federal Housing Administration (FHA) insured HECM Loan Program
- Loan proceeds are tax-free

¹ Please consult your financial advisor.

² Except for HUD required counseling.

³ Not applicable to HECM for Purchase.

⁴ You must still live in the home as your primary residence, continue to pay required property taxes, homeowners insurance, and maintain the home according to Federal Housing Administration requirements.



This material is not provided by, nor was it approved by the Department of Housing & Urban Development (HUD) or by the Federal Housing Administration (FHA).

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