

LEARN ABOUT HOME EQUITY



WHAT IS HOME EQUITY?

Home equity is the difference in the market value of your home and how much you owe.

Example:

	-		=	
\$425,000		\$150,000		\$275,000
Home Market Value		Mortgage		Home Equity



Total untapped home equity in the us
\$11.03 TRILLION



Total home equity held by us homeowners 62 and older
\$6.2 TRILLION

WAYS TO INCREASE YOUR HOME EQUITY



Make home improvements to increase value



Rise in home values in real estate market



Pay off some/all of mortgage or debt on the house

POPULAR WAYS TO TAP HOME EQUITY



Home Equity Loan



Home Equity Line of Credit



Cash-out Refinance



Selling The Home

ADDITIONAL HOME EQUITY OPTIONS FOR HOMEOWNERS 62 AND OVER

HECM REVERSE MORTGAGE

1 MILLION+ Senior Homeowners used a reverse mortgage loan to supplement retirement savings

*A reverse mortgage is a loan that requires no monthly principal or interest payments, but borrowers must continue to pay property taxes, insurance, and maintain the home.

REVERSE MORTGAGE LOAN PROCEEDS CAN BE TAKEN AS:



A Lump Sum



Fixed Monthly Payment



A Line of Credit



Both Monthly Payments & a Line of Credit

IMPORTANT DIFFERENCES BETWEEN A HELOC AND A HECM LOC

	HELOC	HECM LOC
Unused portion grows every month		✓
Cannot be frozen or reduced		✓
Ongoing monthly payments	✓	
Predefined due date	✓	
Non-recourse loan		✓
Mandated pre-loan counseling		✓

There is no "one size fits all" in retirement planning. All options should be researched before making the right decision for you.

For more information visit: www.reversemortgage.org